

**APPROVED**  
by the resolution of the Supervisory Board  
of the Moscow Exchange  
on August 7, 2024 (Minutes No. 5)

**Equities & Bond Market, Deposit Market and Credit Market Trading Rules**  
Public Joint-Stock Company “Moscow Exchange MICEX-RTS”

PART III. REPO Market Section

## CONTENTS

<b>Equities &amp; Bond Market, Deposit Market and Credit Market Trading Rules .....</b>	<b>1</b>
Subsection 1.1. Terms and Definitions .....	3
Subsection 1.2. General Provisions .....	5
Subsection 1.3. Orders and Quotes .....	5
Subsection 1.4. Conditions for REPO Orders to be Registered.....	16
Subsection 1.5. Procedure for Executing REPO Trades.....	18
Subsection 1.6. REPO Trading with Decentralized Clearing .....	22
Subsection 1.7. Execution of REPO Trades with the Central Counterparty .....	28
Subsection 1.8. Trading in the Trading Mode “Settlement of Trades T+: REPO” .....	36
Subsection 1.9. Trading in the Trading Mode “REPO with the CCP: Settlement Procedures”	37

## Subsection 1.1. Terms and Definitions

1.1.1. In this special part of the Trading Rules, the following terms and definitions are used:

1.1.1.1. Intraday REPO Trade means a REPO trade, the Settlement Dates for the first and second legs of which fall on the same settlement date (tenor of the REPO trade shall be considered equal to zero).

1.1.1.2. GC Basket means a suite of securities eligible to be stated in an off-order book GC Basket REPO order instead of security name (trading code). The GC Basket is composed by the Exchange based on information received from the Clearing Organization.

1.1.1.3. FX Cross Rate means a relation between two currencies that is defined based on Bank of Russia's official exchange rates against rouble. FX Cross Rates are used to calculate an income by which the REPO Amount is decreased in REPO trades with settlement in a foreign currency other than that in which the underlying security is denominated. FX Cross Rates are defined as follows:

$$CR_i = \frac{Q_{r.tr} * R_{nom.rur}}{R_{tr.rur}}, \text{ where}$$

$CR_i$  – cross rate of an underlying security currency against a trade settlement currency;

$Q_{r.tr}$  – amount of a trade settlement currency served to determine the official exchange rate of the foreign currency against rouble by the Bank of Russia;

$R_{nom.rur}$  – the official exchange rate for a currency in which the security is denominated, against rouble as on the cross-rate date, RUB;

$R_{tr.rur}$  – the official exchange rate of a trade settlement currency against rouble as on the cross-rate date, RUB.

1.1.1.4. Maximum Haircut means a condition of a REPO trade that can be established by its counterparties at its conclusion in the REPO Market Section.

1.1.1.5. Minimum Haircut means a condition of a REPO trade that can be established by its counterparties at its conclusion in the REPO Market Section.

1.1.1.6. Initial Value of Haircut (hereinafter – Initial Haircut) means a prerequisite for concluding a REPO trade whose value is determined in the Moscow Exchange Trading System at its conclusion in the REPO Market Section. The size of a Haircut is either indicated by the counterparties in the order for conclusion of a REPO trade, or calculated in the Moscow Exchange Trading System on the basis of values of other requisites specified in the order for conclusion of a REPO trade.

1.1.1.7. Period till the execution of the 2nd leg of an Open Repo trade means a number of calendar days after submission of the order for execution of an Open REPO trade, following which the 2nd leg of the REPO trade becomes mature for execution, but not later than the maximum possible term specified in the REPO order

- 1.1.1.8. Open REPO Trade means a REPO trade with the date of execution of the second part determined on demand of any of the counterparties in accordance with the Clearing Rules. The maximum possible tenor of a REPO shall be set by counterparties to the trade. The maximum possible tenor may be limited by the Exchange's decision.
- 1.1.1.9. List of Securities means a set of securities that is created in the Trading System based on information from the Clearing Organization. Lists of securities are given unique names (unique codes).
- 1.1.1.10. Tenor of a REPO Trade means the number of calendar days determined at the conclusion of a REPO trade. Tenor of REPO Trades shall be calculated from the date for the first leg of the REPO trade in the REPO Market Section.
- 1.1.1.11. REPO Rate means a value, which can be positive, negative or equal to zero, expressed as a percentage per annum, designated by a Trading Member in the REPO order and used in the REPO Market Section to calculate the price of the second leg of the REPO Trade or the Cost of Buy-Back. Unless otherwise decided by the Exchange, an indicative rate used to calculate the REPO Rate may be stated in an order together with such indicative rate deviation in percent per annum (Floating REPO Rate). Permissible values of the indicative rate for “Interdealer REPO”, “REPO with the CCP – Settlement Procedures”, “REPO with the CCP – Order Book Orders”; “REPO with the CCP – Off-Order Book Orders” and “Fulfilment of obligations under Trades T+: REPO” Trading Modes, with the REPO Rate for the trade concluded equalling the sum of indicative rate and deviation from the indicative rate as indicated by Trading Members when placing orders are set by the Exchange. For “REPO Auction with the Bank of Russia: Floating Rate” and “REPO with the Bank of Russia: Floating Rate (extra)” Trading Modes indicative rates are set by the Exchange with the agreement of the Bank of Russia. This Trading Mode does not require that indicative rates should be stated in orders, however, for the executed trade the REPO Rate should represent the sum of indicative rate and indicative rate deviation stated by Trading Members when placing orders.
- 1.1.1.12. REPO Amount means a condition of a REPO trade, the value of which shall be determined in the Trading System at its conclusion in the REPO Market Section. The value of REPO Amount shall either be indicated by the counterparties in the order for conclusion of a REPO trade, or calculated in the Trading System on the basis of values of other requisites of the order for conclusion of a REPO trade.
- 1.1.1.13. Haircut Tick means minimum possible difference between the values of Haircut specified in orders for conclusion of REPO trades.
- 1.1.1.14. REPO Rate Tick means a minimum allowed difference between the REPO Rates indicated in orders with the same direction (to raise money or to place money) submitted to execute REPO trades.
- 1.1.2. Terms not specifically defined in this Part 3 of the Trading Rules shall have definitions established in Part 1 “General Section of the Trading Rules”, the special parts of the Trading Rules, the Clearing Rules, the Admission Rules as well as laws and other regulatory acts of the Russian Federation.

## **Subsection 1.2. General Provisions**

- 1.2.1. This Part 3 “REPO Market Section” (hereinafter referred to as “this Part 3 of the Trading Rules) is an integral part of the Equities & Bond Market, Deposit Market and Credit Market Trading Rules of Public Joint-Stock Company Moscow Exchange MICEX-RTS. It has been adopted in accordance with the Charter of the Exchange, laws and other regulatory acts of the Russian Federation.
- 1.2.2. This Part and Part 1 “General Section of the Trading Rules” set out how trading is held in the REPO Market Section.
- 1.2.3. In the REPO Market Section, securities are traded in the following Trading Modes:
- 1.2.3.1. During the Main Trading Session and Additional Trading Session with decentralized clearing:
- “Interdealer REPO”;
  - “REPO Auction”
  - “REPO with the Bank of Russia: REPO Auction”;
  - “REPO with the Bank of Russia: Fixed Rate”;
  - “REPO with the Bank of Russia: Floating Rate (extra)” and
  - “REPO Action with the Bank of Russia: Floating Rate”.
- 1.2.3.2. During the Main Trading Session and Additional Trading Session based on central clearing:
- “REPO with the CCP – Order Book Orders”;
  - “REPO with the CCP – Off-Order Book Orders”;
  - “REPO with the CCP – Auction”;
  - “REPO with the CCP – Symmetric Auction”;
  - “REPO with the CCP – Settlement Procedures”.
- 1.2.3.3. During the Main Trading Session based on central clearing:
- “Fulfilment of obligations under Trades T+: REPO”.

## **Subsection 1.3. Orders and Quotes**

- 1.3.1. In the REPO Market Section, Trading Members shall be entitled to place the following order types for conclusion of transactions in the Trading System (unless otherwise decided by the Exchange):
- off-order book REPO orders;
  - off-order book REPO orders (the GC Basket);
  - limit orders for REPO trades with the CCP;
  - market orders for REPO trades with the CCP;
  - off-order book orders for REPO trades with the CCP;
  - order book REPO orders (CCP) (with and without residing on the order book);
  - aggregate orders for REPO trades with the CCP.

- 1.3.2. Limit, market and order book REPO orders for executing REPO trades can only be on-order book orders available for all Trading Members.
- 1.3.3. Off-Order book REPO orders, off-order book REPO order (GC Basket) and off-order book REPO orders (CCP) can only be negotiated with specific Trading Members.
- 1.3.4. Limit orders for executing REPO trades with the CCP with the "Insert to Queue" (DAY) attribute are orders residing on the order book. Limit orders for executing REPO trades with the CCP with the "Immediate or Cancel" ("Kill Balance") or "Fill or Kill" attributes are not orders residing on the order book. Order book REPO orders (CCP) which remain active before a valid opposite order is entered into the Trading System, or before the order term specified herein expires, shall be orders residing on the order book. Order book REPO orders (CCP) which may be recognised as valid opposite orders to order book REPO orders (CCP) active at the time such orders are placed, shall be orders without residing on the order book.
- 1.3.5. When being entered into the Trading System, any order must include the following details, depending on its type:

- 1.3.5.1. Conditions for conclusion of REPO trades shall be stipulated in Subsection 1.6 "Conclusion of REPO Trades under the Decentralized Clearing" hereof.

An off-order book REPO order shall include the following details:

- the order type (off-order book REPO order);
- the ID of the Trading Member which placed the order;
- the Trading Member's code (when the Trading Member places an order for conclusion of a transaction on account of funds held in trust);
- the short name of the Trading Member which placed the order;
- the short name or ID of the Trading Member whom the application addresses (for orders sent in response to REPO Quotes, the short name or ID of the Trading Member shall be indicated if REPO Quotes have no additional anonymity attribute);
- the order direction (a buy or a sell in the first leg of a REPO trade);
- the REPO Rate (deviation from the indicative rate for orders to execute trades with Floating REPO Rate, in percent per annum);
- the tenor of a REPO Trade (in calendar days, for Intraday REPO Trades, their tenor shall be equal to zero) or flagged with the "Open REPO" attribute with a maximum possible tenor of a REPO indicated;
- the period till the execution of the 2nd leg of an Open Repo trade (in calendar days);
- the name (trading code) of the security;
- the trading and clearing account;
- the short code of the Trading Member's client (when the Trading Member places an order on a client's account (including issuers));
- the rate of fixed compensation (percentage of REPO Amount);
- the settlement code (an acceptable list of settlement codes for the security shall be established as per Part 1 "General Section of the Trading Rules");
- the REPO Amount, including the ACI;
- the Initial Haircut rate, %;

- the reference (a checkable box and comments);
- the Maximum Haircut, %;
- the Minimum Haircut, %;
- the number of securities, in lots;
- the SMA identifier (for instruction-based orders entered with the use of the SMA identifier);
- the Trading Member's SES.

The field "reference" shall not be an obligatory requisite, i.e. can be left blank. If this field is filled in, it can contain any sequence of letters, numbers or symbols.

A valid opposite order for conclusion of a REPO trade shall be an order of the same type with the following matching conditions:

- the order type;
- the name (trading code) of the security;
- the number of securities, expressed in lots;
- the REPO Amount;
- the tenor of a REPO Trade or flagged with the "Open REPO" attribute with a maximum possible tenor of a REPO indicated;
- the period till the execution of the 2nd leg of an Open Repo trade (in calendar days);
- the REPO Rate (deviation from the indicative rate for orders to execute trades with the Floating REPO Rate);
- the reference;
- the rate of fixed compensation;
- the Initial Haircut rate, %;
- the reference;
- the Maximum Haircut, %;
- the Minimum Haircut, %;
- the settlement code.

At this, the order shall be an off-order book order available for the Trading Member that has placed a valid opposite order.

If sent in response to REPO Quotes, orders shall be available for Trading Members having placed these REPO Quotes during a call phase.

Unless otherwise provided by a decision of the Exchange, it is permitted to execute a REPO trade in the Trading Modes "REPO with the Bank of Russia: REPO Auction" and "REPO Auction with the Bank of Russia: Floating Rate", provided that all parameters of the two valid opposite orders determined in the current Clause have matched, except for:

- the number of securities expressed in lots;
- the REPO Amount;
- the Initial Haircut rate, %.

In such a case, the above-mentioned conditions of a REPO trade shall be determined based on the REPO Amount and initial Haircut rate in the order with a smaller REPO Amount.

Trading Members also agree that the off-order book REPO order for securities sale submitted in the Trading Modes "REPO with the Bank of Russia: REPO Auction" and "REPO Auction with the Bank of Russia: Floating Rate" can be filled partially.

Off-Order book basket REPO orders shall include the following details:

- the order type (off-order basket REPO order);
- the Trading Member's ID;
- the Trading Member's short name;
- the short name or ID of the Trading Member which the order addresses;
- the order direction (a buy or a sell in the first leg of a REPO trade);
- the REPO Rate, percent per annum (deviation from the indicative rate for orders to execute trades with the Floating REPO Rate, in percent per annum);
- the REPO Tenor (in calendar days, zero for an Intraday REPO Trade);
- the name (code) of the GC Basket;
- the settlement type (DVP1 or DVP3 as per the Clearing Rules);
- the REPO Amount;
- the SMA identifier (for instruction-based orders entered with the use of SMA identifier);
- the Trading Member's SES.

If decided by the Exchange, the priority securities may also be included in the off-order book basket REPO order. The priority securities may be indicated as a certain security being transferred under the trade or a name (code) of a List of Securities that contains securities eligible for transferring under the trade.

The Exchange may enforce provisions that require mandatory early settlement of a trade involving a certain GC Basket upon request made by a public creditor / Trading Member acting upon the instruction of a public creditor. It means that a public creditor / Trading Member acting upon a public creditor's instruction shall be entitled to request to settle the second leg of a REPO trade in advance and the other Trading Member shall agree to do so on the date set by the public creditor / Trading Member acting upon a public creditor's instruction. A request for REPO trade second leg early settlement with a new settlement date indicated may be submitted to the Clearing Organization on any day after the settlement of the trade first leg, not including the settlement date, and before the settlement date of the REPO trade second leg.

Should the relevant information be received from a public creditor / Trading Member acting upon a public creditor's instruction, the Clearing Organization shall be entitled to change a settlement date for the REPO trade second leg (and, consequently, the actual term of the REPO trade). A request from a public creditor / Trading Member acting upon a public creditor's instruction for early settlement of the REPO trade second leg with a new settlement date and a respective change of the settlement date for the REPO trade second leg by the Clearing Organization shall serve as a basis for the Trading Member to settle the REPO trade second leg on a new settlement date. The Clearing Organization shall notify the Trading Member having executed such trade of a new settlement date in accordance with the procedures and deadlines set in the Clearing Organization's documents.

The Clearing Organization shall define a procedure and conditions for calculating REPO trade parameters taking a new settlement date into account.

An order of the same type with the following details matched is valid to be an opposite order to the off-order book basket REPO order:

- the order type (off-order book basket REPO order);
- the REPO Rate (deviation from the indicative rate for orders to execute trades with the Floating REPO Rate), in percent per annum;



- the tenor of REPO trade;
- the name (trading code) of the GC Basket;
- the priority securities;
- the settlement type;
- the REPO Amount;
- the Trading Member's SES.

Unless otherwise decided by the Exchange, the Trading Modes “REPO with the Bank of Russia: REPO Auction”, “REPO Auction with the Bank of Russia: Floating Rate” and “REPO Auction” provide for execution of a REPO trade based on any two valid opposite off-order book basket REPO orders with all details except for a REPO Amount stated in this clause matched. In this case, the above-stated conditions of a REPO trade are determined on the basis of a smaller REPO Amount. Furthermore, Trading Members agree that any off-order book basket REPO order intended for securities selling and entered in the Trading Modes “REPO with the Bank of Russia: REPO Auction”, “REPO Auction with the Bank of Russia: Floating Rate” and “REPO Auction” may be filled partially.

- 1.3.5.2. Conditions for executing trades in the Trading Modes “REPO with the CCP – Order Book Orders”, “REPO with the CCP – Symmetric Auction” and “REPO with the CCP – Auction” are defined in Subsection 1.7 “Execution of REPO Trades with the Central Counterparty” hereof.

The following details shall be indicated in the limit order for executing a REPO trade with the CCP:

- the order type (limit order for executing a REPO trade with the CCP);
- the ID of a Trading Member;
- the Trading Member code (when a Trading Member places an order for executing a trade on account of funds held in trust);
- the order direction (an order to raise money or an order to place money);
- the security name;
- the name (code) of the basket of securities, if an order is placed in the Trading Mode “REPO with the CCP – Auction”;
- the number of securities in lots;
- the REPO Amount;
- the REPO Rate (a minimum rate for placing money/maximum rate for raising money), or deviation from the indicative rate (min deviation for money placement/max deviation for money raising) in percent per annum for floating-rate REPO orders;
- the settlement code (Y0/Y1, unless other settlement code is defined by Part 1 “General Section of the Trading Rules”);
- the Haircut (to be determined by the Exchange);
- the trading and clearing account;
- the short code of a Trading Member's client (when a Trading Member places an order on a client's behalf (including issuers));
- the SMA identifier (for instruction-based orders entered with the use of SMA identifier);
- the Trading Member's SES.

Orders for REPO trades with the CCP with additional attributes indicated which specify execution of trades by order filling type (in terms of unfilled balance) in accordance with Part 1 “General Section of the Trading Rules” are allowed to be entered into the Trading System.

Where a limit order for executing a REPO trade with the CCP is submitted, an additional attribute “Market Maker order” (this attribute indicates that the order is to fulfil obligations of a market maker) can be enabled.

If a limit order for executing a REPO trade with the CCP with the attribute “Fill or Kill” has been registered in the Trading System, valid opposite orders thereto shall be opposite orders primarily with the best REPO Rates (deviations from the indicative rate for floating-rate REPO orders); REPO Rates (deviations from the indicative rate) shall be equal or less than a REPO Rate (deviation from the indicative rate) in an order for raising money (equal or more than a REPO Rate (deviation from the indicative rate) in an order for placing money) with a total REPO Amount that is equal or more than the one indicated in the order. Valid opposite orders towards a limit order for executing a REPO trade with the CCP in which other attributes are indicated shall be opposite orders primarily with the best REPO Rates (deviations from the indicative rate); REPO Rates (deviations from the indicative rate) shall be equal or less than a REPO Rate (deviation from the indicative rate) in an order for raising money (that are equal or more than a REPO Rate in an order for placing money). Along with the above-mentioned REPO orders, valid opposite orders towards a limit order for executing a REPO trade with the CCP shall be the orders classed as opposite orders in accordance with Part 4 “Deposit Market Section of the Trading Rules”.

In addition to the above-listed attributes, limit orders for REPO trades (CCP) may be entered with the “visible volume” attribute. The Exchange may prohibit using this additional attribute when entering orders in certain trading periods and/or Trading Modes. For the purpose of this Part of the Trading Rules, limit orders for REPO trades (CCP) of such type shall be referred to as iceberg orders. The “visible volume” attribute shall be entered as a percentage of the REPO Amount.

The “visible volume” set at placing the order is disclosed to Trading Members in the order queue as “visible number of securities” and “visible amount of REPO” values calculated when placing the order, and a remaining number of securities and REPO Amount are not disclosed to Trading Members in the order queue, i.e. are hidden. The value of “visible number of securities” is calculated based on the “visible volume” indicated in the order and is rounded up to a lot.

The decision of the Exchange may rule that an iceberg order shall be rejected when being entered, if it fails to fall within the minimum and maximum allowed “visible volume” limits or the minimum REPO Amount limit set by the Exchange for iceberg orders.

Iceberg orders may be entered into the Trading System with the following additional trade-specific attributes in terms of the order execution type: “Insert to Queue” (in terms of unfilled balance), and “At the Same Price” or “At Different Prices” (in terms of price).

The following details shall be indicated in the market order for executing a REPO trade with the CCP:

- the order type (a market order for executing REPO trade with the CCP);
- the ID of a Trading Member;
- the Trading Member code (when a Trading Member places an order for executing a trade on account of funds held in trust);

- the order direction (an order to raise money or an order to place money);
- the security name;
- the number of securities in lots;
- the REPO Amount;
- the trading and clearing account;
- the settlement code (Y0/Y1, unless other settlement code is defined by Part 1 “General Section of the Trading Rules”);
- the Haircut (to be determined by the Exchange);
- the short code of a Trading Member's client (when a Trading Member places an order on a client's behalf (including issuers);
- the SMA identifier (for instruction-based orders entered with the use of SMA identifier);
- the Trading Member's SES.

Additional attributes are not allowed for market orders for executing a REPO trade with the CCP. If a market order for executing a REPO trade with the CCP intended to raise/place money has been registered in the Trading System, valid opposite orders thereto shall be queued opposite orders primarily with a minimum REPO Rate (deviation from the indicative rate) for orders to raise money (a maximum REPO Rate (deviation from the indicative rate) for orders to place money).

Along with the above-mentioned REPO orders, valid opposite orders towards a market order for executing a REPO trade with the CCP shall be the orders classed as valid opposite orders in accordance with Part 4 “Deposit Market Section of the Trading Rules”.

The following details must be indicated in an aggregate CCP REPO order:

- the order type (aggregate CCP REPO);
- the ID of the Trading Member;
- the order direction (an order to raise money or an order to place money);
- the trading and clearing account;
- the name (code) of the list of securities;
- the REPO Amount;
- the REPO Rate (a minimum/maximum rate for money placing/raising), percent per annum, or deviation from the indicative rate (min deviation for money placement/max deviation for money raising) in percent per annum for floating-rate REPO orders;
- the Trading Member's SES.

In addition, any aggregate CCP REPO order shall contain one or more CCP REPO limit orders on a certain security included in the list of securities of the aggregate order.

Indicating details in a CCP REPO limit order entered through an aggregate CCP REPO order that do not match those in the aggregate order is not allowed. This does not apply to the details “Order type” and “REPO Amount”.

1.3.5.3. Conditions for executing trades in the Trading Mode “REPO with the CCP – Off-Order Book Orders” are given in Subsection 1.7 “Execution of REPO Trades with the Central Counterparty” hereof.

The following details shall be indicated in an off-order book order for executing a REPO trade with the CCP in the Trading Mode “REPO with the

CCP – Off-Order Book Orders”:

- the order type (an off-order book order for executing a REPO trade with the CCP);
- the ID of the Trading Member;
- the Trading Member’s code (when the Trading Member places the order for executing a trade on account of funds held in trust);
- the short name of the Trading Member which placed the order;
- the short name or ID of the Trading Member whose order can be admitted as a valid opposite order, or the Code of the Trading Member-Central Counterparty for Off-Order Book Orders to execute REPOs with the CCP with the selection of a counterparty. For orders sent in response to REPO Quotes, the short name or ID of the Trading Member shall be indicated if REPO Quotes have no additional anonymity attribute);
- the order direction (an order to raise money or an order to place money);
- the REPO Rate (deviation from the indicative rate for floating-rate REPO orders) as an annual percentage rate;
- the name (trading code) of the security or name (code) of the list of securities;
- the trading and clearing account;
- the short code of the Trading Member's client (when the Trading Member places an order on the client’s behalf (including issuers);
- the settlement code (the admissible codes for the given security are established in Part 1 “General Section of the Trading Rules”);
- the period till the execution of the 2nd leg of an Open Repo trade (in calendar days);
- the Initial Haircut, %;
- the REPO Amount;
- the number of securities in lots (for orders in which the name (trading code) of the security has been indicated);
- the SMA identifier (for instruction-based orders entered with the use of SMA identifier);
- the Trading Member's SES.

The field "reference" shall not be an obligatory requisite, i.e. can be left blank (except Off-Order Book Orders to execute REPOs with the CCP with the selection of a counterparty in the Trading Mode “REPO with the CCP – Off-Order Book Orders”. For Off-Order Book Orders to execute REPOs with the CCP with the selection of a counterparty in the Trading Mode “REPO with the CCP – Off-Order Book Orders”, the filled in field must contain a unique sequence of symbols allowing for identification of valid opposite orders.

A valid opposite order for an order submitted in the Trading Mode “REPO with the CCP – Off-Order Book Orders” with the name (trading code) of the security indicated shall be an order of the same type with opposite direction and the following matched conditions:

- the order type;
- the name (trading code) of the security;
- the number of securities in lots;
- the Haircut, %;
- the REPO Amount;

- the REPO Rate (deviation from the indicative rate for floating-rate REPO orders);
- the settlement code;
- the period till the execution of the 2nd leg of an Open Repo trade (in calendar days).

Along with the above-mentioned REPO orders, valid opposite orders towards a CCP off-order book order shall be the orders classed as opposite orders in accordance with Part 4 “Deposit Market Section of the Trading Rules”.

A valid opposite order for a REPO trade submitted in the Trading Mode “REPO with the CCP – Off-Order Book Orders” for an order submitted with the name (trading code) of the list of securities indicated, shall be an order of the same type with opposite direction and the following matched conditions:

- the order type;
- the name (trading code) of the security coinciding with the name (trading code) of the security included in the list of securities;
- the REPO Amount;
- the REPO Rate (deviation from the indicative rate for floating-rate REPO orders);
- the settlement code.

A REPO Amount and number of securities in lots for a REPO trade executed based on an order with the name (trading code) of a relevant list of securities indicated shall be determined based on conditions of a valid opposite order.

1.3.5.4. Conditions for executing trades in the Trading Mode “REPO with the CCP – Settlement Procedures” are given in Subsection 1.9 “Execution of REPO Trades with the Central Counterparty” hereof.

The following details shall be indicated in an order book order for executing a REPO trade with the CCP in the Trading Mode “REPO with the CCP – Settlement Procedures”:

- the order type (an order book order for executing a REPO trade with the CCP);
- the Trading Member’s ID;
- the Trading Member’s code (when a Trading Member places the order for executing a trade on account of funds held in trust);
- the short name of a Trading Member which placed the order;
- the “visible to all” special code as a short name or an ID of a Trading Member whose order can be admitted as a valid opposite order;
- the order direction (an order to raise money or an order to place money);
- the REPO Rate (deviation from the indicative rate for floating-rate REPO orders) as an annual percentage rate;
- the trading and clearing account;
- the short code of the Trading Member's client (when the Trading Member places an order on client’s account (including issuers);
- the settlement code (the admissible codes for the given security are established in Part 1 “General Section of the Trading Rules”);
- the Haircut, %;

- the REPO Amount;
- the number of securities in lots (for orders in which the name (trading code) of the security has been indicated);
- the SMA identifier (for instruction-based orders entered with the use of SMA identifier);
- the Trading Member's SES.

A valid opposite order for a REPO trade submitted in the Trading Mode “REPO with the CCP – Settlement Procedures” for a CCP order book REPO order submitted with the name (trading code) of the security indicated, shall be an order of the same type with opposite direction and the following matched conditions:

- the order type;
- the name (trading code) of the security;
- the Haircut, %;
- the REPO Rate (deviation from the indicative rate for floating rate REPO orders);
- the settlement code.

- 1.3.6. An aggregate CCP REPO order may be filled partially by executing a trade based on a limit CCP REPO order entered through this aggregate order. If such aggregate CCP REPO order has been filled partially, its REPO Amount shall be decreased by the REPO Amount of the trade executed.

It shall be acceptable to execute a trade in respect of part of the REPO Amount determined according to the terms of the order (partial fulfilment of the order) in limit CCP REPO orders with the “Enqueue” attribute. If such order has been filled partially, its REPO Amount shall be decreased by the REPO Amount of the trade executed.

- 1.3.7. Entering a limit order for executing a REPO trade with the CCP, a market order for executing a REPO trade with the CCP, and an order book order for executing a REPO trade with the CCP into the Trading System shall be deemed a Trading Member’s unconditional consent to execute a relevant trade provided that valid opposite orders are available with a REPO Rate (deviation from the REPO Rate) that is equal to or better than the one indicated in its order (if indicated) to be fully or partially filled (unless otherwise established by the Exchange).
- 1.3.8. If a limit CCP REPO order residing on the order book is filled partially, it shall be queued on the order book (in the amount of the unfilled part).
- 1.3.9. If a limit CCP REPO order not residing on the order book is filled partially, its unfilled part shall be withdrawn from trading (unless otherwise decided by the Exchange and/or provided for in this Part 3 of the Trading Rules).
- 1.3.10. Any limit CCP REPO order is not allowed to be withdrawn or changed if it was entered through an aggregate CCP REPO order. Such limit CCP REPO order may be withdrawn or changed by withdrawing or changing a relevant aggregate CCP REPO order.
- 1.3.11. Within the E&B Market Section the Trading Member shall be entitled to submit REPO Quotes. The REPO Quote may be directed to multiple Trading Members at the choice of the sending Trading Member or may not indicate a specific addressee.

The REPO Quote shall indicate:

- the submitting Trading Member's ID;
- the submitting Trading member's code;
- the short name of the submitting Trading Member;
- the special "visible to all" code or a set of short names or identifiers of the Trading Members the Quote is directed to;
- the REPO Quote direction (to raise money or to place money);
- the volume of the REPO Quote (if indicated);
- the REPO Rate (deviation from the indicative rate for floating-rate REPO orders) as an annual percentage rate (if indicated);
- the name of the security or of the basket of securities;
- the trading and clearing account;
- the short code of the Trading Member's client (when the Trading Member places an order on client's account (including issuers);
- the settlement code (the admissible codes for the given security are established in Part 1 "General Section of the Trading Rules"), unless the exchange decides otherwise;
- the Haircut, %;
- the REPO Quote amount;
- the number of securities in lots (for placed orders that indicate the name (for orders in which the name (trading code) of the security has been indicated);
- the SMA identifier (for instruction-based orders entered with the use of SMA identifier);
- the REPO Quote anonymity attribute (if used), which indicates that the submitting Trading Member is not disclosed;
- call phase duration for off-order book REPO/Deposit orders in response to REPO Quote as decided by the Exchange;
- time for accepting the received REPO/Deposit orders placed in response to the REPO Quote set by the Exchange;
- the additional attribute "full volume only", meaning that an off-order book REPO/Deposit order in response to a REPO Quote may only be submitted with the volume equal to that specified in the REPO Quote (if used);
- the Trading Member's SES.

A REPO Quote is an electronic message signed by the Trading Member's SES and entered into the Trading System to invite an offer. Trading Members may place REPO Quotes in the Trading Modes determined by the Exchange's decision. The REPO Quote-based trade may be concluded only if the Trading Member accepts the off-order book REPO/Deposit order submitted in response to such a REPO Quote. The number of the REPO Quotes the Trading Member may send to the Trading System shall be decided by the Exchange. The Exchange shall register the REPO Quotes without confirmation of the REPO Quotes' completing the Collateral Control Procedure received by the Exchange.

After receiving information on the submitted REPO Quote, the Trading Member may submit an opposite off-order book REPO/Deposit order fully matching the REPO Quote or matching it in respect of REPO/Deposit rate and/or the amount. One REPO Quote may be responded to by an unlimited number of off-order book orders matching the terms of the REPO Quote. When receiving information on the off-order book REPO/Deposit order that fully matches the REPO Quote or matches it in terms of rate and/or REPO/Deposit amount, the Trading Member submitting the REPO Quote shall be entitled to send the off-order book REPO order, which is a valid opposite order to any off-order book REPO/Deposit order submitted in response to the REPO Quote, or to several such orders (if the REPO/Deposit Quote is received with no additional attribute "for full

volume only" specified, the Trading Member shall be entitled to specify in the REPO/Deposit Order of the opposite direction the volume between the minimum order volume determined by the Exchange's decision and the volume specified in the REPO/Deposit Quote, allowing for partial execution of such order by the Trading Member that sent the REPO Quote). In case a REPO/Deposit order with the additional attribute "full volume only" is received, the Trading Member shall be entitled to submit an opposite off-order book REPO/Deposit order only with the volume that equals the one indicated in the relevant REPO Quote).

#### **Subsection 1.4. Conditions for REPO Orders to be Registered**

- 1.4.1. The following order types placed by Trading Members shall be registered in the Trading System only after the Exchange receives a report from the Clearing Organization on the possibility of registering the order:
  - the off-order book REPO order;
  - the limit order for executing a REPO trade with the CCP;
  - the market order for executing a REPO trade with the CCP;
  - the off-order book order for executing a REPO trade with the CCP;
  - the aggregate order for executing a REPO trade with the CCP.
- 1.4.2. Orders indicating the additional attribute "Market Maker Order" shall be accepted by the Trading System only from Trading Members assigned with the Market Maker status and with which the Exchange has concluded agreements/contracts for performance of Market Maker functions for the duration of the agreement/contract.
- 1.4.3. The Trading System shall not register orders with a REPO Rate (deviation from the indicative rate) exceeding the limits set for the REPO Rate fluctuations (deviations from the indicative rate), established by the Exchange on the basis of indicative REPO Rate (deviation from the indicative rate) for the purposes of determining the REPO Rate fluctuations (deviations from the indicative rate) with respect to the given underlying asset on a current trading day.
- 1.4.4. The Trading System shall not register orders placed with indication of the type of a trading and clearing account, the use of which is restricted in the REPO Market Section and/or specific Trading Modes (periods) and/or for specific securities by decision of the Exchange based on information received from the Clearing Organization. The Exchange is entitled to impose other restrictions on allowed types of underlying assets which are indicated in buy/sell orders entered with the international central securities depositories' trading and clearing accounts indicated using information received from the National Settlement Depository.
- 1.4.5. When a Trading Member places orders on a client's behalf (including an issuer of securities), as well as on account of funds held in trust, such order for purchase and/or sale shall not be registered in the Trading System, if a short client code or Trading Member code indicated in the order do not match any short client codes or Trading Member codes assigned by the Exchange to clients of the Trading Member or the Trading Member itself, taking into account specifics stipulated in the laws and other regulatory acts of the Russian Federation.
- 1.4.6. To avoid concluding transactions in securities based on orders submitted by a single person (identified by its code), as well as resulting in breach of restrictions imposed on



the trust manager in accordance with the laws and other regulatory acts of the Russian Federation in Trading Modes “Interdealer REPO”, “REPO Auction”, “REPO with the Bank of Russia: REPO Auction”, “REPO Auction with the Bank of Russia: Floating Rate”, “REPO with the CCP – Order Book Orders”, “REPO with the CCP – Auction”, “REPO with the CCP – Symmetric Auction”, “REPO with the CCP – Off-Order Book Orders”, “Settlement of Trades T+: REPO”, “REPO with the Bank of Russia: Fixed Rate”, and “REPO with the Bank of Russia: Floating Rate (extra)”, an order placed by a Trading Member shall not be registered in the Trading System, if it entails conclusion by the Trading Member of a transaction:

- 1.4.6.1. based on opposite orders of Trading Member(s) placed on account of the same client, except trades based on off-order book orders, provided that the Trading Member(s) indicate(s) pertinent information as per the procedure set out in the Admission Rules;
- 1.4.6.2. based on opposite orders of a Trading Member placed on its own account;
- 1.4.6.3. based on opposite orders of a Trading Member placed on account of funds held in trust, which list the same code of the Trading Member (trust manager and/or trustor);
- 1.4.6.4. based on an order placed by this Trading Member on its account on the one hand, and an order placed by the Trading Member on account of funds held in trust, on the other hand (or based on an order placed by the Trading Member on account of a client on the one hand, and an order placed by the Trading Member on account of funds held in trust with the same client on the other hand);
- 1.4.6.5. based on orders placed by this Trading Member on its own account or on account of funds held in trust on the one hand, and placed by another Trading Member on its own account that acts as a client, on the other hand.
- 1.4.7. Should a Trading Member place an order on a client’s account, as well as on account of funds held in trust, indicating settlement code Z0, the order shall not be registered in the Trading System, if it entails the conclusion by the Trading Member of a transaction, in which such Trading Member is both a buyer and a seller of securities and uses the same trading and clearing account.
- 1.4.8. Should a Trading Member place an order to buy securities for qualified investors on a client’s account, the order shall be registered in the Trading System provided that such client is a qualified investor registered by the Moscow Exchange as a qualified investor in accordance with the Admission Rules.
- 1.4.9. Should a Trading Member place an order to buy securities on a client’s account which are traded and placed only among credit organizations, the order shall be registered in the Trading System provided that such client is a credit organization registered by the Moscow Exchange as a credit organization in accordance with the Admission Rules.

- 1.4.10. The Exchange is entitled to remove active orders throughout the trading day according to the procedure and time frames specified in an agreement between the Trading Member and the Technical Centre.

#### **Subsection 1.5. Procedure for Executing REPO Trades**

- 1.5.1. REPO trades are concluded in Trading Modes “Interdealer REPO”, “REPO Auction”, “REPO with the Bank of Russia: REPO Auction”, “REPO Auction with the Bank of Russia: Floating Rate”, “REPO with the Bank of Russia: Fixed Rate”, “REPO with the CCP – Order Book Orders”, “REPO with the CCP – Auction”, “REPO with the CCP – Symmetric Auction”, “REPO with the CCP – Off-Order Book Orders” on trading days established in accordance with Part 1 “General Section of the Trading Rules”. REPOs in a security eligible only for REPO may be concluded on or after the day on which the Exchange includes such security in the list of securities available for REPO only. Such transactions shall be executed only at the expense of qualified investors and exclude GCC-REPO, REPO trading is suspended/terminated in cases set out in the Trading Rules, or if a security in which a trade is executed is deleted from the list of securities eligible only for REPO.
- 1.5.2. The Exchange may establish possible limiting values for REPO trade orders, including the accuracy of the following requisites:
- the REPO Rate (deviation from the indicative rate for floating-rate REPO orders);
  - deviations from the indicative rate
  - the REPO Amount;
  - the number of securities;
  - the tenor of REPO trade;
  - the Initial Haircut;
  - the Maximum Haircut;
  - the Minimum Haircut;
  - the limiting values of order volume for specific settlement codes (only for off-order book REPO orders);
  - the Haircut Tick.

Each trading day the Exchange shall determine values and acceptable values of the following parameters for orders intended for executing Trades T+ in the Trading Modes “REPO with the CCP – Order Book Orders”, “REPO with the CCP – Auction”, “REPO with the CCP – Symmetric Auction”, and “REPO with the CCP – Off-Order Book Orders” based on information received from the CCP:

- the settlement price of a security;
- the Initial Haircut to be used to execute trades in the Trading Modes “REPO with the CCP – Order Book Orders”, “REPO with the CCP – Symmetric Auction”, and “REPO with the CCP – Auction”;
- the indicative REPO Rate (deviation from the indicative rate) for a specific security (group of securities) and specific settlement code;
- the range of the REPO Rate fluctuations (deviations from the indicative rate) for a specific security (group of securities) and specific settlement code.

- 1.5.3. The Exchange may decide that if the issue-related documents provide for repayment of principal debt (amortization payments), calculation of parameters of the REPO trade in Trading Modes “Interdealer REPO” , “REPO Auction”, "REPO with the Bank of Russia: REPO Auction", “REPO Auction with the Bank of Russia: Floating Rate”, "REPO with the Bank of Russia: Fixed Rate", “REPO with the Bank of Russia: Floating Rate (extra)” "Qualified Investors – REPO", “REPO with the CCP – Order Book Orders”, “REPO with the CCP – Auction”, “REPO with the CCP – Symmetric Auction”, and “REPO with the CCP – Off-Order Book Orders” shall be carried out with account of the nominal value outstanding at the time of calculation.
- 1.5.4. For each Trading Mode, in which REPO Trades are concluded a decision of the Exchange shall establish lists of securities and/or GC Baskets, in which REPO trades may be concluded.
- 1.5.5. Conclusion of REPO Trades non-centrally cleared shall be carried out in accordance with requirements set in Subsection 1.6 “Conclusion of REPO Trades under the Decentralized Clearing” hereof.
- 1.5.6. The following conditions shall be in force for each Trading Mode, in which REPO Trades are concluded in accordance with requirements of Subsection 1.6 “Conclusion of REPO Trades under the Decentralized Clearing”:
  - 1.5.6.1. Unless the Exchange decides otherwise, an off-order book REPO order for a REPO trade (bonds) shall not be registered in the Trading System if it indicates a settlement code, in accordance with which the settlement date of obligations under the first leg of the REPO trade falls on any day after the last trading day of the current coupon period, on which trading in such securities is conducted.
  - 1.5.6.2. An off-order book REPO order for a REPO trade (bonds) shall not be registered in the Trading System if it indicates a tenor of REPO trade and/or a settlement code, in accordance with which the settlement date of obligations under the second leg of the REPO trade falls on any day after expiration of the circulation period of the relevant bond on the Exchange.
- 1.5.7. Procedure and conditions for calculating parameters of REPO trades following their conclusion is determined by the Clearing Organization responsible for clearing of such trades.
- 1.5.8. The following conditions for trades conclusion shall be in force for each Trading Mode, in which REPO trades are concluded under non-centralized clearing in accordance with requirements of Subsection 1.6 “Conclusion of REPO Trades under the Decentralized Clearing” hereof (except for REPO trades executed based on off-order book REPO orders (GC Basket REPO)):
  - 1.5.8.1. An off-order book REPO order of a Trading Member (if not otherwise decided by the Exchange) shall not be registered in the Trading System if it indicates a name (trading code) of a security for which on a current trading day the Exchange does not have a settlement price. The method of determining such settlement price is established by the Exchange’s

decision. An exception is the off-order book REPO orders entered in Trading Modes other than “REPO with the Bank of Russia: REPO Auction”, “REPO Auction with the Bank of Russia: Floating Rate”, “REPO with the Bank of Russia: Floating Rate (extra)” and “REPO with the Bank of Russia: Fixed Rate”, in which a Trading Member has indicated the following details: a REPO Amount and a number of securities.

- 1.5.8.2. Order details: a REPO Amount, a number of securities and an initial value of the Initial Haircut are interrelated, and an indication by a Trading Member of any two of them in the REPO order shall be sufficient for calculation of the third requisite in the Trading System as follows:

$$Q = \frac{S}{\left(1 - \frac{Dn}{100\%}\right) * (P_0 + a_0) * e_0 / r_0},$$

$$S = \left(1 - \frac{Dn}{100}\right) * Q * (P_0 + a_0) * e_0 / r_0,$$

$$Dn = \left(1 - \frac{S}{Q * (P_0 + a_0) * e_0 / r_0}\right) * 100\%, \text{ where}$$

$e_0$  – an official exchange rate of the foreign currency of the nominal value of a security in relation to the Russian rouble set by the Bank of Russia on the day of transaction. For securities for which their nominal value is denominated in Russian roubles  $e_0$  is accepted as equal to 1.

$r_0$  – an official exchange rate of the foreign currency in which the REPO trade is denominated against the Russian rouble set by the Bank of Russia as of the transaction date. For REPO trades in securities denominated in Russian roubles  $r_0$  is accepted as equal to 1.

$P_0$  – a settlement price for one security, set on the transaction day, the calculation method for which shall be established by decision of the Exchange. This does not apply to general collateral certificates for which a settlement price is set equal to the nominal value.

$Dn$  – an Initial Value of a Haircut;

$S$  – a REPO Amount, calculated accurate to two decimal places of the foreign currency in which the REPO trade is denominated;

$Q$  – a number of securities, calculated by rounding upward to the nearest integer;

$a_0$  – ACI as of a settlement date of the first leg of the REPO trade (subject to its calculation for a specific security).

- 1.5.8.3. When a Trading Member specifies certain parameters of a REPO, other parameters are determined as follows:

- If a Trading Member specifies a REPO Amount and a number of securities, an Initial Haircut is calculated in the Trading System as per the formula given in Sub-Clause 1.5.8.2 hereof;

- If a Trading Member specifies a REPO Amount and an Initial Haircut, a number of securities is calculated in the Trading System as per the formula given in Clause 1.5.8.2 hereof. The Initial Haircut is adjusted for such REPO trade as per the formula given in Sub-Clause 1.5.8.2 after the number of securities is calculated;
- If a Trading Member specifies a number of securities and an Initial Haircut, a REPO Amount is calculated in the Trading System as per the formula given in Sub-Clause 1.5.8.2 hereof;
- If a Trading Member specifies a REPO Amount, a number of securities and an Initial Haircut, such value of an Initial Haircut is not recorded in the Trading System and the Initial Haircut is adjusted for such REPO trade as per the formula given in Sub-Clause 1.5.8.2.

The Exchange may decide (with regard to Trading Modes “REPO with the Bank of Russia: REPO Auction”, “REPO Auction with the Bank of Russia: Floating Rate”, “REPO with the Bank of Russia: Floating Rate (extra)” and “REPO with the Bank of Russia: Fixed Rate”) that, after the REPO parameters were recalculated as set out in this clause, the adjusted Initial Haircut is to be used for information purposes only, and the initial Haircut set by the Exchange taking into account the Bank of Russia’s proposals is to be further used to recalculate the REPO parameters.

- 1.5.8.4. The following proportions shall be observed in Minimum and Maximum Haircuts indicated in a REPO order, as well as the Initial value of a Haircut indicated in the REPO order or calculated in the Trading System in accordance with this Part of the Trading Rules:
- A Maximum Haircut shall be greater than a Minimum Haircut.
  - An Initial Value of a Haircut shall be greater than the Minimum and less than the Maximum Haircut.

Unless otherwise decided by the Exchange, a REPO order shall not be registered (shall be automatically rejected) in the Trading System in case one or more of the above relations is not met.

- 1.5.8.5. At order registration, a repurchase price is calculated based on the REPO Rate, REPO Tenor and REPO Amount as per the following formula:

$$S_2 = S_1 * \left( 1 + \frac{R_1}{100} * \left( \frac{T_{365}}{365} + \frac{T_{366}}{366} \right) \right), \text{ where}$$

$S_2$  – a repurchase price;

$S_1$  – a REPO Amount;

$R_1$  – a REPO Rate as of the trading date;

$T_{365}$  – duration of a REPO in days of a 365-day calendar year;

$T_{366}$  – duration of a REPO in days of a 366-day calendar year.

- 1.5.8.6. For executed trades the repurchase price may change during the REPO Tenor according to the Clearing Rules.

A repurchase price is not calculated when registering open REPO orders.

## **Subsection 1.6. REPO Trading with Decentralized Clearing**

- 1.6.1. Placing of orders and conclusion of transactions under decentralized clearing shall be carried out with account of conditions established in Subsection 1.5 “Procedure for Conclusion of REPO Trades” hereof.
- 1.6.2. REPO trades shall be concluded in the Trading Mode “Interdealer REPO” under the following procedure:
  - 1.6.2.1. Off-order book REPO orders and REPO Quotes placed by Trading Members during trading on a current day in the Trading Mode “Interdealer REPO” can participate in this Trading Mode (if not otherwise decided by the Exchange).
  - 1.6.2.2. Trading Members shall have the right to place an unlimited number of off-order book REPO orders and REPO Quotes in the Trading System.
  - 1.6.2.3. Upon receipt of an opposite off-order book REPO order for its off-order book REPO order or REPO Quote of the same type, before completion of trading in the relevant Trading Mode for REPO and within the time for accepting a REPO Quote offer where applicable, a Trading Member shall have the right (if not otherwise decided by the Exchange) either to conclude a REPO trade on the terms specified in the received order, or send to the counterparty an off-order book REPO order of the same type with new terms, or reject the received order. Upon receipt of an off-order book REPO order with a filled reference field and sending an off-order book REPO opposite order of the same type, a reference field in the sent off-order book REPO shall contain exactly the same information as in the received off-order book REPO order.
  - 1.6.2.4. Conclusion of REPO trades in the Trading Mode “Interdealer REPO” shall be subject to conditions stipulated in Subsection 1.3 “Orders” hereof.
  - 1.6.2.5. During trading, a Trading Member shall have access to information on off-order book REPO orders and REPO quotes intended for this Trading Member, and its own off-order book REPO orders and REPO Quotes placed in the Trading System.
- 1.6.3. Conclusion of REPO trades with the Bank of Russia may be carried out in the Trading Modes “REPO with the Bank of Russia: REPO Auction”, “REPO Auction with the Bank of Russia: Floating Rate”, “REPO with the Bank of Russia: Floating Rate (extra)”, and “REPO with the Bank of Russia: Fixed Rate”.
  - 1.6.3.1. Conclusion of REPO trades with the Bank of Russia in the Trading Modes “REPO with the Bank of Russia: REPO Auction” and “REPO Auction with the Bank of Russia: Floating Rate” shall be subject to specifics stipulated in Subsection 1.3 “Orders” hereof, as follows:
    - 1.6.3.1.1. Conclusion of REPO trades with the Bank of Russia in the Trading Modes “REPO with the Bank of Russia: REPO Auction” and “REPO Auction with the Bank of Russia: Floating Rate” shall be carried out in

the form of an Auction based on off-order book REPO orders and off-order book REPO orders (GC Basket REPO) placed by Trading Members to the Bank of Russia, which shall fill them by placing off-order book opposite orders. When a Trading Member receives an opposite off-order book REPO order, it may execute a REPO trade on conditions stated in the order received, or send a new off-order book REPO order to the counterparty, or reject the order received. The Trading Member may do any of those actions until the end of the trading session in the respective Trading Mode (unless otherwise decided by the Exchange).

- 1.6.3.1.2. The Bank of Russia and CO Trading Members acting on their own behalf and account, with which the Bank of Russia has signed the Master Agreement, can enter off-order book REPO orders and off-order book REPO orders (GC collateral) in these Trading Modes. In cases stipulated by the Bank of Russia, the Exchange's decision may allow CO Trading Members acting on their own behalf and on account of their clients, which are credit organizations, to participate in these Trading Modes. The Bank of Russia and Trading Members that have signed the Master Agreement with the Bank of Russia as well as the Collateral Management Agreement and the Clearing Service Agreement with the Clearing Organization that clears trades executed based on off-order book basket REPO orders, may enter off-order book basket REPO orders in this Trading Mode.
- 1.6.3.1.3. The Trading Modes "REPO with the Bank of Russia: REPO Auction" and "REPO Auction with the Bank of Russia: Floating Rate" shall consist of a call phase and order execution phase. During the call phase, Trading Members shall be eligible to place and withdraw previously placed orders. After the end of the call phase, Trading Members shall not be eligible to withdraw the placed orders.
- 1.6.3.1.4. During trading in the Trading Modes "REPO with the Bank of Russia: REPO Auction" and "REPO Auction with the Bank of Russia: Floating Rate", transactions shall be based on off-order book REPO orders placed by Trading Members while trading during the current trading day in the given Trading Modes. Off-Order book REPO orders shall contain requisites referred to in Subsection 1.3 "Orders" hereof.
- 1.6.3.1.5. Not later than 2 business days prior to conducting an auction, the Bank of Russia shall notify the Exchange in writing about the date and conditions of the auction.
- 1.6.3.1.6. With account of suggestions of the Bank of Russia and/or the Clearing Organization, the Exchange shall determine a number of auctions held on a trading day, including in one security, and possible requisites of orders, including:
  - the permitted types of trading and clearing accounts;
  - the securities (GC Baskets) for which orders may be accepted;
  - the tenor of the REPO trade;

- the acceptable settlement codes (types of settlement);
- the Initial Haircut and Minimum and Maximum Haircut (for each issue) depending on the REPO Tenor;
- the minimum REPO Rate;
- the minimum deviation from the indicative rate that the Trading member indicates when placing the order;
- the maximum acceptable volume of the order placed by the Trading Member on one REPO Rate;
- the priority securities.

1.6.3.1.7. In the event the Exchange renders a decision to restrict possible values of an Initial and/or a Minimum and/or a Maximum Haircut, an order indicating a value of a Haircut, which does not comply with the restrictions established by the Exchange, shall not be registered in the Trading System.

1.6.3.1.8. After the end of the call phase, the Exchange shall provide the Bank of Russia with a consolidated register of orders (REPO Auction), signed by an Operator, which shall include all orders placed and not withdrawn by Trading Members as of the end of the order collection period in the Trading Mode “REPO with the Bank of Russia: REPO Auction”.

1.6.3.1.9. Trading Members shall have access to information on off-order book orders that address this Trading Member and their own off-order book orders placed in the Trading System in the Trading Mode “REPO with the Bank of Russia: REPO Auction” and “REPO Auction with the Bank of Russia: Floating Rate” Trading Mode.

1.6.3.1.10. The procedure for filling orders in the Trading Mode “REPO with the Bank of Russia: REPO Auction” and “REPO Auction with the Bank of Russia: Floating Rate” Trading Mode shall be determined by the Exchange taking into account the Bank of Russia’s proposals. Orders unfilled during the auction shall be rejected by the Bank of Russia after filling orders due for filling. If there is no technical possibility of rejecting orders by the Bank of Russia, such orders shall be withdrawn by the Trading Members that placed the orders.

1.6.3.2. Conclusion of REPO trades with the Bank of Russia in the Trading Mode “REPO with the Bank of Russia: Fixed Rate” and “REPO with the Bank of Russia: Floating Rate (extra)” shall be subject to specifics stipulated in Sub-Clause 2.1.14.5 hereof, as follows:

1.6.3.2.1. Conclusion of REPO trades with the Bank of Russia at a fixed REPO Rate in the Trading Mode “REPO with the Bank of Russia: Fixed Rate” and at a floating REPO Rate in the Trading Mode “REPO with the Bank of Russia: Floating Rate (extra)” shall be based on off-order book REPO orders and off-order book REPO orders (GC Basket REPO) placed by Trading Members and addressing the Bank of Russia, which shall fill them by placing off-order book opposite orders. When a Trading Member receives an opposite off-order book REPO order, it



may execute a REPO trade on conditions stated in the order received, send a new off-order book REPO order to the counterparty, or reject the order received. The Trading Member may do any of those actions until the end of the trading session in the respective Trading Mode (unless otherwise decided by the Exchange).

- 1.6.3.2.2. The Bank of Russia and CO Trading Members acting on their own behalf and account, with which the Bank of Russia has signed the Master Agreement, are eligible to enter off-order book REPO orders and off-order book REPO orders (GC Basket) in these Trading Modes. In cases determined by the Bank of Russia, the Exchange may allow participation of CO Trading Members acting on their own behalf and on account of their clients – credit organizations in this Trading Mode. The Bank of Russia and Trading Members that have signed the Master Agreement with the Bank of Russia as well as the Collateral Management Agreement and the Clearing Service Agreement with the Clearing Organization that clears trades executed based on off-order book basket REPO orders, may enter off-order book basket REPO orders in this Trading Mode.
- 1.6.3.2.3. When trading in the Trading Mode “REPO with the Bank of Russia: Fixed Rate” and the Trading Mode “REPO with the Bank of Russia: Floating Rate (extra)”, transactions shall be based on off-order book REPO orders, placed by Trading Members while trading during the current day in the given Trading Modes. Off-Order book REPO orders shall contain requisites referred to in Subsection 1.3 “Orders” hereof.
- 1.6.3.2.4. Taking into account the proposals of the Bank of Russia and/or the Clearing Organization, the Exchange shall define possible requisites of orders, including:
  - the permitted types of trading and clearing accounts;
  - the securities (GC Baskets) for which orders may be accepted;
  - the tenor of the REPO trade;
  - the acceptable settlement codes (settlement types);
  - the Initial Haircut and Minimum and Maximum Haircut (for each issue) depending on the REPO Tenor;
  - the REPO Rate (deviation from the indicative rate in case the order is for a floating rate REPO);
  - the maximum acceptable volume of the order placed by the Trading Member on one REPO Rate;
  - the priority securities.
- 1.6.3.2.5. In the event the Exchange renders a decision to restrict possible values of an Initial Haircut and/or a Minimum and/or a Maximum Haircut, an order indicating a value of a Haircut which does not comply with the restrictions imposed by the Exchange, shall not be registered in the Trading System.
- 1.6.3.2.6. A Trading Member shall have access to information on off-order book orders addressing this Trading Member, and its own off-order book orders placed in the Trading System in the Trading Mode

“REPO with the Bank of Russia: Fixed Rate” and the Trading Mode “REPO with the Bank of Russia: Floating Rate (extra).

1.6.3.2.7. The procedure for filling orders in the Trading Mode “REPO with the Bank of Russia: Fixed Rate” and the Trading Mode “REPO with the Bank of Russia: Floating Rate (extra)”. shall be determined by an authorized body of the Exchange taking into account the Bank of Russia’s proposals. Unfilled orders shall be rejected by the Bank of Russia after filling claims due for filling. If there is no technical possibility of rejecting orders by the Bank of Russia, such orders shall be withdrawn by the Operator on receipt of a telephone message from an officer of the Bank of Russia indicated in the Registration Card. The telephone message shall contain the following data:

- the first and last names of the Bank of Russia’s officer who transmits the telephone message;
- the Trading ID;
- the reference numbers of orders that need to be withdrawn, indicating requisites of the orders in accordance with Subsection 1.3 “Orders” hereof;
- the date and time of transmission of the telephone message, as well as a telephone number used for making the call.

If requisites of the order indicated in the telephone message, do not match the terms of the order placed in the Trading System, the Operator shall not withdraw the order and shall advise the trader accordingly by a telephone message.

The Exchange shall not be liable for any losses incurred by a Trading Member due to withdrawal of its unfilled order on the basis of a telephone message received by the Operator from the Bank of Russia.

1.6.4. REPO trades in the “REPO Auction” Trading Mode shall be executed subject to the following procedures:

1.6.4.1. REPO trades in the “REPO Auction” Trading Mode shall be executed subject to provisions of Subsection 1.3 “Orders” hereof through auctions based on off-order book REPO orders (GC Basket), placed by a Trading Member admitted to trading in the “REPO Auction” Trading Mode in accordance with terms and conditions defined by a public creditor (hereinafter referred to as the Applicant for the purpose of this clause), addressing a Trading Member acting at the expense of the Applicant. Such orders shall be filled by this Trading Member through opposite off-order book REPO orders (GC Basket).

1.6.4.2. A REPO auction shall consist of a call phase and order execution phase. During the call phase, Trading Members shall be eligible to place and withdraw previously placed orders. After the end of the call phase, Trading Members shall not be eligible to withdraw the placed orders.

1.6.4.3. In the “REPO Auction” Trading Mode, transactions shall be based on off-order book REPO orders (GC Basket) placed by Trading Members while trading

during the current trading day in this Trading Mode. Off-Order book REPO orders (GC Basket) shall contain requisites referred to in Subsection 1.3 “Orders” hereof.

- 1.6.4.4. The Applicant shall notify the Exchange through a written application on the Trading Member acting at the expense of the Applicant. The Trading Member acting at the expense of the Applicant shall provide the Exchange with information on the trading date, procedure, as well as auction terms and conditions. Based on this information and should it be technically possible, the Exchange holds REPO auctions in the “REPO Auction” Trading Mode.
- 1.6.4.5. Taking into account the proposals given by the Trading Member acting at the expense of the Applicant, the Exchange shall define possible requisites of orders, including the following:
  - the securities for which orders may be accepted;
  - the REPO trade tenor;
  - the acceptable settlement type (DVP1 and/or DVP3, as set in the Clearing Rules);
  - the minimum/maximum REPO Rate;
  - other parameters as indicated in the application.
- 1.6.4.6. After the end of the call phase, the Exchange shall provide the Trading Member acting at the expense of the Applicant with a consolidated register of orders (REPO Auction), signed by the Operator, which shall include all orders placed and not withdrawn by Trading Members as of the end of the order collection period in the “REPO Auction” Trading Mode.
- 1.6.4.7. A “REPO Auction” Trading Member shall have access to information on off-order book orders intended for this Trading Member and its own off-order book orders placed in the Trading System.
- 1.6.4.8. The procedure for filling orders in the “REPO Auction” Trading Mode shall be determined by the Exchange taking account of the Applicant’s proposals. Orders unfilled during the auction shall be withdrawn after expiration of the period set for orders fulfilment.
- 1.6.4.9. In order to inform Trading Members of the procedure for transactions conclusion in the “REPO Auction” Trading Mode, the Exchange shall disclose its trading terms and conditions determined considering the Applicant’s proposals on its website before the auction starts.
- 1.6.4.10. A settlement date of the REPO trade first leg executed in the “REPO Auction” Trading Mode shall be the REPO trade execution date, and a settlement date of the REPO trade second leg shall be the date  $T+k$ , where  $T$  is a settlement date of the REPO trade first leg, and  $k$  is a REPO trade tenor.
- 1.6.4.11. A default date of the first and second parts of a REPO trade executed in the “REPO Auction” Trading Mode shall be the first settlement day as from the settlement of a relevant part of the REPO trade.

## Subsection 1.7. Execution of REPO Trades with the Central Counterparty

- 1.7.1. Specific features of entering orders to execute and executing Trades T+ in the Trading Mode “Settlement of Trades T+: REPO” are given in Subsection 1.8 “Trading in the Trading Mode “Settlement of Trades T+: REPO” hereof.
- 1.7.2. Limit and market orders for REPO trades with the CCP are eligible in the Trading Mode “REPO with the CCP – Order Book Orders”. Limit orders for REPO trades with the CCP are eligible in the Trading Modes “REPO with the CCP – Auction” and “REPO with the CCP – Symmetric Auction”. Off-order book orders for REPO trades with the CCP and REPO Quotes are eligible in the Trading Mode “REPO with the CCP – Off-Order Book Orders”.
- 1.7.3. Only orders entered by Trading Members during the period of trading on a current trading day and in the relevant Trading Mode are eligible (unless otherwise decided by the Exchange) in the Trading Modes “REPO with the CCP – Order Book Orders”, “REPO with the CCP – Auction”, “REPO with the CCP – Symmetric Auction”, and “REPO with the CCP – Off-Order Book Orders”. A Trading Member is entitled to enter an unlimited number of such orders in the Trading System.
- 1.7.4. During trading in the Trading Modes “REPO with the CCP – Order Book Orders”, “REPO with the CCP – Auction”, “REPO with the CCP – Symmetric Auction”, “REPO with the CCP – Off-Order Book Orders” and “REPO with the CCP – Settlement Procedures” the following conditions shall be applied:

- 1.7.4.1. Order details: a REPO Amount, a number of securities in lots and a Haircut are interrelated parameters. Any two of them may be indicated in a REPO order by a Trading Member with the third one being calculated in the Trading System automatically in accordance with the following formulae:

$$Q = \frac{S}{\text{rounded}\{(1 - \frac{D}{100}) * P; k\} * N}, \quad (1)$$

$$S = Q * \text{rounded}\{(1 - \frac{D}{100}) * P; k\} * N, \quad (2)$$

$$D = (1 - \frac{S}{Q * N * P}) * 100 \quad (3)$$

$Q$  – a number of securities in lots;

$S$  – a REPO Amount accurate to kopecks;

$N$  – a number of securities in one lot, units;

$P$  – a settlement price of one security that was set on the trading date. A method of settlement price calculation is to be determined by the Clearing Organization (in the trade currency);

$D$  – a Haircut (it shall be set by the Exchange, including specifically for the Trading Mode “REPO with the CCP – Order Book Orders”, “REPO with the CCP – Symmetric Auction” and “REPO with the CCP – Auction”, or specified by a Trading Member for the Trading Mode “REPO with the CCP – Off-Order Book Orders”);

$k$  – a coefficient that is set by the Exchange for each securities issue.

#### 1.7.4.2. When a Trading Member indicates

- a REPO Amount in an order for executing a REPO in the Trading Modes “REPO with the CCP – Order Book Orders” and “REPO with the CCP – Auction”, number of securities in lots is calculated by the Trading System and rounded down to the nearest integer pursuant to the formula (1) given in Clause 1.7.4.1 hereof. The REPO Amount is adjusted based on this number of securities;
- a number of securities in lots in an order for executing a REPO in the Trading Mode “REPO with the CCP – Order Book Orders” and “REPO with the CCP – Settlement Procedures”, the REPO Amount is calculated by the Trading System pursuant to the formula (2) given in Clause 1.7.4.1 hereof.

#### 1.7.4.3. When a Trading Member indicates

- a number of securities in lots and a Haircut in an order for executing a REPO in the Trading Modes “REPO with the CCP – Off-Order Book Orders” and “REPO with the CCP: Settlement Procedures”, a REPO Amount is calculated pursuant to formula (2) given in Clause 1.7.4.1 hereof. The Haircut is adjusted pursuant to formula (3) given in Clause 1.7.4.1 hereof based on this REPO Amount and the number of securities;
- a REPO Amount and a Haircut in an order for executing a REPO in the Trading Modes “REPO with the CCP – Off-Order Book Orders” and “REPO with the CCP: Settlement Procedures”, a number of securities in lots is calculated by the Trading System and rounded down to the nearest integer pursuant to formula (1) given in Clause 1.7.4.1 hereof. The REPO Amount is adjusted pursuant to formula (2) based on this number of securities and the Haircut. The Haircut is adjusted pursuant to formula (3) based on the adjusted REPO Amount and the number of securities;
- a REPO Amount and a number of securities in lots in an order for executing a REPO in the Trading Modes “REPO with the CCP – Off-Order Book Orders” and “REPO with the CCP: Settlement Procedures”, a Haircut is calculated by the Trading System pursuant to formula (3). The REPO Amount is adjusted pursuant to formula (2) based on the calculated Haircut and the number of securities in lots. The Haircut is adjusted pursuant to formula (3) based on the adjusted REPO Amount and the number of securities;
- a REPO Amount, a number of securities in lots and a Haircut in an order for executing a REPO in the Trading Modes “REPO with the CCP – Off-Order Book Orders” and “REPO with the CCP: Settlement Procedures”, the entered Haircut is ignored and a new one is calculated by the Trading System pursuant to formula (3). The REPO Amount is adjusted pursuant to formula (2) based on the new Haircut and the number of securities in lots. Then the Haircut is adjusted pursuant to formula (3) based on the recalculated REPO Amount and the number of securities.

#### 1.7.4.4. When a Trading Member of K category places funds in the Trading Mode “REPO with the CCP – Symmetric Auction”, the number of securities in lots is

calculated by the Trading System based on a REPO Amount, and then it is rounded up to the nearest integer pursuant to formula (1) given in Clause 1.7.4.1 hereof. Then the adjusted Haircut is calculated based on the number of securities in lots pursuant to formula (3) given in Clause 1.7.4.1 hereof and rounded according to the mathematical rounding rules with the accuracy specified for the security. The adjusted REPO Amount is not further recalculated.

1.7.4.5. When a Trading Member of K category raises funds in the Trading Mode “REPO with the CCP – Symmetric Auction”, the REPO Amount is calculated based on the number of securities in lots and the Haircut in the Trading System using formula (2) in clause 1.7.4.1 here above.

1.7.4.6. A repurchase price shall be calculated while an order is being registered based on the REPO Rate, REPO Amount and settlement code according to the following formula:

$$S_2 = S_1 * \left( 1 + \frac{R}{100} * \left( \frac{T_{365}}{365} + \frac{T_{366}}{366} \right) \right), \text{ where}$$

$S_2$  – a repurchase price;

$S_1$  – a REPO Amount;

$R$  – a REPO Rate;

$T_{365}$  – duration of a REPO in days of a 365-day calendar year;

$T_{366}$  – duration of a REPO in days of a 366-day calendar year.

Unless the Exchange decides otherwise, a repurchase price shall not be calculated while a floating-rate REPO order or an open REPO order is being registered.

1.7.4.7. For executed trades the repurchase price may change during the REPO Tenor according to the Clearing Rules.

1.7.4.8. Resolution of the Exchange may stipulate that an order with a settlement code indicated therein shall not be registered in the Trading System, if such settlement code implies that a settlement date of the REPO trade first leg falls on any day following the last day of the current coupon period of the security.

1.7.4.9. An order with a settlement code indicated therein shall not be registered in the Trading System, if such settlement code implies that a settlement date of the REPO trade second leg falls on any day following the expiry date for a relevant security to be traded on the Exchange.

1.7.4.10. Unless otherwise established by the Exchange, an order with a settlement code indicated therein shall not be registered in the Trading System, if such settlement code implies that a settlement date of the REPO trade second leg falls on any day following the last day of the current coupon period of the security during which trading in such security is carried out.

1.7.5. The following are the specific features of trading in the Trading Mode “REPO with the CCP – Order Book Orders”:

- 1.7.5.1. Trades based on limit orders for REPO trades with the CCP and market orders for REPO trades with the CCP shall be executed taking into account the conditions set forth in Part 1 “General Section of the Trading Rules” and Subsection 1.3 hereof.
- 1.7.5.2. A trade based on a limit order for executing a REPO trade with the CCP or a market order for executing a REPO trade with the CCP shall be executed provided that the REPO Rate (deviations from the indicative rate) indicated in a relevant order matches the REPO Rate (deviations from the indicative rate) value(s) indicated in valid opposite order(s) with other direction that was (were) registered in the Trading System.
- 1.7.5.3. The REPO Rate (deviations from the indicative rate) values shall be deemed matched if:
- for an order intended to raise money: there are available orders intended for placing money with the REPO Rates (deviations from the indicative rate) therein that are equal to or less than the REPO Rate (deviations from the indicative rate) indicated in the order entered;
  - for an order intended to place money: there are available orders intended for raising money with the REPO Rates (deviations from the indicative rate) therein that are equal to or more than the REPO Rate (deviations from the indicative rate) indicated in the order entered.
- 1.7.5.4. Iceberg orders shall be satisfied in accordance with the procedures set for other limit REPO orders (CCP) given the following “current visible number of securities” calculation specific features (a “current visible amount of REPO” is calculated based on the “current visible number of securities”):
- 1.7.5.4.1. At placing an order, a “current visible number of securities” shall match a “visible number of securities” calculated at placing the order.
- 1.7.5.4.2. When a number indicated in a valid opposite order is less than the “current visible number of securities”:
- trades shall be executed based on the number of securities indicated in the valid opposite order;
  - a new “current visible number of securities” shall be calculated as a difference between the “current visible number of securities” existing at the time of calculation and the number of securities indicated in the valid opposite order.
- 1.7.5.4.3. When the number indicated in the valid opposite order is equal to the “current visible number of securities”:
- trades shall be executed based on the number of securities indicated in the valid opposite order;

- a new “current visible number of securities” shall be set equal to the value of the “visible number of securities” calculated at the time of placing the order.

1.7.5.4.4. When the number indicated in the valid opposite order is bigger than the “current visible number of securities”:

- a trade shall be executed in several stages based on the number of securities indicated in the valid opposite order and the “current visible number of securities” indicated in the iceberg order. After the “current visible number of securities” in the iceberg order has been filled, the opposite order (if the order volume is sufficient) will in sequence fill other active orders in queue at a given REPO Rate/ deviations from the indicative rate (if available), until it again reaches this iceberg order. Further, the cycle to fill the order shall be repeated until either the opposite order volume is satisfied, or the iceberg order is completely filled. The number of securities, as well as the REPO Amount, in the trade executed based on the iceberg order and the valid opposite order shall be equal to the number of securities (the REPO Amount) aggregate for all stages of filling the relevant iceberg order (the iceberg order execution cycle) per each iceberg order.

1.7.5.4.5. Where the “current visible number of securities” is fully satisfied, a new value of the “current visible number of securities” in the iceberg order at each new stage of the cycle shall be set equal to the “visible number of securities” calculated at placing the iceberg order (when the remaining part of the iceberg order volume is less than the “visible number of securities” calculated at placing this order, the “current visible number of securities” shall be set equal to the remaining balance of the iceberg order).

1.7.5.5. After a trade was executed based on a CCP REPO limit order that had been entered through an aggregate CCP REPO order, the REPO Amount and the number of securities in CCP REPO limit orders entered through this aggregate CCP REPO order are adjusted as per the following formulae:

$$Q = \text{Min}\{(Q_{inish} - \sum Q_{deal}_i; \text{Int}[(S_{order} - \sum S_{deal}) / (P_{lowi} * N_i)]\},$$

$$S_i = \text{Min}\{(S_{inish} - \sum S_{deal}_i; \text{Int}[(S_{order} - \sum S_{deal}) / (P_{lowi} * N_i)] * (P_{lowi} * N_i)\}$$

where

$Q_i$  – a recalculated number of securities in a CCP REPO limit order for the instrument (security)  $i$ ;

$S_i$  – a recalculated REPO Amount in a CCP REPO limit order for the security  $i$ ;

$S_{order}$  – a REPO Amount detailed in the aggregate CCP REPO order;

$S_{deal}$  – a REPO Amount of the trade executed based on a CCP REPO limit order entered through the aggregate order;



$S_{deal_i}$  – a REPO Amount of the trade executed based on a CCP REPO limit order per the security i;

$Q_{deal_i}$  – a number of securities in the trade executed based on a CCP REPO limit order per the security i;

$S_{inish}$  – a REPO Amount initially indicated in a CCP REPO limit order per the security i;

$Q_{inish}$  – a number of securities initially indicated in a CCP REPO limit order per the security i;

$N_i$  – a number of securities in one lot per the security i in the Trading Mode “REPO with the CCP – Order Book Orders”;

$P_{lowi}$  – a settlement price including a Haircut in Russian roubles per a security in the Trading Mode “REPO with the CCP – Order Book Orders”.

- 1.7.5.6. A Trading Member is allowed to access information on its own orders and orders with the 20 best REPO Rates/ deviations from the indicative rate (interest rates) queued in the Trading System, as well as the total REPO Amount (deposit amount) as for orders to place and orders to raise money broken down by REPO Rates/deviations from the indicative rate (interest rates/deviations from the indicative rate for the orders to execute deposit agreements) during trading in the Trading Mode “REPO with the CCP – Order Book Orders”.
- 1.7.5.7. Orders that have not been filled during the trading period shall be removed from the Trading System by the Exchange.
- 1.7.6. REPO trades in the Trading Mode “REPO with the CCP – Off-Order Book Orders” shall be executed as follows:
  - 1.7.6.1. Trades based on off-order book orders for executing a REPO trade with the CCP shall be executed taking into account conditions set forth in Part 1 “General Section of the Trading Rules” and Subsection 1.3 “Orders” hereof.
  - 1.7.6.2. A Trading Member that has received an opposite off-order book order for executing a REPO trade with the CCP in the Trading Mode “REPO with the CCP – Off-Order Book Orders” is entitled either to execute the REPO trade on conditions indicated in the received order, or send the counterparty an off-order book order for executing a REPO trade with the CCP with other conditions, or reject the received order until the end of trades in this Trading Mode (unless otherwise decided by the Exchange).
  - 1.7.6.3. An order with the name (code) of the list of securities indicated shall be removed from the Trading System after the first trade based on this order is executed.
  - 1.7.6.4. In the Trading Mode “REPO with the CCP – Off-Order Book Orders” the counterparty may be selected by way of indicating the Central Counterparty as a Trading Member those order may be a valid opposite order. In that case, a valid

opposite order is determined in accordance with Subsection 1.3 “Orders” of these Rules.

- 1.7.6.5. During trades in the Trading Mode “REPO with the CCP – Off-Order Book Orders” a Trading Member can access information on off-order book orders for REPO trades with the CCP/REPO Quotes intended for this Trading Member and its own off-order book orders for REPO trades with the CCP and REPO Quotes, as well as on orders that may be classed as valid opposite orders towards CCP-cleared off-order book orders placed by such Trading Member.
- 1.7.7. REPO trades in the Trading Mode “REPO with the CCP – Auction” shall be executed as follows:
  - 1.7.7.1. REPO trades that fall in within deposit agreements executed by the CCP on the Deposit Market, as defined by Part IV “Deposit Market Section of the Trading Rules”, shall be executed in the Trading Mode “REPO with the CCP – Auction”.
  - 1.7.7.2. REPO (CCP) limit orders intended for raising money residing on the order book are eligible in the Trading Mode “REPO with the CCP – Auction”. Iceberg orders are not eligible.
  - 1.7.7.3. Unless otherwise decided by the Exchange, in the Trading Mode “REPO with CCP – Auction” orders placed by Trading Members prior to registration in the Trading System of an order to conclude the deposit contract in the opposite direction, which can be considered a valid opposite order towards the orders submitted in the Trading Mode “REPO with CCP – Auction”, and orders which indicate a REPO Rate below the REPO Rate specified in the order for a deposit contract in the opposite direction, which can be considered a valid opposite order, are not allowed.
  - 1.7.7.4. Trades based on REPO (CCP) limit orders shall be executed subject to specifics described in the General Section of the Trading Rules and Subsection 1.3 “Orders” hereof.
  - 1.7.7.5. REPO (CCP) limit orders shall indicate the REPO Amount in the same currency that is indicated in the opposite deposit order placed by a Category K or Category R Trading Member on the Deposit Market.
  - 1.7.7.6. In addition to the securities basket name, a REPO limit order (CCP) shall indicate the name of security in the basket, which is eligible for a REPO trade based on such order.
  - 1.7.7.7. A trade based on a REPO (CCP) limit order shall be executed with a REPO Rate indicated in such order and an interest rate indicated in a valid opposite order with another direction registered in the Trading System crossing. A number of days between the REPO legs execution shall be equal to the deposit term indicated in the deposit agreement order. The trade execution shall be subject to other requirements to qualify a REPO order as a valid opposite order in relation to the respective deposit agreement order.

- 1.7.7.8. REPO Rates for the placed order to raise money and interest rates are crossing when there is an order to place money with the indicated interest rate below or equal to the REPO Rate specified in the placed order.
  - 1.7.7.9. Unless otherwise decided by the Exchange, during trading in the Trading Mode “REPO with the CCP – Auction”, a Trading Member shall have access to information on its own orders, other orders to raise money queuing in the Trading System, as related to an aggregate REPO Amount broken down by REPO Rates, and information on an opposite deposit agreement order placed by a Category K or Category R Trading Member on the Deposit Market before such order becomes active, as related to order activation time, a minimum interest rate and a maximum deposit amount.
  - 1.7.7.10. After “REPO with the CCP – Auction” trades have been executed, partially filled or non-filled REPO (CCP) limit orders shall be withdrawn.
  - 1.7.7.11. By the Exchange's decision, Trading Members of Category K may obtain information on the Trading Members having concluded REPO Trades with orders that have been classed as valid opposite orders towards the orders submitted by them.
- 1.7.8. In the Trading Mode “REPO with the CCP – Symmetric Auction” trades shall be executed subject to the specifics below:
- 1.7.8.1. REPO (CCP) limit orders residing on the order book are eligible in the Trading Mode “REPO with the CCP – Symmetric Auction”. Iceberg orders are not eligible.
  - 1.7.8.2. Conclusion of trades under REPO (CCP) limit orders shall be subject to specifics described in the General Section of the Trading Rules and Subsection 1.3 “Orders” hereof.
  - 1.7.8.3. Limit orders submitted by Trading Members of Category K shall also indicate the time within the current trading day in the format “HH:MM:SS” as of which trades based on such orders are eligible (hereinafter, the order activation time).
  - 1.7.8.4. In the Trading Mode “REPO with CCP – Symmetric Auction” orders submitted by Trading Members other than Trading Members of Category K prior to registration in the Trading System of an order submitted by Trading Members of Category K can be considered a valid opposite order, and an order for raising funds submitted by Trading Members other than Trading Members of Category K which indicate a REPO Rate less than the REPO Rate indicated in the order for funds placement, which may be classed as a valid opposite order, are not allowed. Orders to place funds from Trading Members other than Trading Members of Category K which indicate a REPO Rate above the REPO Rate indicated in the order to raise funds, which may be classed as a valid opposite order.
  - 1.7.8.5. Orders for placement of funds submitted by Trading Members of Category K shall indicate the securities basket name. Orders for raising funds submitted by Trading Members other than Trading Members of Category K shall, in addition

to the name of the securities basket, indicate the name of the security in the securities basket which is eligible for a REPO trade under such order. Orders to raise funds submitted by Trading Members of Category K and orders to place funds submitted by Trading Members other than Trading Members of Category K shall not indicate the securities basket, but only the name of the security which is eligible for a REPO trade under such Order.

- 1.7.8.6. A trade based on a REPO (CCP) limit order shall be executed with a REPO Rate indicated in such order and an interest rate indicated in a valid opposite order with another direction registered in the Trading System crossing. A number of days between the REPO legs execution shall be matching. The trade execution shall be subject to other requirements to qualify a REPO order as a valid opposite order in relation to the respective order.
- 1.7.8.7. REPO Rates for the placed order to raise money and interest rates are crossing when there is an order to place money with the indicated interest rate below or equal to the REPO Rate specified in the placed order.
- 1.7.8.8. Unless otherwise decided by the Exchange, during trading in the Trading Mode “REPO with the CCP – Symmetric Auction”, a Trading Member shall have access to information on its own orders, other orders queuing in the Trading System, as related to an aggregate REPO Amount broken down by REPO Rates, and information on an opposite order placed by a Category K Trading Member before such order becomes active, as related to order activation time, a minimum/maximum interest rate and a maximum REPO Amount (amount of funds placed/raised).
- 1.7.8.9. After “REPO with the CCP – Symmetric Auction” trades have been executed, partially filled or non-filled REPO (CCP) limit orders shall be withdrawn.
- 1.7.8.10. By the Exchange's decision, Trading Members of Category K may obtain information on the Trading Members having concluded REPO Trades in the Trading Mode “REPO with the CCP – Symmetric Orders which orders have been classed as valid opposite orders towards the orders submitted by them.

#### **Subsection 1.8. Trading in the Trading Mode “Settlement of Trades T+: REPO”**

- 1.8.1. In cases and pursuant to the procedure stipulated by the Clearing Rules, Trades T+ can be executed without submitting an order between the Central Counterparty and a Clearing Member in the Trading Mode “Settlement of Trades T+: REPO”. Such trade shall be deemed to be executed at the time of receiving a request for executing the trade by the Exchange from the Clearing Organization.
- 1.8.2. Trades T+ are executed in the Trading Mode “Settlement of Trades T+: REPO” without a relevant order being entered according to the procedure established by the Clearing Rules. Unless otherwise decided by the Exchange, Trades T+ may also be executed in the Trading Mode “Settlement of Trades T+: REPO” based on off-order book orders pursuant to the procedure set forth in Subsection 1.7 “Execution of REPO Trades with the Central Counterparty” hereof.

- 1.8.3. A buyer under the first leg of a trade executed in this Trading Mode must transfer income associated with securities involved in this trade to a seller under the first leg of such trade if the list of persons eligible for receiving such income is determined during the period from the trade first leg settlement date inclusive to the actual trade second leg settlement date exclusive. The income transfer terms and procedure as well as an extent of obligations to transfer the income are given in the Clearing Rules.

**Subsection 1.9. Trading in the Trading Mode “REPO with the CCP: Settlement Procedures”**

- 1.9.1. In the “REPO with the CCP: Settlement Procedures” Trading Mode, T+ trades shall be executed to settle obligations under trades with the CCP in events specified in the Clearing Rules.
- 1.9.2. In the “REPO with the CCP: Settlement Procedures” Trading Mode, Trading Members shall enter order book REPO orders (CCP).
- 1.9.3. Unless otherwise decided by the Exchange, in the “REPO with the CCP: Settlement Procedures” Trading Mode, order book REPO orders (CCP) residing on the order book shall be placed by the CCP only. Other Trading Members shall place only order book REPO orders (CCP) without residing on the order book.
- 1.9.4. Trade(s) based on an order book REPO order (CCP) shall be executed according to specifics established herein and in Part 1 “General Section of the Trading Rules”.
- 1.9.5. During the “REPO with the CCP: Settlement Procedures” trading period, a Trading Member shall have access to information on order book REPO orders (CCP) residing on the order book and placed by the CCP, which are available in the Trading System, to the extent of the number of securities and price identified in such orders (unless otherwise decided by the Exchange).