**APPROVED**

Order No. МБ-П-2023-3189 as of 7 November 2023

Public Joint Stock Company Moscow Exchange MICEX-RTS

**SPECIFICATIONS**

**OF THE FUTURES-STYLE OPTIONS**

**on futures contracts on depository receipts**

These Specifications of the futures-style options on futures contracts on depository receipts (hereinafter the Specifications) establish the standard terms of the given future-style options on futures contracts for shares issued by corporates registered under the foreign law.

These Specifications together with the Clearing Rules for the Derivatives Marker (hereinafter the Clearing Rules), Trading Rules for the Derivatives Market (hereinafter the Trading Rules) shall define the obligations under the futures-style options contract on futures contracts for shares issued by corporates registered under the foreign law (hereinafter the Contract, Contracts) as well as the procedure for such obligations to arise, be changed or terminated.

Moscow Exchange (the Exchange) sets the following parameters for future-style options on deliverable futures on shares of foreign issuers, which is Appendix No. 1 to this Specification (hereinafter referred to as the List of Parameters):

* Contract name;
* Underlying asset of the contract;
* Code of the underlying asset;
* Minimum Price fluctuation (the Tick);
* Tick value.

The underlying asset of Contracts is a deliverable futures contract on shares issued by corporates registered under the foreign law (hereinafter the futures contract).

The Contract shall be a futures-style option contract, i.e. shall provide for the Variation Margin Obligation. The Variation Margin shall be calculated in compliance with Clause 2.1. herein.

Terms and definitions not explicitly covered in this paper will be construed in compliance with the law of the Russian Federation, the Trading Rules and the Clearing Rules.

1. **Opportunity to Conclude the Contract**
	1. The opportunity to conclude the Contract in the process of trading shall be granted by the resolution of Moscow Exchange (hereinafter the Exchange) that is to indicate the following:
* Futures contract code;
* Contract type;
* Contract category;
* Strike price range (minimum and maximum strike price);
* Price tick;
* First trading day during which the Contract may trade (hereinafter the first trading day);
* Time starting from which the Contract can be executed (hereinafter the start of trading);
	1. The Contract shall have the following code (designation) used for the identification:

<Futures Contract code>M<last trading day of the Contract><Contract type><Contract category><Strike Price>

* The “M” symbol shall mean that it is a futures-style option;
* The last trading day of the Contract shall be indicated in Arabic numerals in the format DDMMYY (ex.:100614 – 10 June 2014);
* The Contract type shall be either the “C” (Call Option) or “P” (Put Option) type;
* The Contract category shall be either the “A” (American Option) or “E” (European Option) category.
	1. The number of Futures Contracts used as the underlying asset of the Contract (hereinafter the lot) shall be 1 (one) Futures Contract.
	2. When orders are placed and contracts are made, the Contract price shall be quoted in Russian rubles per Lot.
	3. The validity period of the Contract shall commence from the start of trading in the Contract and last until the start of the evening clearing session on the last Trading Day of the Contract.
	4. Last day on which the Contract is available to trade (the Contract’s last trading day) is the Trading day preceding the Futures contract’s last trading day as specified in the List of Options’ Last Trading Days. The Contract’s last trading day is designated in the Contract’s code.

The List of Options’ Last Trading Days is adopted by the Exchange as agreed with the Clearing Center and published on the Exchange’s website as produced for the current calendar year.

The Exchange is entitled to change the List of Options’ Last Trading Days as agreed with the Clearing Center.

1. **Obligations under the Contract**
	1. Variation Margin obligation.
		1. The Parties to the Contract are to pay to each other cash (Variation Margin) in the amount that depends on the changes of the underlying asset’s price.
		2. The Variation Margin is calculated and paid in the period from the Contract’s first trading day to the last trading day of the Contract.
		3. The Variation Margin shall be calculated using the following formulas:

**VМo = (SPt – Po) \* W / R,**

**VМt = (SPt – SPp ) \* W / R,**

 where:

VМo - the Variation Margin for a Contract, for which Variation Margin has not been calculated yet;

VMt – the Variation Margin for a Contract, for which Variation Margin has been calculated before;

Po – the Contract Price (Premium) as of the trade execution;

SPt – the current (final) Settlement Price of the Contract;

SPp – the previous Settlement Price of the Contract;

W – the value of the tick;

R – the tick.

* + 1. Variation margin on the Contract calculated as per the formulas detailed in Clause 2.1.3 herein is rounded off accurate to kopecks in accordance with the rules of mathematical rounding.
		2. The Exchange shall calculate the Contract’s Settlement price within the timeframe and in accordance with the procedure provided for in the Trading Rules and Specifications.
		3. For the purpose of Variation Margin calculation, the Contract’s Current (last) Settlement price shall be equal to 0 (zero) in the following cases:
* Contract was settled during the current clearing session;
	+ - During the evening clearing session of the last trading day of the Contract.
		1. The obligation to pay Variation Margin is to be fulfilled in accordance with the procedure and within the timeframe set forth in the Clearing Rules, provided that:
* If the Variation Margin value is positive, the Option Writer is liable to pay the Variation Margin;
* If the Variation Margin is negative, the Option Holder is subject to pay the amount equal to the absolute value of the calculated Variation Margin.
	1. Obligations to conclude the Futures Contract (delivery obligations).
		1. The Option Writer shall, on demand of the Option Holder, enter into the Futures Contract subject to the following conditions:
* the code of the Clearing Member and the code(s) of the client(s) of the Clearing Member that are indicated when the Futures Contract is concluded, coincide with those that were specified when the Contract was made;
* the Option Writer becomes the Seller of the Futures Contract, whereas the Option Holder becomes the Buyer of the Futures Contract, if it is a Call Option. If it is a Put Option, the Option Writer becomes the Buyer of the Futures Contract, whereas the Option Holder becomes the Seller of the Futures Contract;
* the price at which the Futures Contract is entered into shall be equal to the Contract’s Settlement price.
	+ 1. The Option Holder can demand the Option Writer to exercise the Contract by submitting a relevant notice to the Clearing Center in accordance with procedures and within the timeframes set forth in the Trading Rules and (or) Clearing Rules.
		2. During the evening clearing session, the Option Holder is deemed to have submitted the above-mentioned demand provided that
			1. The Contract is an in-the-money option, in particular:
* a Call Option with the Exercise Price being less than the Settlement Price of the underlying Futures Contract set at the end of the evening Settlement Period of the last trading day of the Contract, or
* a Put Option with the Exercise Price being greater than the Settlement Price of the underlying Futures Contract set by results of the evening Settlement Period of the last trading day of the Contract.
	+ - 1. The Contract is at-the-money option, i.e. a Call Option or a Put Option with the Exercise Price being equal to the Settlement Price of the underlying Futures Contract established following the evening Settlement Period on the last trading day of the Contract. The Contract shall be settled to the extent of 50% (fifty per cent) of the near-the-money option open positions registered on the Option Holder’s position register sections with:
* Rounding up to the nearest whole number for the Call Option;
* Rounding down to the nearest whole number for the Put Option;
	+ 1. The Futures Contract is made in compliance with the Clearing Rules and Trading Rules.
		2. On the last trading day, the Option Holder may opt to inform the Clearing Center on its intention not to exercise the Contract.
1. **Grounds and procedure for termination of obligations under the Contract**
	1. The obligations under the Contract have been terminated in full by due performance of such obligations.
	2. Obligations of a party to the Contract are discharged in full if such party has obtained opposite obligations under the Contract with similar code (designation). This means that Option Writer has obtained the Option Holder’s obligations and vice versa, in accordance with the procedure and within the time frame set forth in the Clearing Rules.
	3. Obligations under the Contract may be terminated on other grounds provided for in the Clearing Rules in accordance with the procedure set forth in the Clearing Rules.
2. **Responsibility**
	1. Parties shall be responsible for a failure to perform obligations under the Contract or improper performance thereof, in accordance with the legislation of the Russian Federation, Trading Rules and Clearing Rules.
3. **Special provisions**
	1. The Exchange shall be entitled to change the last trading day of the Contract bearing a specific code provided that at least one of the following events occurred until the Contract’s expiration:
		1. In accordance with the specifications of the Futures Contract, the Exchange has decided to change the last trading day of the Futures Contract and/or the settlement day of the Futures Contract;
		2. In accordance with the resolution of the relevant state body of the Russian Federation, the last trading day of the Contract has been declared a non-business day.

In this case the Contract code remains unchanged.

* 1. Trading members shall be notified of the decision(s) of the Exchange made in accordance with Clause 5.1. above through notices published on the Exchange’s website no less than 3 (three) trading days before the decision takes effect. If the grounds for taking such decision provided for by Clauses 6.1–6.3 below, come to existence less than 3 (three) trading days before the Contract’s last trading day, information on the decision made by the Exchange is published on the Exchange’s website no later than the effective date of this decision.
	2. As soon as the decision made by the Exchange in accordance with Clause 5.1 above takes effect, the terms of the existing Contracts that were made previously shall be deemed to have been changed accordingly.
1. Introducing amendments and supplements to the Specifications
	1. The Exchange shall be entitled to introduce amendments and supplements hereto as agreed with the Clearing Center.
	2. The amendments and supplements hereto shall come into effect at the moment the Exchange enforces the Specifications containing such amendments and supplements.
	3. The Exchange shall notify the Trading Members of the Specifications containing any amendments and supplements to take effect by publishing the corresponding information on the Exchange’s website at least three (3) business days prior to the day when the Specifications come into effect.
	4. Since any amendments and supplements come into effect, the obligations under the Contracts that were made before shall be considered to have been altered to include such amendments and supplements.

**Appendix No. 1**

**LIST OF PARAMETERS**

**FUTURES-STYLE OPTIONS ON**

**Futures contracts on depositary receipts**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **No** | **Contract name** | **Issuer of DR** | **Underlying asset** | **Underlying asset code\*** | **Tick** | **Tick value** |
|  | Futures-style option on the futures contracts on Global Depositary Receipts (GDR) representing TCS Group Holding PLC shares  | JPMorgan Chase Bank, N.A. | Futures contract on Global Depositary Receipts (GDR) representing TCS Group Holding PLC shares | TCSI-xx.yy | RUB 1 | RUB 1 |
|  | Futures-style option on the futures contracts on Global Depositary Receipts (GDR) representing X5 Retail Group N.V. shares | The Bank of New York Mellon | Futures contract on Global Depositary Receipts (GDR) representing X5 Retail Group N.V. shares | FIVE-xx.yy | RUB 1 | RUB 1 |
|  | Futures-style option on the futures contract on American Depositary Receipts representing Ozon Holding PLC shares  | The Bank of New York Mellon | Futures contract on Depositary Receipts representing Ozon Holding PLC shares | OZON-xx.yy | RUB 1 | RUB 1 |

\*xx – expiration settlement month of the futures contract, yy – expiration settlement year of the futures contract

For example, code (designation) TCSI-9.23 means that the futures contract on GDRs representing TCS Group Holding PLC shares which underlie the futures-style option, is settled in September 2023.