

# T+2 short sales in light of short sale ban by NCC due to record date for dividend (applicable to foreign securities only)

## IT IS ALLOWED to open short positions in T+2 :

- Prior to a ban on short selling – prior to RD-8 inclusive. RD-8 – the 8<sup>th</sup> trading (settlement) day before the record date,
- Amid a ban on short selling – from RD-1 inclusive. RD-1 – the 1<sup>st</sup> trading (settlement) day before the record date,

## IT IS NOT ALLOWED to open short positions in T+2: from RD-7 – RD-2, inclusive.

- NCC sets the period of the ban on short selling 5 **settlement** days before the record date. The period of the ban ends on the record date. I.e. The minimum period of the ban on short selling is 6 settlement days.
- If some non-settlement days (for a security or settlement currency in any mode) fall into the period of the ban on short selling, the period start is moved forward by the number of such settlement days.
- If a clearing member did not settled its trades on RD-5, NCC rolls over the position (through overnight repo) at the penalty rate and mandatory close out it with the spot trade on RD-1 (from 10:00 MSK). If NCC has not found a security to close the position with the spot trade on RD-1, it runs cash settlement at 17:00 MSK on the same day.

## OPENING SHORT POSITIONS IN T+2 :

