**APPROVED**

by Public Joint Stock Company Moscow Exchange MICEX-RTS

(Order No. МБ-П-2023-697 dated 21 March 2023)

**SPECIFICATION FOR FINANCIALLY SETTLED FUTURES CONTRACTS**

**ON INTERNATIONAL SECURITIES**

This Specification sets out the standard terms and conditions of the International Securities Futures contract (hereinafter referred to as the Specification).

The Specification with the Clearing Rules for the Moscow Exchange Derivatives Market (the "Clearing Rules"), Trading Rules for the Moscow Exchange Derivatives Market (the "Trading Rules") shall define the obligations under the cash-settled International Securities Futures contract (the "Contracts", "Contract") as well as the procedure for such obligations to arise, be changed or terminated.

Moscow Exchange (the "Exchange") approves the List of Contract Parameters set out in Appendix 1 to this Specification (the "List of Parameters"), which contains:

* name of the Contract;
* main code of the underlying asset;
* underlying asset of the Contract;
* ISIN and CFI of the underlying receipt;
* Contract lot;
* minimum price movement for the Contract in the course of trading on MOEX (the "price tick");
* the tick value;
* settlement procedures;
* currency of the contract price (the "Base Currency");
* last Trading Day for the Contract;

The underlying assets of the Contracts the terms of which are determined in this Specification and in the List of Parameters shall be International Securities (the "International Securities").

Terms and definitions not expressly defined in the Specification shall be understood in accordance with the laws of the Russian Federation, the Trading Rules and the Clearing Rules.

1. Entering into the Contract
   1. The opportunity to conclude the Contract in the process of trading shall be granted by the Moscow Exchange resolution that shall specify:

* contract code (designation);
* first trading day during which the Contract may trade (hereinafter the First Trading Day);
* the time from which the Contract may be executed (hereinafter the Start of Trading);
* the last Trading day for the Contract (the “Last Trading Day”).
  1. The Contract code (designation) is formed as follows:

XXXX-<settlement month>.<settlement year>, where ХХХХ – the main code of the underlying asset specified in the List of Parameters.

The settlement month and year specified in the Contract’s code (designation) (hereinafter the Contract’s settlement month and settlement year) shall be indicated in Arabic numerals and shall be used to determine the last Trading Day on which the Contract may be executed and the settlement day.

* 1. Contract price
     1. The price of the Contract at the time of submitting orders and entering into the Contract shall be quoted in the Base Currency per Lot as defined in the List of Parameters.
     2. The minimum price fluctuation for the Contract (the “tick”) is set out in the List of Parameters.
     3. The tick value specified in the List of Parameters shall be calculated in Russian roubles at the exchange rate of the relevant Base Currency specified in the List of Parameters to Russian rouble determined in accordance with the Moscow Exchange Indicative Exchange Rates Methodology and published on the Exchange website, subject to the limitation (if any) on fluctuation of the base currency exchange rate established by the Clearing Centre and published on the Exchange website.

In the event that the Base Currency exchange rate is below/above the specified limit, it is deemed to be equal to the lower/upper limit of the specified limit respectively.

The time the Base Currency exchange rate is determined is set by the Exchange and published on the Exchange website.

* + 1. The Contract Lot shall be specified in the List of Parameters.
  1. The last trading day for the Contract shall be specified in the List of Parameters. If the last trading day for the Contract is not a Trading Day, it is set to be the Trading Day immediately preceding the last trading day specified in the List of Parameters.  
      The Exchange shall be entitled upon agreement with the Clearing Centre to set another date of the last trading day for the Contract, different from the one determined in accordance with the List of Parameters and this clause.
  2. The settlement day for the Contract is its last trading day, except to the extent mentioned in Section 6.1 and 6.2 below.
  3. The calendar of last trading days and settlement days for the Contracts for the next 12 months is available on the Exchange website.

1. Obligations under the Contract
   1. Variation Margin obligation.
      1. The Parties to the Contract must pay each other variation margin in the form of cash, in the amount depending on the changes in the value of the Contract’s underlying.
      2. Variation margin will be calculated and must be paid during the life of the Contract.
      3. Variation margin is calculated according to the following formulas:
         1. During the intraday clearing session:
2. If the variation margin has not been calculated before:

**VM1 = Round (SP1\*Round (W1/R; 5); 2) – Round (P0\*Round (W1/R; 5); 2)**

where:

VМ1 – variation margin for the current trading day’s intraday settlement period, calculated during the intraday clearing session,

Round – mathematical rounding to the specified precision,

P0 – execution price of the Contract,

SP1 – daily (last) settlement price of the Contract,

W1 – tick value,

R – tick size.

1. If the variation margin has been calculated before:

**VM1 = Round (SP1\*Round (W1/R; 5); 2) – Round (SPP\*Round (W1/R; 5); 2)**

where:

VМ1 – variation margin for the current trading day’s intraday settlement period, calculated during the intraday clearing session,

Round – mathematical rounding to the specified precision,

SP1 – daily (last) settlement price of the Contract,

SPp – settlement price of the Contract calculated during the previous trading day’s evening clearing session,

W1 – tick value,

R – tick size.

To calculate the variation margin during the intraday clearing session of the current Trading Day, the tick value is calculated using the Base Currency exchange rate determined at the time set by the Exchange and published on the Exchange website.

* + - 1. During the evening clearing session:

1. If the variation margin has not been calculated before:

**VM2 = Round (SP2\*Round (W2/R; 5); 2) – Round (P0\*Round (W2/R; 5); 2)**

where:

VМ2 – variation margin for the Contract as calculated in the evening clearing session for the current trading day’s evening settlement period,

Round – mathematical rounding to the specified precision,

P0 – execution price of the Contract,

SP2 – daily (last) settlement price of the Contract,

W2 – tick value,

R – tick size.

1. If the variation margin for the Contract has been calculated in the intraday clearing session on the current trading day:

**VМ2 = VМ – VМ1**

where:

VМ2 – variation margin for the Contract as calculated in the evening clearing session for the current trading day’s evening settlement period,

VM – variation margin for the Contract as calculated in the evening clearing session for the current trading day;

VM1 – variation margin for the Contract as calculated in the intraday clearing session on the current trading day as per Section 2.1.3.1 above.

VM is determined according to the following formulas:

1. If the variation margin has not been calculated for the previous trading day in the evening clearing session:

VM = Round (SP2\*Round(W2/R; 5); 2) – Round(P0\*Round (W2/R; 5); 2)

where:

Round – mathematical rounding to the specified precision,

SP2 – daily (last) settlement price of the Contract,

P0 – execution price of the Contract,

W2 – tick value,

R – tick size.

ii. If the variation margin has been calculated for the previous trading day in the evening clearing session:

VM = Round (SP2\*Round (W2/R; 5); 2) – Round(SPP\*Round (W2/R; 5);

where:

Round – mathematical rounding to the specified precision,

SP2 – daily (last) settlement price of the Contract,

SPp – settlement price of the Contract calculated during the previous trading day’s evening clearing session,

W2 – tick value,

R – tick size.

To calculate the variation margin during the evening clearing session of the current Trading Day, the tick value is calculated using the Base Currency exchange rate determined at the time set by the Exchange and published on the Exchange website.

* + 1. The obligation to pay the variation margin calculated according to the formulas specified in clause 2.1.3 above shall be fulfilled according to the procedure and within the terms established by the Clearing Rules. For this purpose,
* if the variation margin is positive, the obligation to pay the variation margin arises for the Seller;
* if the variation margin is negative, the Buyer is obliged to pay the absolute value of the variation margin.
  + 1. The settlement price of the Contract is set by the Exchange under the procedure and within the time frames set out in the Trading Rules and Specification.

1. Settlement obligation
   1. The obligation to pay the variation margin as determined during the evening clearing session on the settlement date for the Contract, is the Settlement Obligation.
   2. For the purpose of determining the Settlement Obligation, the current Settlement Price of the Contract (the Execution Price) shall be determined in accordance with the procedure for calculating the current Settlement Price of the Contract set forth in the List of Parameters.
   3. If an hour before the end of the evening Settlement Period of the day of performance of the Contract the necessary values specified in the List of Parameters for determining the Settlement Price (price of performance) of the Contract have not been published by the respective information agency, the last published by the respective information agency values shall be used to determine the Settlement Price (price of performance) of the Contract, unless otherwise decided by the Exchange in accordance with clauses 6.1 - 6.2 of the Specification.
   4. For the purpose of determining the Settlement Obligation, the tick value is calculated using the Base Currency exchange rate determined at the time set by the Exchange and published on the Exchange website.

4. Grounds and procedure for termination of obligations under the Contract

* 1. Obligations under the Contract are terminated in full upon due performance thereof.
  2. A party’s obligations under the Contract will be terminated prior to the final settlement by entering into an offsetting Contract with the same Contract code (designation), subject to the procedures and time frames 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 procedures set forth thereof.

1. Liability of the parties for failure to perform the obligations under the Contract
   1. Parties to the Contract are liable for non-performance or improper performance of their obligations under the Contract, as provided for in Russian law, Trading Rules and Clearing Rules.
2. Special provisions
   1. In the event of circumstances that lead to a significant change in the conditions of the Contract performance stipulated by the Specification, including in case of suspension/termination of publication of the values required to determine the Settlement Price (Execution Price) of the Contract, as well as in case if the previously published values required to determine the Settlement Price (Execution Price) of the Contract were changed by the respective information agency, the Exchange shall have the right to make one or more of the following decisions:
      1. change the last trading date for the Contract,
      2. change the settlement date for the Contract,
      3. change the current (last) settlement price, and/or amend the calculation method for the variation margin and/or rules pertaining to its transfer,
      4. undertake other actions provided for in the Trading Rules.
   2. The Exchange, upon agreement with the NCC, may alter the last trading date and/or the final settlement date for the Contract with a specific code, if the last trading date is declared a public holiday by order of the competent authority of the Russian Federation.
   3. Any changes adopted by the Exchange pursuant to Sections 6.1-6.2 above will be published on the Exchange website at least 3 (three) trading days prior to their taking effect, which serves as notice to the Trading Members. If circumstances that may give rise to decisions set out in Sections 6.1-6.2 above occur less than 3 (three) trading days before the last trading day for the Contract, these decisions are announced on the Exchange website at the moment they come into force or earlier.
   4. As soon as the change(s) adopted by the Exchange, pursuant to Sections 6.1-6.2 above, come(s) into effect, the terms of existing Contracts previously entered into will be deemed to have been amended in accordance with the aforementioned change(s).
   5. In the event that the Securities cease to meet the requirements of the Bank of Russia for the underlying asset of a derivative contract, the terms of the obligations under the previously concluded Contracts shall remain unchanged.
3. Amendments and Supplements to the Specification
   1. The Exchange is entitled to introduce amendments and supplements hereto as agreed with the Clearing Center.
   2. Any amendments and supplements hereto come into force as from the Exchange has put into effect the Specifications containing such amendments and supplements, upon registration thereof with the Bank of Russia in accordance with established procedures.
   3. The Specification as amended and supplemented from time to tome is published on the Exchange website at least 3 (three) business days before it takes effect, which serves as notice to trading members.
   4. Unless otherwise decided by the Exchange, as soon as any amendments and supplements to the Specification come into force, the terms of existing Contracts previously entered into are deemed to have been amended or supplemented accordingly.

**LIST OF PARAMETERS FOR FINANCYALLY SETTLED INTERNATIONAL SECURITIES FUTURES CONTRACTS**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Name of contract** | **Main code of the underlying asset** | **Underlying asset** | **Contract lot** | **Tick** | **Tick value** | **Settlement procedures** | **Base currency** | **Last trading day** |
| 1. | Financially settled SPDR S&P 500 ETF Trust Futures contracts | SPYF | Shares of SPDR S&P 500 ETF Trust (ISIN: US78462F1030, CFI: CEOGEU) | 1 ETF share | USD 0.01 | USD 0.01 | The settlement price of the Contract shall be deemed to be equal to the net asset value (NAV) of the SPDR S&P 500 ETF Trust share published by CBbonds or Interfax for the day prior to the final settlement date, rounded to two decimal places. | USD | 3rd (third) Friday of the month and year of the Contract |
| 2. | Financially settled Invesco QQQ ETF Trust Unit Series 1 Futures contract | NASD | Invesco QQQ ETF Trust Unit Series 1 share (ISIN: US46090E1038, CFI: CEOJLU) | 41 ETF shares | USD 1 | USD 0.01 | The settlement price of the Contract shall be deemed to be equal to the net asset value (NAV) of the Invesco QQQ ETF Trust Unit Series 1 published by Interfax for the day preceding the settlement day, rounded to two decimal places, multiplied by 41 | USD | 3rd (third) Friday of the month and year of the Contract |
| 3. | Financially settled Tracker Fund of Hong Kong ETF Futures contract | HANG | Tracker Fund of Hong Kong ETF share (ISIN: HK2800008867, CFI: CEOGLS) | 1000 ETF share | HKD 1 | HKD 0.01 | The settlement price of the Contract is considered equal to the net value (NAV) of the Tracker Fund of Hong Kong ETF Investment Unit, which is published by the Interfax news agency for the day preceding the date of execution, rounded to the nearest two decimal places, multiplied by 1000 | HKD | 3rd (third) Friday of the month and year of the Contract |
| 4. | Financially settled iShares Core EURO STOXX 50 UCITS ETF EUR (Dist) Futures contract | STOX | iShares Core EURO STOXX 50 UCITS ETF EUR (Dist) (ISIN: IE0008471009, CFI: CEOIMS) | 100 ETF share | EUR 0,1 | EUR 0,001 | The settlement price of the Contract shall be deemed equal to the Net Value (NAV) of the iShares Core EURO STOXX 50 UCITS ETF EUR Investment Unit (Dist), which is published by the Interfax news agency for the day preceding the execution day, rounded to the nearest two decimal places, multiplied by 100 | EUR | 3rd (third) Friday of the month and year of the Contract |
| 5. | Financially settled iShares Core DAX UCITS ETF (DE) Futures contract | DAX | iShares Core DAX UCITS ETF (DE) (ISIN: DE0005933931, CFI: CEOGEU) | 100 ETF share | EUR 1 | EUR 0,01 | The settlement price of the Contract is considered equal to the Net Value (NAV) of the iShares Core DAX UCITS ETF (DE) Investment Unit, which is published by the Interfax news agency for the day preceding the date of execution, rounded to the nearest two decimal places, multiplied by 100 | EUR | 3rd (third) Friday of the month and year of the Contract |
| 6. | Financially settled iShares Core Nikkei 225 ETF Futures contract | NIKK | iShares Core Nikkei 225 ETF (ISIN: JP3027710007, CFI: CECIES) | 1 ETF share | JPY 1 | JPY 0,1 | The settlement price of the Contract is considered equal to the net value (NAV) of the iShares Core Nikkei 225 ETF Investment Unit, which is published by the Interfax news agency for the day preceding the date of execution, rounded to the nearest two decimal places | JPY | 3rd (third) Friday of the month and year of the Contract |