**Description of changes in Surcharge from 14.11.2022**

1. **Current Surcharge calculation**
   1. Surcharge is imposed to every Trading Member or the Client of the Trading Member in the amount of **RUB 0.1** per each **uncompensated by the turnover** of trades order independently from being a taker’s or a maker’s one.
   2. In the calculation of Surcharge anonymous spot orders (trades) are included in CETS and CNGD trading modes. However, orders and trades with the instruments of currency pair BYNRUB (BYNRUB\_TOD, BYNRUB\_TOM) are excluded. The number of **market makers’** orders in case of calculating Surcharge **is 2 times reduced**.
   3. Surcharge is calculated if the number of orders is up to **10 000** per day, Surcharge is imposed if the number of orders is up to **30 000** per day, the first-ever positive surcharge per a certain unique code is not to be paid, orders and trades of the precious metals market are not included in the calculation of Surcharge. The surcharge cannot be greater than **RUB 300 000** per day.
   4. If a Member or his client (by a unique code) has executed an anonymous spot trade with a volume of 3% or more of the entire spot market, then he is exempt from paying the surcharge **regardless of the number of orders**.
   5. Surcharge calculation formula:

**Surcharge = IF (T ≥ D\*R; 0; min (300 000; max (NUM\_ORDERS – round(T\*K); 0) \*М)),** where

**NUM\_ORDERS = ORDERS1 \* L1 + ORDERS2 \* L2** – the number of a Member or his client orders that are included in the Surcharge calculation, where:

**ORDERS1** – the number of orders (except orders for negotiated trades, orders for negotiated trades to all and orders for swaps, swap contracts, deliverable futures contracts and BYNRUB currency pair SPOT trades (BYNRUB\_TOD, BYNRUB\_TOM)) of a Member or his client entered under the unique codes during the trading day for instruments for which it is not the market maker **(IsActualMM is empty)**;

**ORDERS2** – the number of orders (except orders for negotiated trades, orders for negotiated trades to all and orders for swaps, swap contracts, deliverable futures contracts and BYNRUB currency pair SPOT trades (BYNRUB\_TOD, BYNRUB\_TOM)) of a Member or his client as a market maker **(IsActualMM = “Y” or = “M”)**;

**L1** – the asset liquidity coefficient. Equals 1 (one) for instruments for which - where a Member **is not a market maker**;

**L2** – the asset liquidity coefficient. Equals 0.5 (five tenth) for instruments for which a Member **is a market maker**;

**T\*K** – the number of orders of **a Member or his client** compensated by the volume of trades executed for the corresponding unique code, converted into rubles where:

**T** –total turnover according to the corresponding unique code (**of a Member or his client**) in rubles (up to kopecks) for trades with foreign currency that are not negotiated trades, including fix trades (FIX0 instruments in FIXS, FIXN trading modes) and weighed average trades (WAP0, WAPV instruments in WAPS and WAPN trading modes), orders for negotiated trades to all, swaps, swap contracts, deliverable futures contracts and BYNRUB currency pair SPOT trades (BYNRUB\_TOD, BYNRUB\_TOM), executed by all the Trading Members and their clients for the trading day. . The turnover for currency pairs that do not have rubles is calculated by multiplying the transaction volume in the associated currency by the Central Bank of Russia's exchange rate for this currency to the ruble, set on the trading day. **D** - the total turnover for all spot transactions with foreign currency in rubles (up to kopecks), which are not negotiated trades, including fix trades (FIX0 instruments in FIXS, FIXN trading modes) and weighed average trades (WAP0, WAPV instruments in WAPS and WAPN trading modes), orders for negotiated trades to all, swaps, swap contracts, deliverable futures contracts and BYNRUB currency pair SPOT trades (BYNRUB\_TOD, BYNRUB\_TOM), executed by all the Trading Members and their clients during the trading day. The turnover for currency pairs that do not have rubles is calculated by multiplying the transaction volume in the associated currency by the Central Bank of Russia's exchange rate for this currency to the ruble, set on the trading day; **R** – share of turnover of spot transactions with foreign currency, upon reaching and exceeding which the Member is exempt from paying the surcharge, is set to **3% (three percent)**;

**K** – a coefficient accounting for the impact of the volume-related commission fee on the surcharge, equals **0.02% (two hundredths percent)**;

**M** – value coefficient of the surcharge, equals **0.1 (one tenth), RUB**;

**min ()** – function returning the lowest value;

**max ()** - function returning the highest value;

**round ()** - function returning the nearest integer.

Example: The number of orders compensated by the turnover of trades order is calculated with the formula above (T\*K). Thus, every RUB 100 000 of a Member’s turnover compensates 20 orders (100 000 \* 0.02% = 20)

1. **New Surcharge calculation**
   1. To reduce the load on the FX market trading system and to minimize the number of ineffective orders, the threshold value of the non-chargeable number of orders is imposed, by reaching which a Member who has executed non-Negotiated spot trades for an amount equal to or exceeding a certain percentage of the daily turnover of all non-Negotiated spot trades on the market is exempt from paying the Surcharge. In case of exceeding this threshold value of the non-chargeable number of orders, a Member, despite exceeding a percentage of the daily turnover, pays for each application uncovered by the turnover of his trades.
   2. For members who have executed non-Negotiated spot trades on the trading day for an amount less than a certain percentage of the daily turnover of all non-Negotiated spot deals, the unchanged procedure (Chapter 1) for charging the Surcharge is applied – a Member pays for each order uncovered by the turnover of his deals.
   3. Maximum value of Surcharge is increased from **RUB 300 000** to **RUB 3 000 000**.
   4. Other parameters and Surcharge charging scheme **are not changed**: Surcharge is calculated if the number of orders is up to **10 000** per day, Surcharge is imposed if the number of orders is up to **30 000** per day, the first-ever positive Surcharge is not charged, orders and trades of the precious metals market are not included in the calculation. Moreover, the Surcharge report CUX16 also **remains unchanged**:
   5. An extra verification is added to the Surcharge calculation formula to ensure that the value of the non-chargeable number of orders is not exceeded when a Member reaches a certain percentage of the daily turnover of all non-Negotiated spot trades:

**Surcharge = IF (T ≥ D\*R; min (RUB 3 000 000.; max (NUM\_ORDERS – 3 000 000 pcs. – round (T\*K); 0) \*М); min (RUB 3 000 000.; max (NUM\_ORDERS – round (T\*K); 0) \*М))**, where:

**RUB 3 000 000 –** maximum Surcharge paid per a unique code per day, RUB;

**3 000 000 pcs.** – the maximum number of free orders for the corresponding unique code per day, provided for the Member, if he reaches the percentage of trades turnover in the market, at which this participant is exempt from paying the surcharge, pcs.;;

Other variables and coefficients are similar to the current scheme.

1. **Chapter 3. Summary and comparison of the results of the calculation of the Surcharge according to the old and new schemes**
   1. The uncharged number of orders (3 million pcs.) is implemented in the Surcharge charging scheme for Members that have exceeded 3% of the total turnover of spot trades per day. Consequently, all orders above 3 million pcs. will be charged at the current rate of RUB 0.1 for each at any ≥ 3% share in the total spot trades turnover.
   2. Thus, the amount of the Surcharge imposed under the new scheme is increased compared to the current scheme only for those Members, who exceed 3 million orders per day without raising their spot trades turnover.
   3. The maximum value of the Surcharge increases from RUB 300 000 to RUB 3 000 000, i.e. previously, a Member that issued more than 3 million orders and simultaneously did not execute any trades paid a maximum of RUB 300 000 as a Surcharge. According to the new scheme, the maximum Surcharge is 10 times increased– for a Member the Surcharge stops to rise when he exceeds 30 million pcs. orders.