**APPROVED**

by Public Joint Stock Company Moscow Exchange MICEX-RTS

(Order No. МБ-П-2024-2258 dated 17 July 2024)

**MOEX IPO INDEX FUTURES CONTRACT SPECIFICATION**

This Specification sets out the standard terms and conditions of the MOEX IPO Index Futures contract (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 MOEX IPO Index Futures contract (the “Contract”) including how these obligations come into effect, are modified, or come to an end.

The underlying asset of the Contract is the MOEX IPO Index (index code MIPO), which is calculated by Moscow Exchange (the ‘Exchange’) in accordance with the Moscow Exchange IPO Index Calculation Methodology published on the Exchange's website.

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:

IPO-<settlement month>.<settlement year>.

The settlement month and settlement year specified in the Contract's code (designation) (hereinafter, “Contract’s settlement month” and “Contract’s settlement year”, respectively) is stated in Arabic numerals and is used in determining the termination of the last trade date and the final settlement date of the Contract.

* 1. Contract price
     1. When orders are submitted and contracts are executed, the Contract price shall be quoted in points as the MOEX IPO Index.
     2. The minimum price fluctuation for the Contract (the “tick”) is 0.5 points.
     3. The tick value is RUB 0.5.
  2. The last trading day for the Contract is the 3rd (third) Thursday of the settlement month and settlement year of the Contract; where such 3 (third) Thursday is a non-trading day, the last trading day for the Contract is the trading day immediately preceding the 3rd (third) Thursday of the settlement month and settlement year of the Contract. The Exchange shall be entitled, upon agreement with the Clearing Centre, to set another date for the Last Trading Day for the Contract, different from the date determined in accordance with this clause.
  3. The settlement day for the Contract is is its last trading day, except to the extent mentioned in sections 5.1 and 5.2 below.
  4. The list of dates, which are the last trading and settlement days for the Contracts, shall be published 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 underlying asset.
      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:

**VMо = (SPc – Pо) \* W / R,**

**VMт = (SPc– SPp) \* W / R,**

where:

VMо – variation margin for the Contract for which no variation margin has previously been calculated;

VMc – variation margin for the Contract for which variation margin has previously been calculated;

P0 – execution price of the Contract,

SPc – current (last) settlement price of the Contract,

SPp – previous settlement price of the Contract,

W - the tick value;

R - the minimum price fluctuation (tick).

* + 1. The variation margin for the Contract calculated according to the formulas specified in clause 2.1.3 above shall be rounded to the nearest kopeck according to the rules of mathematical rounding.
    2. 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. Expiration 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 Expiration Settlement Obligation, the current Settlement Price (the Expiration Settlement Price) shall be deemed to be equal to the average value of the MOEX IPO Index for the period from 15:00 to 16:00 MSK[[1]](#footnote-1) on the last trading day for the Contract, determined in accordance with sections 1.4, 5.1 or 5.2 of the Specification (the "Calculation Period"). This applies if the total value of all stocks in the MOEX IPO Index (the “Stocks”) is no less than 75% in each second of the Calculation Period (the “condition for determining the Daily Settlement Price). Furthermore, to calculate the total weight of the Stocks in the MOEX IPO Index, the weights of the Stocks as of the close of the previous trading day are used, and only those Stocks traded on the Exchange during the Calculation Period (excluding Stocks traded through a discrete auction).
     3. If the Current Settlement Price Condition specified in clause 2.2.2 above is not met:
        1. the Settlement Price of the evening Settlement Period of the last trading day for the Contract shall be determined by the Exchange in the manner prescribed by the Trading Rules;
        2. the last trading day for the Contract shall be the next trading day during which the total trading time in Stocks, the total weight of which in the MOEX IPO Index is not less than 75%, is not less than 60 minutes from 12:00 till 16:00 MSK[[2]](#footnote-2) (the "Calculation Period2").

Furthermore, to calculate the total weight of the Stocks in the MOEX IPO Index, the weights of the Stocks as of the close of the previous trading day are used, and only those Stocks traded on the Exchange during the Calculation Period2 (excluding Stocks traded through a discrete auction).

In this case clause 2.2.2 of the Specification shall not apply and the current Settlement Price for the purpose of determining the Settlement Obligation shall be deemed to be equal to the average value of the Index cumulatively for the first 60 minutes of the Calculation Period2 during which the total weight of Shares in the Index is at least 75%.

* + 1. For the purposes of clauses 2.2.2 and 2.2.3 of the Specification, to calculate the total weight of Shares in the MOEX IPO Index, percentages of the Shares in the total value of securities included in the Index, as most recently specified on the Exchange website in accordance with the regulations in the field of financial markets and the MOEX IPO Index Methodology, are used.
    2. For the purpose of section 2.2.2 and 2.2.3 above, the average value of the MOEX IPO Index is calculated as the arithmetic mean of all MOEX IPO Index values over the given period of time.
    3. The Exchange shall notify the Trading Members by publication on its website of non-compliance with the Expiration Settlement Price Condition specified in clause 2.2.2 above, as well as of determination of the current Settlement Price according to clause 2.2.3.

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

* 1. Obligations under the Contract are terminated in full upon due performance thereof.
  2. The 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. The parties shall be liable for non-performance or improper performance of obligations under the Contract in accordance with the legislation of the Russian Federation, the Trading Rules and the Clearing Rules.
2. Special provisions
   1. In the event of circumstances that lead to a material change in the terms of performance of the Contract stipulated in the Specification, including in case of suspension/termination of the Contract on MOEX, as well as in case the Exchange suspends trading in at least one Stock in the period from the first trading day for the Contract until the Trading Day preceding the last trading day for the Contract inclusive, or at least one Stock is withdrawn from the market (cancelled), and in other cases stipulated in the Trading Rules, the Exchange has the right to:
      1. change the last trading date for the Contract,
      2. change the settlement date for the Contract,
      3. to change the daily (final) settlement price, and/or amend the calculation method for the variation margin and/or rules pertaining to its payment,
      4. undertake other actions provided for in the Trading Rules.
   2. The Exchange shall be entitled upon agreement with the Clearing Centre to change the date of the last trading day and/or the settlement date for the Contract with a certain code, or take any other decision(s) provided by section 5.1 of the Specification, if in accordance with the decision of the state body of the Russian Federation the last trading day for the Contract is announced to be a non-business day.
   3. Information on the decision(s) taken by the Exchange under sections 5.1 and/or 5.2 above shall be communicated to the Trading Members by its publication on the Exchange website not less than 3 (three) Trading Days prior to the effective date of the respective decision(s). If circumstances that may give rise to decisions set out in sections 5.1 and/or 5.2 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. Unless otherwise provided by the Exchange, from the moment of entry into effect of the decision(s) adopted by the Exchange under sections 5.1 and/or 5.2 above, the terms of existing Contracts previously executed are deemed to have been changed accordingly.
   5. If the MOEX IPO Index no longer meets the Bank of Russia's standards for a derivative contract's underlying asset, the terms of existing contracts will 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. Amendments and supplements hereto go into force at the moment the Exchange puts into effect the updated Specification, containing such amendments and supplements.
   3. The Specification as amended and supplemented from time to time 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 executed are deemed to have been amended or supplemented accordingly.

1. The Calculation Period does not include the value of the MOEX IPO Index as at 15:00 Moscow time and includes the value of index as at 16:00 Moscow time. [↑](#footnote-ref-1)
2. The Calculation Period2 does not include the value of the MOEX IPO Index as at 12:00 Moscow time and includes the value of index as at 16:00 Moscow time. [↑](#footnote-ref-2)