

**APPROVED**  
by the Supervisory Board  
of the Moscow Exchange  
on April 28, 2015, Minutes No.1

**PROVISIONS  
ON THE TECHNICAL POLICY COMMISSION OF  
THE SUPERVISORY BOARD OF  
THE MOSCOW EXCHANGE**

**Moscow  
2015**

## **1. GENERAL PROVISIONS**

1.1. Provisions on the Technical Policy Commission under the Supervisory Board of Public Joint-Stock Company “Moscow Exchange MICEX-RTS” (hereinafter referred to as the “Provisions”) have been developed in accordance with the laws of the Russian Federation, the Charter of Public Joint-Stock Company “Moscow Exchange MICEX-RTS” (hereinafter referred to as the “Moscow Exchange” or the “Exchange”), the Corporate Governance Code recommended for application by the Bank of Russia and rules for securities admission to organised trading of the trade organiser responsible for the listing of Exchange securities.

1.2. These Provisions shall establish a procedure for setting up and the status of the Technical Policy Commission under the Supervisory Board of the Moscow Exchange (hereinafter referred to as the “Technical Policy Commission” or the “Commission”); determine its purpose, objectives and powers, as well as functioning and decision-making procedures.

1.3. The Technical Policy Commission is a standing advisory body of the Supervisory Board of the Moscow Exchange set up with the purpose to enhance efficiency of the Moscow Exchange operations through making recommendations to the Supervisory Board and/or executive bodies of the Moscow Exchange on the matters regarding technical and technological development of the Moscow Exchange.

1.4. The members of the Technical Policy Commission shall be guided in their activity by the current legislation of the Russian Federation, the Charter of the Moscow Exchange, the Provisions of the Board of Directors, strategy of the Moscow Exchange, resolutions of the Board of Directors, these Provisions and other documents adopted by the General Meeting of shareholders and the Supervisory Board of the Moscow Exchange.

1.5. Unless the present Provisions provide otherwise, the terms used but not defined herein shall have the same meaning as defined in the Charter and the Provisions of the Supervisory Board of the Moscow Exchange.

1.6. The Technical Policy Commission shall function within the scope of authorities granted by the Supervisory Board of the Moscow Exchange and shall on all matters report to the Supervisory Board of the Moscow Exchange.

1.7. The Technical Policy Commission shall not act on behalf of the Moscow Exchange, executive bodies or the Supervisory Board of the Exchange, or bind the executive bodies or the Supervisory Board in any way.

1.8. These Provisions with supplements and amendments hereto shall be subject to approval by the Supervisory Board of the Exchange.

1.9. These Provisions shall apply as long as they do not contradict the Charter of the Moscow Exchange.

1.10. Commission decisions shall be of a consultative and informative character. The Supervisory Board of the Moscow Exchange shall take such decisions into account when making decisions on technical policy, IT and software development issues, cooperation with financial and commodities’ market participants in this sphere, when cooperating with software developers, regional exchange centers and FX and stock exchanges.

## **2. PURPOSE AND OBJECTIVES OF THE COMMISSION**

2.1. The primary purpose of the Commission shall be development and enhancement of Moscow Exchange and Moscow Exchange Group operations efficiency through preparing recommendations and experts’ opinions for the Supervisory Board of the Moscow Exchange, Boards of Directors

(Supervisory Boards) and their committees of Moscow Exchange Group companies regarding technical policy and IT and software solutions development at Moscow Exchange and Moscow Exchange Group companies.

2.1. The key objectives of the Commission shall be to:

2.2.1. Foster efficient collaboration of the Moscow Exchange and Moscow Exchange Group companies with on-exchange securities and commodities markets participants using software and hardware of Moscow Exchange on technical policy and IT issues and software solutions development;

2.2.2. Optimize the processes for complete and comprehensive assessment of the on-exchange securities and commodities markets participants' demand for IT and software solutions development.

2.2.3. Coordinate the activities related to technical policy issues within Moscow Exchange Group and ensuring centralized policy implementation on the matters falling within competence of the Commission.

### **3. FUNCTIONS OF THE COMMISSION**

3.1. To achieve the set objectives the Commission shall perform the following functions:

3.1.1. Elaboration of recommendations and proposals regarding current IT products of the Moscow Exchange Group, organization for collaboration between the Moscow Exchange Group and securities and commodities markets' participants on the issues concerning Moscow Exchange's hardware and software operation and other technological and software solutions of the Moscow Exchange Group;

3.1.2. Elaboration of recommendations and proposals regarding current IT products of Moscow Exchange Group, securing collaboration between Moscow Exchange Group and securities and commodities markets' participants on the issues concerning enhancement of the Moscow Exchange's software and hardware operational reliability and reliability of securities and commodities markets participants' systems;

3.1.3. Elaboration of recommendations and proposals on and securing communication of Moscow Exchange Group with the securities and commodities markets' participants on the issues concerning technical policy, IT and software development;

3.1.4. Review and elaboration of recommendations regarding demand of market participants in IT and software solutions development, Moscow Exchange's software and hardware operational reliability and reliability of securities and commodities markets participants' systems;

3.1.5. Review of the standardization of software and hardware facilities installed by users of Moscow Exchange's software and hardware complex for compliance of Moscow Exchange's software and hardware complex and market participants' in-house software and hardware systems, as well as compliance with procedures and methods applicable at the Moscow Exchange to ensure reliability and safety of software and hardware complex;

3.1.6. Consideration of issues concerning information security of remote software and hardware facilities of the Moscow Exchange ensuring the work of on-exchange securities and commodities markets;

3.1.7. Review of the major areas for the Moscow Exchange Group hardware and software complex development aiming at preparing opinions on application software and IT development priorities;

3.1.8. Consideration of issues concerning communication infrastructure development and modernization of geographically distributed networks of securities and commodities markets participants;

3.1.9. Consideration of issues concerning organization of training and professional development for the staff of securities and commodities markets' participants using hardware and software facilities of the Moscow Exchange Group;

3.1.10. Quarterly review of the IT budget performance for the current year and bringing the results of review to the knowledge of the Budget Commission of the Supervisory Board of the Moscow Exchange;

3.1.11. Elaboration of proposals and preparation of opinions on the coming year budget for technical policy implementation, Moscow Exchange IT and software development in consideration of priorities for key businesses development;

3.1.12. Review of current status of the Moscow Exchange technical infrastructure and software and hardware facilities of the Moscow Exchange Group on a yearly basis.

3.2. If necessary, the Commission shall have the right to obtain professional services from government bodies, scientific institutions or other organizations, or to invite external experts (consultants) for consideration of the issues within in the competence of the Commission.

3.3. The Commission shall have the right to file a motion to the Supervisory Board of the Moscow Exchange for inviting consulting organizations, organizing professional exchange with foreign companies, participating in a workshop, conference or a symposium.

#### **4. COMMISSION'S COMPOSITION AND FORMATION PROCEDURE**

4.1. Members of the Commission shall be elected by a simple majority of votes of all elected members of the Supervisory Board of the Moscow Exchange, at one of the first meetings after the election of the new Supervisory Board of the Exchange. The Supervisory Board of the Moscow Exchange shall decide on the size and personal composition of the Commission. The number of Commission members may not be less than five (5).

4.2. The members of the Commission shall be elected among the members of the Supervisory Board of the Moscow Exchange, members of the Boards of Directors (Supervisory Boards) of Moscow Exchange Group companies, as well as among candidates nominated by the shareholders of the Moscow Exchange, executive bodies of the Moscow Exchange, securities and commodities markets' participants.

4.3. The members of the Commission shall have skills and competences necessary to make decisions on the matters within the scope of Commission functions.

4.4. The members of the Technical Policy Commission shall serve during the term of the Supervisory Board of the Moscow Exchange office until their successors are duly elected by the Annual General Shareholders Meeting or Extraordinary Meeting in the event of early termination of the Supervisory Board's office.

4.5. Persons other than members of the Commission may attend the meetings of the Commission only if they are invited to do so by the Chair of the Commission. If necessary the members of the Commission may invite to their meetings leaders of the structural units and employees of the Moscow Exchange and Moscow Exchange Group, and other persons with professional skills and competence required to make decisions on issues reviewed by the Commission. The persons mentioned herein shall have a consultative vote at the meetings of the Commission, have the right to speak at the meetings and give recommendations on the agenda items of the Budget Commission meetings.

4.6. A member of the Commission may resign earlier by submitting a written notice of resignation to the Chair of the Commission at least one month prior to the expected resignation date.

The powers of a member of the Commission shall be recognized terminated after the Supervisory Board of the Moscow Exchange adopts a respective resolution.

4.7. The Supervisory Board of the Exchange may at its sole discretion release all or any Commission member from their responsibilities.

In this case the members of the Supervisory Board of the Exchange shall elect a new member (members) of the Commission at the meeting that decides on the early release, or shall adopt a decision to reduce the size of the Commission.

4.8. In case the number of Commission members does not meet the required quorum for holding Commission's meetings, the Chair of the Exchange Supervisory Board, as advised by the Chair of the Commission, shall convene an extraordinary meeting of the Supervisory Board to hold new elections or shall include the election issue into the agenda of the next scheduled meeting of the Supervisory Board of the Exchange.

4.9. The work of the Commission shall be governed and organised by the Chair of the Commission elected by a majority vote of the attending members of the Supervisory Board of the Exchange.

4.10. If necessary, in the absence of the Chair of the Commission the members of the Commission shall have the right to elect a Deputy Chair by a majority vote of the attending members.

## **5. COMMISSION'S PROCEEDINGS**

5.1. In organising the work of the Commission, the Chair shall:

- ensure the unbiased character of recommendations developed by the Commission for the Supervisory Board of the Moscow Exchange;
- convene and chair the meeting;
- decide on the form of the meeting and approve its agenda;
- decide on the list of invitees to the Commission meeting in praesentia;
- organise the discussion of agenda items at Commission meetings and listen to the opinions of invitees;
- organise minutes keeping and sign the minutes;
- draft, where necessary, a forward schedule of Commission meetings taking into account the schedule of the Supervisory Board meetings;
- allocate responsibilities among Commission members;
- represent the Commission in interaction with executive bodies of the Moscow Exchange and Moscow Exchange Group, other bodies and persons;
- maintain official correspondence of the Commission, sign enquires, letters and other documents on behalf of the Commission;
- ensure compliance of the Commission activities with current legislation of the Russian Federation, the Charter of the Moscow Exchange, other bylaws of the Moscow Exchange and these Provisions;
- on a regular basis advise the Supervisory Board and its Chair on activities of the Commission;
- perform other functions as assigned by the current legislation, the Charter of the Moscow Exchange, other bylaws of the Exchange and these Provisions.

5.2. An employee of the Exchange, appointed by the Supervisory Board or in his/her absence at the meeting – any employee elected by a majority vote of the total attending Commission members shall perform the functions of the Commission Secretary and shall ensure the preparation for and holding of Commission meetings, collection and filing of pre-reads, timely notification of the members of the Commission and invitees on the meeting date and agenda, taking meeting minutes, keeping all relevant materials and other functions upon assignment of the Chair of the Commission.

5.3. Normally the Commission shall hold meetings in praesentia (joint attendance). At meetings held in praesentia the Commission members, with consent of all attending Commission members, may review issues not included into the agenda.

To facilitate the work of the Commission technical communication means (teleconferences and etc.) may be used.

5.4. The invitees to the meeting in praesentia, inclusive of the members of the Commission who cannot attend the meeting may submit their written opinions on the agenda items. Such written opinions must be read out at the Commission meeting by the Commission Chair. The Commission shall take account of such written opinions at decision-making and they shall be attached to the meeting minutes.

The written opinion of a non-attending Commission member shall be taken into account when determining the presence of quorum and voting results on the agenda item if the following conditions are met:

- a written opinion has been received prior to the beginning of the meeting.
- a Commission member has expressed his/her viewpoint on the issue in unmistakable terms, having indicated in the written opinion one of the voting options for the proposed draft resolution – “for”, “against” or “abstained”.

A written opinion containing adjustments or reservations as to the proposed draft resolution shall not be taken into account when determining the presence of quorum and voting results. Neither the written opinion shall be taken into account when determining the presence of quorum and voting results, if the draft resolution is adjusted at the Commission meeting.

Written opinions shall be taken into account when determining the presence of the quorum and voting results separately for each agenda item and reflected in the Commission minutes.

Written opinions sent by persons unable to attend the Commission meeting in presentia must be signed by them, indicating their surnames and initials and submitted prior to the beginning of the Commission meeting in the original copy or by fax with further submission of the original copy.

5.5. In exceptional circumstances upon decision of the Chair of the Commission the members may adopt resolutions by voting in absentia.

5.6. The Chair of the Commission shall develop its forward schedule in consideration of the approved schedule of the Exchange Supervisory Board meetings and proposals by the Supervisory Board Chair, members of the Supervisory Board and the Commission, Chair and members of the Executive Board, the HR Director, the Corporate Secretary and structural units of the Exchange concerned.

5.7. When convening a Commission meeting the Chair of the Commission shall decide on the date, time, agenda, venue, and form of the meeting as well as the list of invitees.

Commission Chair shall take a decision to convene an extraordinary meeting of the Commission basing on the relevant requests and proposals from persons specified in clause 5.6 hereof.

Commission Chair shall decide to convene an extraordinary meeting or to include an item into the agenda within 5 (five) business days following the relevant request or proposal taking into account the importance and urgency of the proposed item.

5.8. The Chair may refuse to convene an extraordinary meeting if the items proposed for inclusion into the agenda are not within the competence of the Commission subject to these Provisions. The motivated refusal shall be provided to the initiator within 5 (five) business days following the relevant request or proposal.

5.9. If there are circumstances impeding the holding of a Commission meeting or even making it impossible and the Commission members have been notified about such a meeting, the Chair may decide to adjoin the meeting to a different date with the same agenda.

The Commission Secretary instructed so by the Chair shall notify all Commission members on the change of the meeting date and (or) time.

5.10. The Chair of the Commission or in his/her absence the Deputy Chair shall preside at the meetings of the Commission. If neither of them is present, the members of the Commission shall choose the Chair from attending members by a simple majority vote.

5.11. The meeting of the Commission shall be deemed quorate if at least half of the total number of members enjoying a right to vote are attending the meeting. When opening the meeting the Chair of the Commission shall decide whether the meeting is quorate. In the absence of quorum, the meeting shall be adjourned by the Chair and postponed to another date with the same agenda, or the issues to be discussed at such adjourned meeting shall be included into the agenda of the next scheduled meeting.

5.12. Each member of the Commission, inclusive of its Chair, shall have one vote. The members of the Commission may not delegate their votes to any other member of the Commission.

The invitees shall be entitled to a consultative vote at the meeting. Opinions or recommendations of invitees on agenda issues may be recorded in the meeting minutes.

5.13. In the course of the meeting any information about members having interest in any agenda item must be disclosed and advised to the members of the Commission.

5.14. The Commission shall take decisions by a simple majority vote. The Chair of the meeting shall be entitled to a casting vote when votes are equally divided.

5.15. If the meeting of the Commission is held in absentia the members of the Commission shall receive voting ballots along with the pre-reads.

5.16. When filling in a voting ballot for an absentee vote (or sending a written opinion by those members who cannot attend the meeting) all voting options, except one (“for”, “against” or “abstained”) in each item put to vote must be crossed out. The filled in voting ballot must be signed with indication of the surname and initials of such Commission member and delivered to the specified address in the original copy or by fax with the original copy to be delivered later.

5.17. The resolutions of the Commission shall be reflected in the minutes, drafted by the Secretary of the Commission no later than 10 (ten) business days after the meeting. The Chair of the meeting and the Secretary of the Commission shall sign the minutes. The Chair shall be responsible for the accuracy of the minutes.

5.18. The minutes of the meetings shall state: the form, venue, date and time of the meeting (deadline for the filled in voting ballots submission), names of attendees, agenda of the meeting, items put to vote, draft resolutions, voting results, adopted resolutions, opinions in writing of the absent members, key points of delivered reports (optional), opinions and recommendations of invitees.

An individual opinion of the Commission member having voted against the proposed resolution or of the member abstained from voting may be recorded in the minutes of the meeting if so requested.

5.19. Where the Commission provides recommendations on the agenda items to be further decided on at the meeting of the Supervisory Board of the Moscow Exchange, the reference to such recommendations must be made in the pre-reads for this item, submitted for the review by the Exchange Supervisory Board.

5.20. The Corporate Secretary of the Exchange shall ensure that minutes of meetings are duly kept. The minutes of the meetings of the Commission shall have a continuous numbering starting from the date of approval of the effective composition of the Commission till the date of approval of a new composition of the Commission by the Supervisory Board of the Moscow Exchange.

5.21. The copies of the meetings’ minutes or abstracts thereof shall be forwarded by the Commission Secretary to persons, responsible for the implementation of the relevant Commission resolutions, members of the Commission, as well as to the members of the Exchange Supervisory Board Moscow Exchange Group supervisory boards upon their written request, and to the Exchange structural units

only if so sanctioned by the Chair of the Executive Board of the Exchange or the person authorised by him/her.

5.22. By the decision of the Chair, the Commission may hold joint meetings with the Moscow Exchange Group companies' commissions (committees) performing similar functions (hereinafter referred to as the "joint meetings"). The joint meetings shall be held in praesentia after the Commissions' Chairs agree on the issues to be discussed at the meeting, date, time and venue of the meeting.

The procedure for preparing and holding joint meetings will be similar to the procedures set by these Provisions.

5.23. The chairs of commissions (committees) concerned shall co-chair the joint meetings or take the chair by rotation.

The Secretary of the Supervisory Board of the Moscow Exchange shall act as the Secretary of the joint meeting.

5.24. The joint meeting shall be deemed duly held if it meets the quorum required by each commission (committee) bylaw. If case a commission (committee) is not quorate, the meeting shall only be deemed duly held for the quorate commission (committee). Members of the no quorum commission (committee) shall be entitled to a consultative vote, their opinion is not taken into account during voting and may be included into the minutes if the members of the quorate commission (committee) decide so.

5.25. Voting on the agenda items at a joint meeting shall be separate for each commission (committee). Resolutions on the issues put to vote at each commission (committee) shall be deemed passed in accordance with the bylaws of each commission (committee). Resolution of the joint meeting shall be deemed passed if adopted by each commission (committee). If commissions (committees) adopt different decisions on the same issue, both proposed wordings will be recorded in the minutes of the joint meeting.

5.26. Following the results of joint meetings joint minutes must be taken subject to requirements of these Provisions.

Joint minutes shall be signed by the commissions' (committees) chairs and the Secretary of the joint meeting in two (2) copies for each commission (committee). Joint minutes shall be numbered. Their numbers shall include sequence numbers of the commissions' (committees) minutes.

## **6. RIGHTS, OBLIGATIONS AND LIABILITY O OF THE COMMISSION MEMBERS**

6.1. The members of the Commission shall have the right to:

- Receive documents and information regarding the issues within the competence of the Commission;
- Initiate convocation of the meeting of the Commission, propose issues for the agenda of the meeting;
- Participate in the meeting and vote on all items of the agenda put to the vote;
- If absent during the Commission meeting, to submit their written opinions on the related issues. Such written opinions should be taken into account when determining quorum and counting votes in compliance with the present Provisions;
- In the event of complete or partial disagreement with a resolution adopted by the Commission on the issue considered at the meeting, submit and request attachment of their written dissenting opinions to the minutes of a meeting of the Commission.

- 6.2. The members of the Commission shall be obliged to:
- Act in the interests of the Moscow Exchange and the Moscow Exchange Group;
  - Refrain from adoption of non-motivated resolutions, refrain from voting on the issues in case a member does not have a well-established opinion;
  - Not disclose and not use in their personal interests or in the interests of the third parties any insider information and commercial secrets of the Moscow Exchange and Moscow Exchange Group as determined by the Moscow Exchange and Moscow Exchange Group bylaws, as well as other information access to which is limited pursuant to the Moscow Exchange and Moscow Exchange Group bylaws;
  - Observe requirements of the Moscow Exchange and Moscow Exchange Group bylaws regulating their practice, as well as other laws and regulations of the Russian Federation.

## **7. CONCLUDING PROVISIONS**

7.1. Any issues that are not regulated by these Provisions shall be regulated by the Charter of the Moscow Exchange, the Provisions on the Supervisory Board of the Moscow Exchange, other bylaws of the Moscow Exchange and the applicable laws.

7.2. Should certain items of these Provisions come into conflict with the laws, the Charter of the Moscow Exchange, the Provisions on the Supervisory Board, or any bylaws of the Moscow Exchange approved by its General Shareholders Meeting due to any amendments introduced therein, such Provisions shall become ineffective, and the Commission shall be governed by the provisions of the abovementioned statutes and bylaws up to the time these Provisions are amended accordingly.