

National Settlement Depository
(NSD)

MINUTES No. 41

of the National Settlement Depository Customer Committee
(Central Securities Depository Customer Committee)

Format of the Meeting: in-person meeting

Date of the Meeting: 4 October 2018

Place of the Meeting: 12 Spartakovskaya Street, Conference Room 1.5-1.6, Moscow

Time of the Meeting: 10.00 a.m. - 11.00 a.m. (Moscow time)

Date of the Minutes: 4 October 2018

Committee Secretary: Anna Iakusheva

Committee members attending the meeting:

1. Varvara Artyushenko
2. Elena Akhmetdinova
3. Victoria Belogurova
4. Igor Bushin
5. Olga Veksler
6. Larisa Gorbacheva
7. Sergey Gorbachenko
8. Yulia Davydova
9. Alina Zolotova
10. Natalia Karaseva
11. Elena Kochemirovskaya
12. Alexey Kushnerov
13. Dmitry Medvedev
14. Maksim Murashov
15. Mikhail Nedelsky
16. Alexey Fedotov
17. Nikolay Chemodurov
18. Natalia Shtalenkova

Apologies:

1. Yury Dubin
2. Galina Karyakina
3. Magali De Wit

4. Natalia Rakhmanova
5. Yury Taranovsky
6. Sergey Titov
7. Tatiana Fedyashina

Committee members who have submitted their written opinions on the following agenda items:

1. Approval of the agenda of the meeting of the National Settlement Depository Customer Committee (Central Securities Depository Customer Committee);
2. Election of Chairperson and Deputy Chairperson of the National Settlement Depository Customer Committee (Central Securities Depository Customer Committee);
3. Approval of the Amended and Restated Electronic Communication Rules of NSD.

1. Yury Dubin
2. Sergey Titov
3. Tatiana Fedyashina

The Committee meeting was convened in accordance with paragraph 6.1 of the Regulations on the National Settlement Depository Customer Committee (Central Securities Depository Customer Committee) by Anna Iakusheva, Committee Secretary.

The number of Committee members attending the meeting or submitting their written opinion was more than half of the Committee members elected. Therefore, in accordance with paragraph 7.5 of the Committee Regulations, the quorum required for the meeting to be valid was present.

In attendance:

S. Aristov	Director of Client Relations Department, NSD
L. Borisova	Head of Client Relations Division, NSD
M. Krasnova	Deputy Chairman of the Executive Board, NSD
I. Tissen	Head of Product Development Division, NSD
I. Akimov	Chief Legal Counsel, Regulatory Affairs Division, NSD
D. Buryakov	Managing Director for Depository Operations, NSD
Yu. Sobranina	Head of Regulatory Affairs Division, NSD
S. Suzdaltsev	Chief Legal Counsel, Corporate Legal Support Unit, NSD

Anna Iakusheva, Committee Secretary, proposed that the Committee members approve the meeting agenda.

Total number of Committee members – 25.

Number of Committee members who voted or had submitted their written opinion on the agenda item – 21.

The quorum required to transact business was present.

Resolution put to the vote:

Approve the following meeting agenda of the National Settlement Depository Customer Committee (Central Securities Depository Customer Committee):

1. Election of Chairperson and Deputy Chairperson of the National Settlement Depository Customer Committee (Central Securities Depository Customer Committee).
2. Approval of the Amended and Restated Electronic Communication Rules of NSD.

Voting results:

"In favour" - 21 votes;

"Against" - 0 votes;

"Abstentions" - 0 votes.

The resolution is adopted unilaterally by the Committee members who attended the meeting or had submitted their written opinion.

Resolution adopted:

Approve the following meeting agenda of the National Settlement Depository Customer Committee (Central Securities Depository Customer Committee):

1. Election of Chairperson and Deputy Chairperson of the National Settlement Depository Customer Committee (Central Securities Depository Customer Committee).
2. Approval of the Amended and Restated Electronic Communication Rules of NSD.

Agenda Item 1:

Election of Chairperson and Deputy Chairperson of the National Settlement Depository Customer Committee (Central Securities Depository Customer Committee)

Total number of Committee members – 25.

Number of Committee members attending the meeting and voting on the agenda item – 18.

The quorum required to transact business was present.

Keynote speaker: Anna Iakusheva, Committee Secretary, proposed that the Committee members nominate their candidates to the position of Committee Chairperson. The following three candidates were nominated:

- Natalia Karaseva nominated Yury Dubin.
- Alexey Fedotov nominated himself.
- Mikhail Nedelsky nominated himself.

In accordance with paragraph 3.13 of the Committee Regulations, Committee Chairperson shall be elected by majority vote of the Committee members attending the meeting. This agenda item was voted upon using voting ballots.

Voting results:

Nominee's Name	Number of Affirmative Votes
Yury Dubin	6
Alexey Fedotov	8
Mikhail Nedelsky	4

None of the candidates nominated received majority vote of the Committee members attending the meeting.

The resolution is not adopted. The matter of election of Chairperson and Deputy Chairperson of the National Settlement Depository Customer Committee (Central Securities Depository Customer Committee) will be discussed at the next Committee meeting.

In accordance with paragraph 4.2 of the Committee Regulations, where a Committee meeting is attended neither by the Chairperson, nor by a Deputy Chairperson, the Committee members present at the meeting shall elect one of them to preside over the meeting. The Committee members proposed to elect Alexey Fedotov to preside over the meeting.

Resolution put to the vote:

Elect Alexey Fedotov to preside over the meeting of the National Settlement Depository Customer Committee (Central Securities Depository Customer Committee) on 4 October 2018.

Voting results: "In favour" - 18 votes;
 "Against" - 0 votes;
 "Abstentions" - 0 votes.

The resolution is adopted unilaterally by the Committee members attending the meeting.

Resolution adopted:

Elect Alexey Fedotov to preside over the meeting of the National Settlement Depository Customer Committee (Central Securities Depository Customer Committee) on 4 October 2018.

Agenda Item 2:

Approval of the Amended and Restated Electronic Communication Rules of NSD

Total number of Committee members – 25.

Number of Committee members who voted or had submitted their written opinion on the agenda item – 21.

The quorum required to transact business was present.

In accordance with paragraph 8.2 of the Committee Regulations, a resolution to approve NSD's Electronic Communication Rules shall be adopted by majority vote of the Committee members.

Keynote speaker: I. Akimov presented to the Committee the amended and restated Electronic Communication Rules of NSD.

Speakers: N. Shtalenkova, M. Krasnova, V. Belogurova, Yu. Sobranina, M. Nedelsky.

S. Gorbachenko proposed to assess whether it is possible and necessary for NSD to use the Bank of Russia's Financial Messaging System and related risks.

A. Fedotov proposed to assess risks connected with using Web Service without double encryption. He also proposed to assess sizes and categories of messages interchanged by NSD's clients via the NSD EDI System.

Resolution put to the vote:

1. Approve the amended and restated Electronic Communication Rules of NSD (attached).
2. Recommend that NSD's Supervisory Board approve the amended and restated Electronic Communication Rules of NSD.

Voting results:

"In favour" - 19 votes;

"Against" - 0 votes;

"Abstentions" - 2 votes (Yury Dubin, Mikhail Nedelsky)

The resolution is adopted by majority vote the Committee members who attended the meeting or had submitted their written opinion.

Resolution adopted:

1. Approve the amended and restated Electronic Communication Rules of NSD (attached).
2. Recommend that NSD's Supervisory Board approve the amended and restated Electronic Communication Rules of NSD.

Attachments: Amended and restated Electronic Communication Rules of NSD.

Meeting Chairperson

Alexey Fedotov