



NATIONAL  
SETTLEMENT  
DEPOSITORY  
MOSCOW EXCHANGE GROUP

## **TRADE REPOSITORY FEES:**

- NEW FEE SCHEDULE FROM 1 SEPTEMBER 2020
- BILLING FEATURES, INVOICING AND PAYMENT FOR THE SERVICES INFORMATION

# CONTENTS

- New Trade repository Fee schedule from 1 September 2020: general information and key changes
- General billing features

NEW FEE SCHEDULE: IN EFFECT FROM 1 SEPTEMBER 2020

# PREMISES FOR THE NEW FEE SCHEDULE

- Simplification: single scale, ease of fee calculation.
- Implementation of practices used in the European trade repositories fee schedules.
- Renewing Fee schedule due to changes in clients' reporting patterns (last significant change in Fee schedule was in 2016).
- Fee schedule actualization: discarding fees not used by clients.
- Implementation of unified pricing principle for messages and reporting forms: same fee regardless of selected reporting method (bulk or by individual reporting forms).

# KEY CHANGES IN THE REPOSITORY FEE SCHEDULE

## CURRENT FEE SCHEDULE

### Who is a payer under invoice?

- Reporting agent – message sender and/or sender with open trade in the Contracts register
- Observer (i.e. client who decided not to provide information to the Repository)
- Client who requested and received issuance of an Excerpt from the Contracts Register

### Billing features

- 6 fee schedules: one with “per trade” basis and 5 “price fixed”
- Fees are differentiated regarding number of the Reporting agents, messages types
- Separate safekeeping fee, differentiated by number of open trades
- Separate fee calculation depending on different types of messages (reporting forms)

## NEW FEE SCHEDULE

- One unified fee schedule
- Common rates for messages (reporting forms) and record about trade/report inside incoming message
- Cost of message is calculated by the end of the month and depends on number of recorded messages

# RATES FOR RECORDED INCOMING MESSAGES

GRADATIONS	RATES
150 001 and above	<b>1,50 RUB</b>
from 50 001 up to 150 000	<b>2,50 RUB</b>
from 10 001 up to 50 000	<b>5,00 RUB</b>
from 1001 up to 10 000	<b>15,00 RUB</b>
from 501 up to 1 000	<b>45,00 RUB</b>
up to 500	<b>90,00 RUB</b>
<b>MINIMUM FEE (invoice amount)</b>	<b>9 500,00 RUB *</b>

- Invoice amount is calculated as sum of incoming messages / reporting forms multiplied by the relevant rate.
- Observer's (client who submitted CM012 form\*\*) rate is 5 000,00 RUB per month.

# COMPARING EXPENSES FOR REPOSITORY SERVICES

## Terms to compare:

- Client registers 1 500 messages per month;
- There are 500 open contracts;
- Number of Mark to market reports is 100 and they are included into 1 500 incoming messages.

### APPROXIMATE FULL PRICE FOR REGISTRATION OF 1 TRADE (CONTRACT)

#### CURRENT FEE SCHEDULE

2 incoming messages<sub>(x10 RUB)</sub> + Safekeeping fee for 1 trade<sub>(x10 RUB)</sub> + 1 Mark to market report<sub>(x50 RUB)</sub> = **80 RUB**

#### NEW FEE SCHEDULE

3 incoming messages<sub>(x15 RUB.)</sub> = **45 RUB**

### INVOICE FOR REPOSITORY SERVICES, MONTHLY FEE

#### CURRENT FEE SCHEDULE

1 500 incoming messages<sub>(x10 RUB)</sub> + Safekeeping fee for 500 trades<sub>(x10 RUB)</sub> + 100 mark to market reports<sub>(x50 RUB)</sub> = **25 000 RUB**

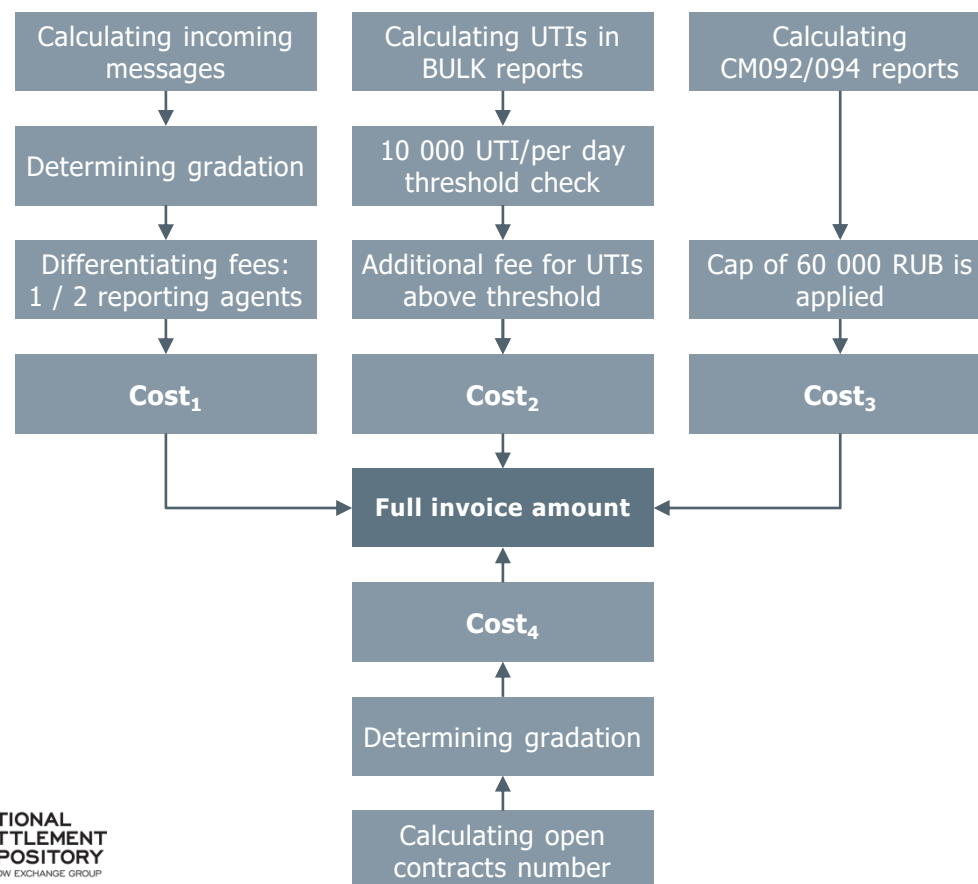
#### NEW FEE SCHEDULE

1 500 incoming messages<sub>(x15 RUB)</sub> = **22 500 RUB**

# NEW APPROACH TO INCOMING MESSAGES PRICING

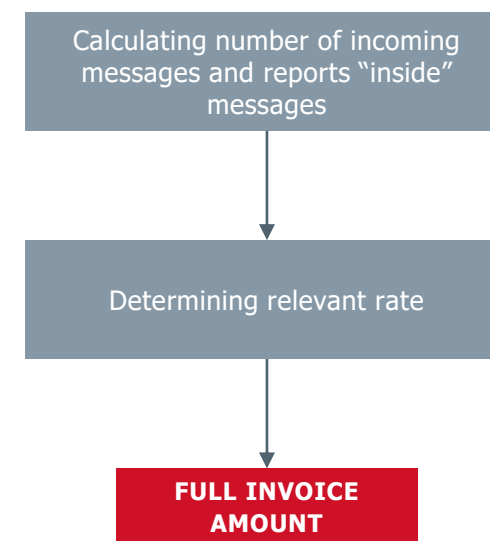
## CURRENT FEE SCHEDULE

Different messages types are not link between themselves. Number of messages in one category doesn't affect the other one:



## NEW FEE SCHEDULE

All messages and reports "inside" them are summed in order to determine rate:





# BILLING FEATURES

By the end of the month (billing period) Repository calculates number of incoming messages and trades (UTIs), reports inside BULK format messages\*:

## CM08x reporting form

UTI<sub>1</sub>

UTI<sub>2</sub>

UTI<sub>...</sub>

UTI<sub>N</sub>

## CM094 reporting form

Report<sub>1</sub>

Report<sub>2</sub>

Report<sub>...</sub>

Report<sub>n</sub>

**Trades (UTIs)** and **reports** are summed up and included into the total incoming messages count in order to apply the relevant rate

Trade repository doesn't sum up:

- BULK reporting forms.
- Reporting forms where client rejects to accept master agreement or trade details.
- Requests to issue of an excerpt from the Contracts register
- "Technical" reporting forms, such as CM016 for appointing Reporting agent.

**9 500 RUB (minimum fee)** shall be charged to each Client (other than Observers) for each full calendar month or a fraction thereof, provided that the total fee for Repository services is less than the minimum fee, and/or if there is at least one open contract recorded in the Contracts register as at the close of business on the last calendar day of the month.

**5 000 RUB (Observer's fee)** shall be charged on a monthly basis regardless of Observer's counterparties activities or absence of Open contracts in the Contracts register. Fee is charged for full or partial month when CM012 form was submitted (or withdrawn during the month).

# Q&A

## Should clients submit declaration of accession for the new fee schedule?

No, transition shall occur automatically once the Fee schedule is in effect.

## When does the new Fee schedule come in effect?

From 01.09.2020.

## Does Sender still act as payer for the Repository services?

Yes, and the same is applied to Client without any messages but if there is at least one open contract recorded in the Contracts register as at the close of business on the last calendar day of the month.

## Are there any changes in Fee schedule for NSD Repository's auxiliary services?

No, Fees for the auxiliary services remain the same.

# GENERAL BILLING FEATURES

# GENERAL BILLING CONCEPTS

## WHO IS THE PAYER UNDER INVOICE?

Invoice for the Repository services is billed to the message sender – which is a Reporting agent by default.

However client who is not a Reporting agent may receive an invoice in case it submitted CM012 or received an extract from the Contracts register.

## WHICH IDENTIFICATION CODE IS USED FOR THE BILLING?

By default, Reporting agent's (client's) **primary Identification code** is used for billing.

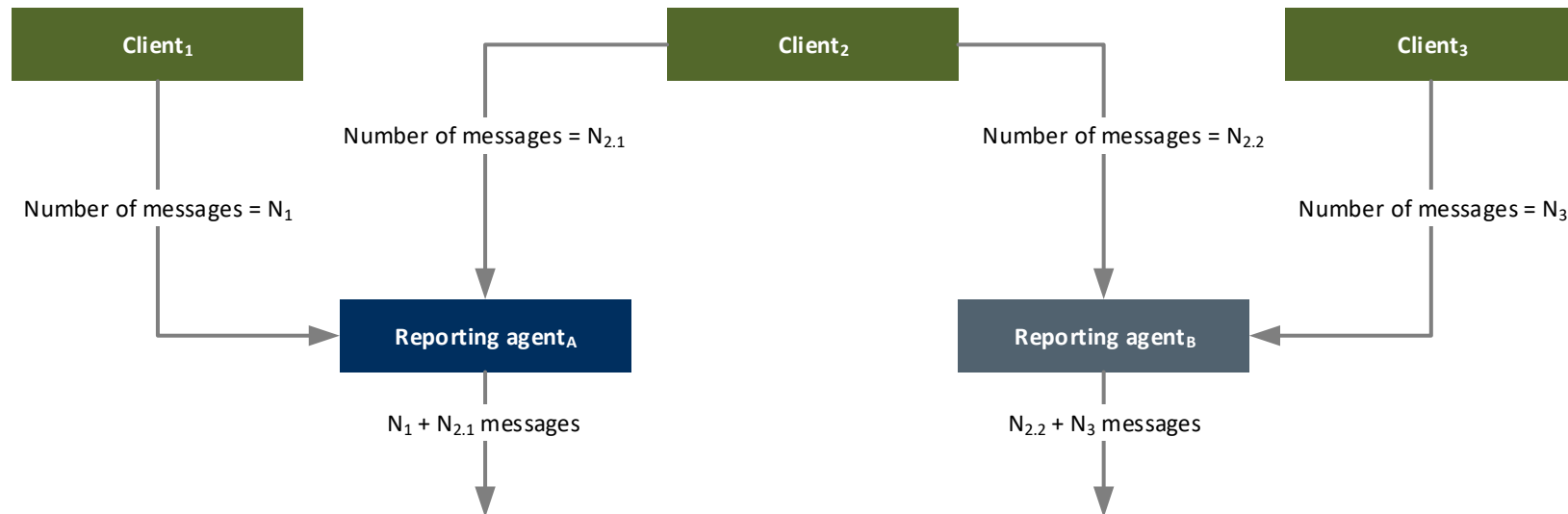
At the same time invoice may be sent to other Identification code via electronic data interchange in case payer submitted the relevant Request to NSD.

## HOW MANY INVOICES ARE RECEIVED BY A REPORTING AGENT?

Each participant receives only one invoice for the Repository services in which all expenses are summed.

Detailed information on expenses is provided with the Attachment to invoice\*.

# BILLING CONCEPT: ACCUMULATION OF INCOMING TRAFFIC



When fee for messages, reporting forms and trades registration is calculated, Repository shall sum all the incoming traffic from each Reporting agent regardless of number of clients on behalf of whom such agent acts and regardless of registration method (unilateral or bilateral), traffic shall include number of automatic execution of contracts. Depending on sum of registered messages and autoexecuted contracts Repository shall select one out of six fee grades in the Fee schedule

**NSD's Repository**

Please note that **sliding method** is used for rates determination: depending on the number of registered messages a fee grade is determined.

# INCOMING MESSAGES: BILLING FEATURES

**Repository shall charge all incoming messages registered in the Message log, including** trade “inside” BULK-reporting forms (CM083 – CM085) and reports inside CM092 – CM094 forms.

All such incoming messages are billed regardless whether they were registered in the Contract register or declined as incorrect. Trades and reports inside CM083 – CM085 forms and reports inside CM092 – CM094 forms are charged only if they are successfully registered in the Contracts registerd. If not, only reporting form is counted and charged as a single message.

Hence, Repository bills all incoming messages related to the initial data registration or trades amendments.

**Fees for contracts automatic execution** are charged for each operation of deregistering contract in the Contracts register made in accordance with the client's (Reporting agent's) order during contract's initial registration or latter's amendment.

At the same time, **the following messages are not billed:** counterparty's rejection to accept trade parameters when using chain / hybrid registration procedures, “technical” messages related to Reporting agent appointment, CM012 forms and similar.

# FEATURES OF PAYMENT FOR THE REPOSITORY SERVICES BY REPORTING AGENT

Reporting agents act as payers for the Repository services in accordance with the:

- Rules for the provision of repository services where it is determined that payment for the services is done by Reporting agents in accordance with the Fee schedule;
- **Fee schedule for NSD's Repository services.**

Since both client and Reporting agent have entered into the Agreement on the terms and conditions for the provision of repository services, and, accordingly, agree with the terms on determining the payer for the Repository services.

When client submits the Application for designation of authorized reporting agent (CM016 form) and Reporting agent accepts to perform such function on behalf of the client, participants de facto enter into the surety (by implication of the chapter 49 of the Russian Civil code).

In order to avoid unregulated relations between Reporting agent and its client NSD considers that parties may enter into the separate agreement (surety) on performing Reporting agent's functions.

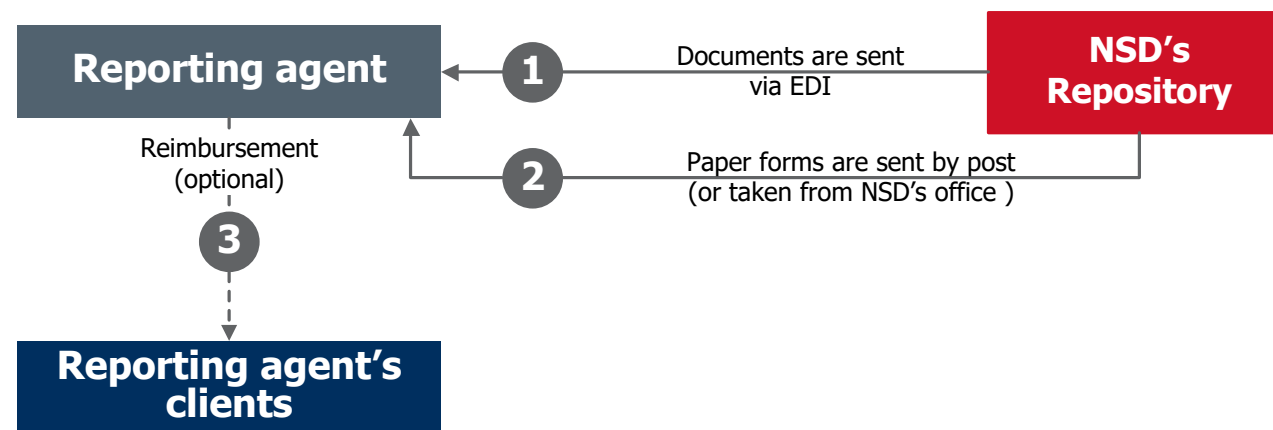
**Attachment to the invoice** (provided for the Fee schedule 1) is structured by such that it allows to determine parties (clients) on whose behalf Reporting agent acted.

**Please note that Repository has no right to regulate reimbursement processes or to determine the most preferable way for compensation of expenses of the Reporting agent. Such issues should be solved between the parties.**

# RECEIVING THE INVOICE BY THE REPORTING AGENT

Reporting agent shall receive invoice, acceptance act and attachment to the invoice\* via Electronic data interchange (EDI) no later than 5 business days following end of payment period (calendar month).

Paper form of the invoice and acceptance act (except attachment to invoice) shall be provided by post or may be taken from NSD's office.



By default, client won't receive the invoice for the Repository services in case it didn't submit any messages and/or received other Repository services.

If client wishes to receive it's own payment documents via Reporting agent, it should issue a Power of Attorney to such Reporting agent with the right to do so.

For completion of such Power of Attorney please contact [NSD's Contract department](#).



# OTHER INFORMATION

# OTHER REPOSITORY SERVICES

1. Processing paper (hard copy) reporting forms:
  - Fee is applied for processing every reporting form related to the data input to the Contracts register.
  - In case reporting form is provided by two parties, both of them shall be billed for the service.
2. Format and logical check services:
  - Fees apply to a client (Reporting agent) which submitted the relevant application. Fees apply regardless of client's (Reporting agent's) activity during the month.
3. Provision of consulting and information services, excerpt from the Contracts Register on the basis of a set of codes different from an Identification Code
  - Fee is applied when non-standardized request, not covered by other billable Repository services, is received and processed.
  - Payer for the service is a person which submitted the request: client or Reporting agent.

# MINIMUM SERVICES FEE (INVOICE AMOUNT)

## Who is not affected by the minimum fee?

- Clients who became Observers by submitting CM012 form (Notification on rejection to submit information to the Repository), have no open contracts by the end of calendar month reported by themselves.

Minimal fee should not be considered as an 'add up' to the total invoice amount. In case Client's number of billable operations will exceed 9 500 RUB., the standard Fee schedule shall be applied:

### MINIMUM SERVICE FEE IS APPLIED,

In case Reporting agent made the following operations during a month:

- Registered 10 contracts: 90 RUB. x 10
- Requested and received an excerpt from the contract register: 300 RUB.

Total: 1 200 RUB.

Invoice amount: **9 500 RUB.**

### STANDARD FEE SCHEDULE IS APPLIED,

If Reporting agent made the following operations:

- registered 110 contracts: 90 RUB. x 110
- Requested and received an excerpt from the contract register: 300 RUB.

Total: 10 200 py6.

Invoice amount: **10 200 RUB.**

# SPECIAL FEE FOR CLIENTS, WHO DECIDED NOT TO REPORT TO THE REPOSITORY

## Who is subjected to the special fee?

Special fee in amount of **5 000 RUB**. is applied to clients who became Observers by submitting the [Notification on rejection to submit information to the Repository \(form CM012\)](#).

This special fee is charged on a monthly basis from the Client for access to the Repository database in order to control data registration process in the Contracts register and actions of Client's Reporting agents. Special fee features are available in the table below:

### INVOICE AMOUNT > 5 000 RUB.

- Observer requested and received Excerpt from the Contracts register.

In such case Observer shall pay 5 000 + 300 RUB per Excerpt.

### MINIMUM FEE OF 9 500 RUB IS APPLIED

- Client sent billable message
- or there at least one open contract in the Contracts register by the end of the month and client acts as Reporting agent for such contract.

In such case, minimum fee of 9 500 RUB is applied

In case client – Observer to whom a minimum fee was applied delegated reporting to other Reporting agent or closed the contract, starting the next month the standard Observers fee shall be applied – 5 000 RUB.

# BILLING THE CLIENT, WHOSE COUNTERPARTY IS NOT A REPOSITORY CLIENT

Legislation stipulates that **information to the Repository may be submitted unilaterally** in cases when one counterparty is not obliged to report and **is not a Repository Client**. In such cases the following provisions should be taken into consideration:

If Reporting agent submit information on contract with a person which is not a Repository client or declined to report (submitted CM012 form), such Reporting agent still pays for the provided service in accordance with the relevant Fee schedule.

Repository does not regulate relations between Reporting agent and client which assigned it to perform reporting functions. All issues related to reimbursment of expenses for reporting should be solved between the parties.

# CONTACTS

**If you have any questions, please contact your account managers**

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# THANK YOU!



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