Tri-party services by NSD

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Tri-Party Services by NSD

Collateral Management System (CMS) provides comprehensive post-trade services for:

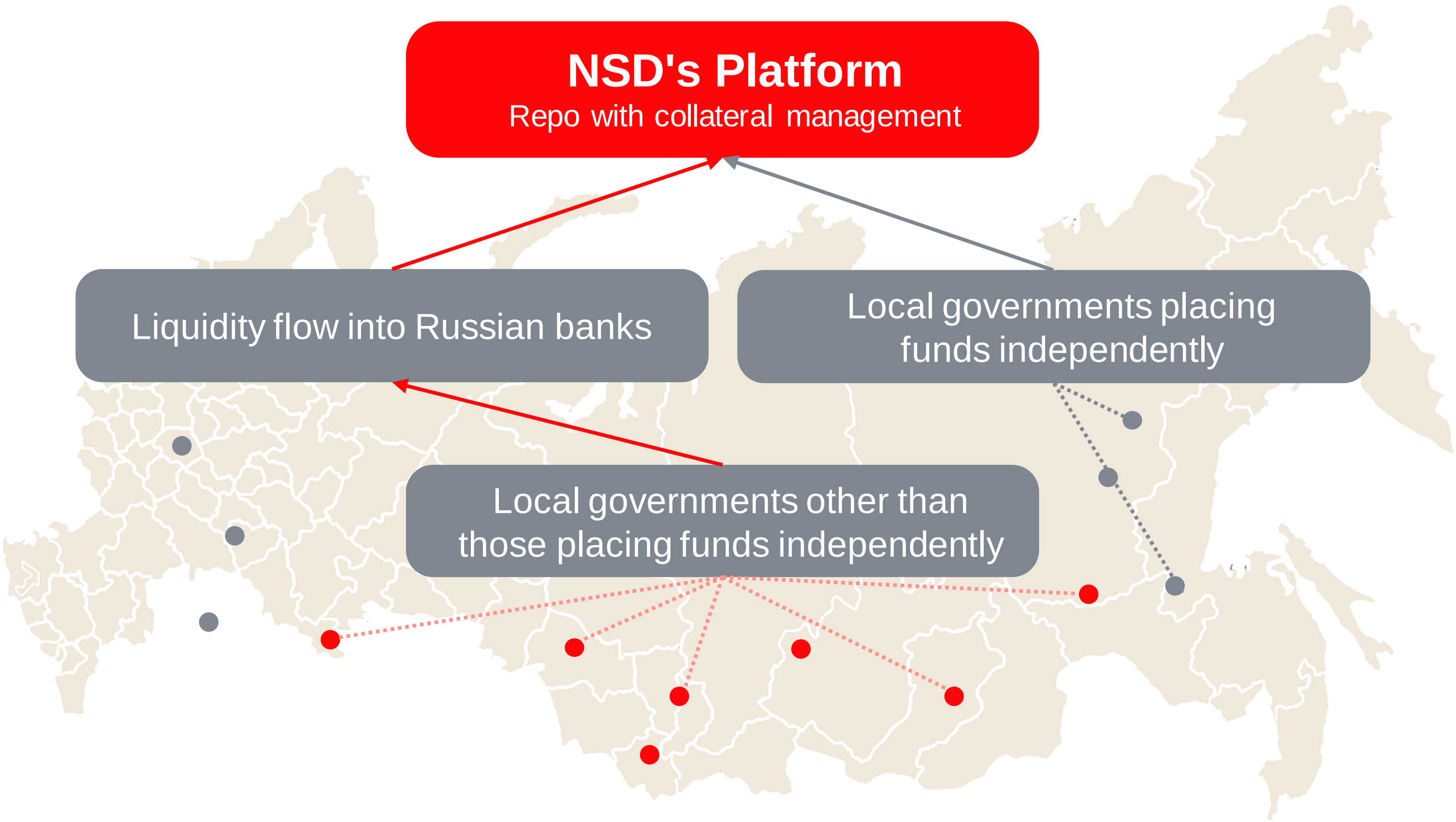
- Repo transactions with Global Lenders
- Repo transactions between NSD clients
- Securities purchase and sale transactions with DVP settlements

Synergy of systemically important institutions

- Largest market operator
- Systemically important central securities depository
- Nationally important payment system
- Accredited valuation center
- Systemically important trade repository
- Clearing House

National platform for managing global creditors’ liquidity

A framework for providing liquidity to commercial banks through tri-party repo transactions with liquidity providers, with collateral management by NSD



Platform participants

- Liquidity providers
- 150 borrowing banks + over 300 clearing members

Collateral management through the platform

Lender — liquidity provider

- Setting criteria for eligible basket of securities
- Determining transaction and collateral management parameters

Borrower — credit institutions

- Marking securities
- Replacing securities

NSD Collateral Management System

- Automatic selection of securities
- Daily mark-to-market
- Automatic margin calls in securities and cash
- OTC reporting to the Trade Repository
- Automatic yield repayment to a borrower
- Netting and settlement in Russian roubles and other currencies

Types of repo transactions available through the NSD platform

Repo on a basket
of securities on MOEX

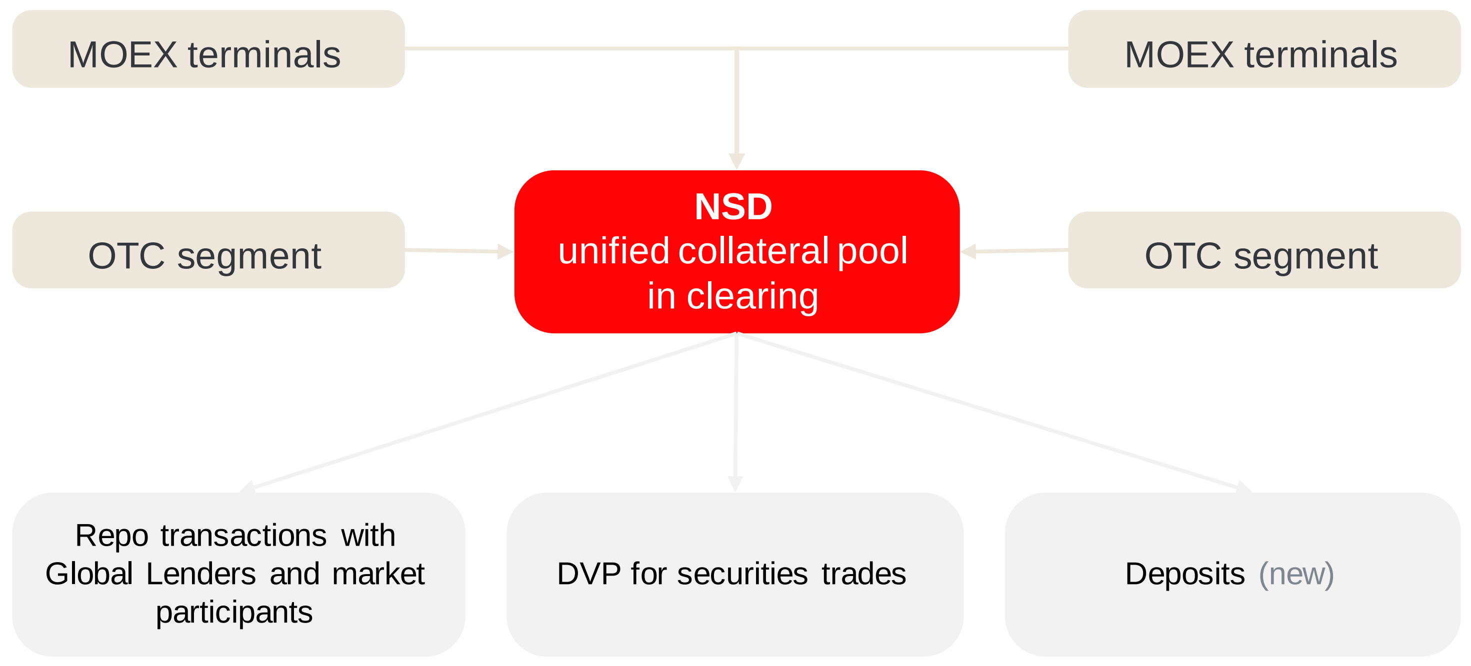
OTC repo on a basket
of securities

Intelligent selection of a basket
of securities depending
on the transaction term

Fixed and floating rates:
key rate and modified RUONIA
with daily updates

DVP-1 settlement or DVP-3
settlement on a net

Development of NSD clearing services

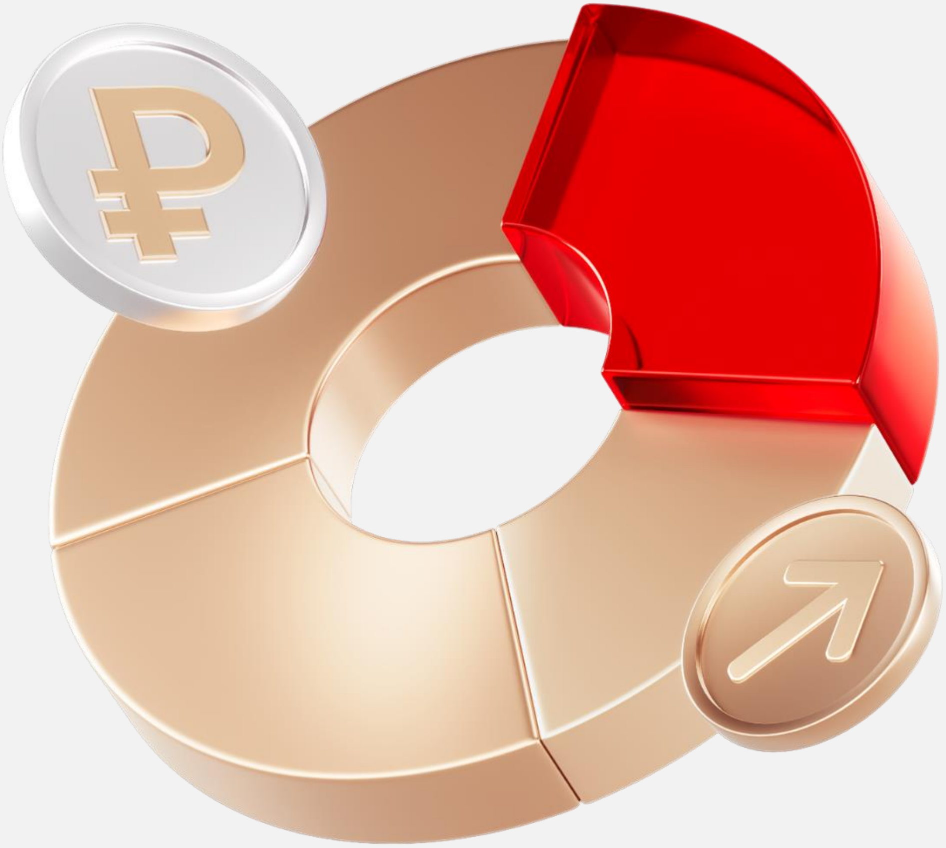


Cash settlement

new

- Settlement through trading bank accounts with NSD
- Settlement through the Bank of Russia Payment System

Thank you



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    - changes in (a) domestic and international legislation and tax regulations and (b) government policy regarding financial and securities markets;
    - increased competition from new players in the Russian market;
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