

ORDER OF THE FEDERAL FINANCIAL MARKETS SERVICE
NO. 07-105/PZ-N OF OCTOBER 23, 2007
ON THE APPROVAL OF THE REGULATIONS FOR THE QUALIFICATION
OF FOREIGN FINANCIAL INSTRUMENTS AS SECURITIES

In accordance with Sub-items 3 and 4 of Article 42, with Item 2 in Article 44 of Federal Law No. 39-FZ of April 22, 1996 on the Securities Market (Collection of laws of the Russian Federation No. 17, 1996, item 1918; No. 48, 1998, item 5857; No. 28, 1999, item 3472; No. 33, 2001, item 3424; No. 52, 2002, item 5141; No. 27, 2004, item 2711; No. 31, 2004, item 3225; No. 11, 2005, item 900; No. 25, 2005, item 2426; No. 1, 2006, item 5; No. 2, 2006, item 172; No. 17, 2006, item 1780; No. 31, 2006, item 3437; No. 43, 2006, item 4412; No. 1, 2007, item 45; No. 18, 2007, item 2117; No. 22, 2007, item 2563; No. 41, 2007, item 4845), with Item 1 in Article 55 of Federal Law No. 156-FZ of November 29, 2001 on Investment Funds (Collection of laws of the Russian Federation No. 49, 2001, item 4562; No. 27, 2004, item 2711; No. 17, 2006, item 1780), with Items 2 and 3 in Article 34 of Federal Law No. 75-FZ of May 7, 1998 on the Non-governmental Pension Funds (Collection of laws of the Russian Federation No. 19, 1998, item 2071; No. 7, 2001, item 623; No. 12, 2002, item 1093; No. 2, 2003, item 166; No. 49, 2004, item 4854; No. 19, 2005, item 1755; No. 43, 2006, item 4412) and with the Statute of the Federal Service for Financial Markets, approved by Decision of the Government of the Russian Federation No. 317 of June 30, 2004 (Collection of laws of the Russian Federation No. 27, 2004, item 2780; No. 33, 2005, item 3429; No. 13, 2006, item 1400; No. 52, 2006, item 5587; No. 12, 2007, item 1417), I order:

1. To approve the enclosed Regulation for the Qualification of Financial Instruments as Securities (Regulation hereafter).

2. To define the following:

the professional market participants in their professional activity and in the conduct of operations with foreign securities shall adhere to the requirements for professional activity and securities operations, set by the federal laws and other regulatory acts of the Russian Federation;

in case of investing money in foreign securities the management companies of joint-stock investment funds, unit mutual investment funds and non-governmental pension funds, and also the non-governmental pension funds shall adhere to the requirements for the investment in securities set by the federal laws and other regulatory acts;

the professional market participants shall have the right to carry out their professional activity and operations with foreign securities, while the management companies of joint-stock investment funds, unit mutual investment funds and non-government pension funds, and also the non-government pension funds shall have the right to invest money in foreign securities, if they have the document indicated in Item 4 of the Regulations or its copy certified in the relevant order;

the registration and the transfer of the rights on foreign securities shall be carried out in the Russian Federation by making relevant entries on securities account according to the rules for the depository recordkeeping, established by federal laws and other regulatory legal acts of the Russian Federation.

3. To define that professional market participants shall not have the right to perform their professional activity and handle operations with foreign financial instruments, which in accordance with the Regulations are not qualified as securities.

4. The present Order shall come into force on February 1, 2008.

FFMS Head

V.D. Milovidov

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**THE REGULATION
FOR THE QUALIFICATION OF FOREIGN FINANCIAL INSTRUMENT AS SECURITIES**

1. The present Regulation defines the procedure for qualification of foreign financial instruments as securities.

2. The foreign financial instruments with assigned corresponding ISINs*(3) and CFI*(4) codes in accordance with international standards ISO 6166*(1) and ISO 10962*(2), shall be qualified as follows:

1) as shares, if the allocated CFI code has the following characters: the first letter - E, the second letter - S, P, R, S, F, V, except for cases when the sixth letter has is Z or A;

2) as depositary receipts on shares, if the allocated CFI code has the following characters: the first letter - E, the second letter - S, P, R, S, F and V, and the sixth letter is Z or A;

3) as unit shares or shares of investment funds, if the allocated CFI code has the following characters: the first letter - E, the second letter - U, except for cases when the sixth letter is Z or A;

4) as depositary receipts on unit shares or shares of investment funds, if the allocated CFI code has the following characters: the first letter - E, the second letter - U and the sixth letter is Z or A;

5) as bonds, if the allocated CFI code has the following characters: the first letter - D, the second letter - B, C, T, Y, except for the cases when the sixth letter is Z or A;

6) as depositary receipts on bonds, if the allocated CFI code has the following values: the first letter - D, the second letter - B, C, T, Y and the sixth letter is Z or A;

3. The foreign financial instruments which in accordance with international standards ISO 6166 and/or ISO 10962 are not allocated ISINs and (or) CFI codes, shall be qualified according with the Procedure for the Securities Qualification, approved by Decision of the Federal Commission for Securities Market No. 03-48/ps of December 24, 2003 (registered by the Ministry of Justice of the Russian Federation on February 17, 2004, registration number 5555.

4. The document confirming the qualification of a foreign financial instrument as a security shall be:

the document of the organization that is a member of the Association of National Numerating Agencies*(5), with which such organization confirms the allocation (the availability of allocated) of ISINs and CFI codes to a foreign financial instrument according with international standards ISO 6166 and ISO 10962, provided that the CFI code allocated has the values indicated in Item 2 of the present Regulation; or

the notification by the federal executive body for the securities market about the qualification of a foreign financial instrument as a security.

*(1) Reference: International standard ISO 6166 Securities and related financial instruments -- International securities identification numbering system (ISIN).

*(2) Reference: International standard ISO 10962 Securities and related financial instruments -- Classification of Financial Instruments (CFI code).

*(3) Reference: "International Securities Identification Number (ISIN) - international securities identification number, the code which unambiguously identifies a certain security or any other financial instrument.

*(4) Reference: CFI (Classification of Financial Instruments) code - the classification code of financial instrument.

*(5) Reference: Accordance to the international standards ISO 6166 and ISO 10962 the Association of National Numerating Agencies - ANNA is defined for the said international standards as the association of the organizations responsible for the assignment of ISIN and CFI codes.

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