



**THE FOUNDATION
FOR SECURE
MARKETS**

#51198

Date: October 19, 2022

Subject: Mobile TeleSystems Public Joint Stock Company – Anticipated ADR
Termination/Anticipated Cash Settlement/Anticipated Settlement Update
Option Symbol: MBT
Date: ???

Mobile TeleSystems Public Joint Stock Company (MBT) announced its intention to terminate the Deposit Agreement for Mobile TeleSystems Public Joint Stock Company American Depositary Receipts (“ADRs”) as of July 13, 2022 (“Termination Date”), thereby terminating the MBT ADR program. As a result of the termination of the Deposit Agreement, on or after the Termination Date, holders of the MBT ADRs may exchange their ADRs for securities underlying the ADRs.

At any time after the expiration of six months from the Termination Date or January 13, 2023, depending on market conditions, applicable law, rules or regulations, JPMorgan Chase Bank, N.A., (the “Depository”) will attempt to sell the then-remaining securities held under the Deposit Agreement. If the Depository sells such shares, holders who present their ADSs to the Depository for cancellation will receive pro-rata cash proceeds from the sale, less applicable fees and withholdings, if any.

Effective March 16, 2022, the National Securities Clearing Corporation (“NSCC”) no longer accepted MBT exercise and assignment activity for settlement. As a result, all exercise and assignment activity for MBT options beginning March 16, 2022, was subject to broker-to-broker settlement, as stated in OCC Information Memos #50191, #50207, and #50609. Settlement of MBT exercise and assignment activity has been subject to delayed settlement since June 17, 2022, as stated in OCC Information Memo #50735. On July 22, 2022 the Office of Foreign Assets Control of the U.S. Department of Treasury published Russia-related General License 45, which permitted, through 12:01 a.m. Eastern Daylight Time on October 20, 2022, certain transactions that are ordinarily incident and necessary to the wind down of financial contracts or other agreements that were entered into on or before June 6, 2022, and involve or are linked to debt or equity securities issued by an entity in the Russian Federal. **Due to the expiration of Russia-related General License 45 at 12:01 a.m. Eastern Daylight Time on October 20, 2022, it is anticipated that all MBT exercise and assignment activity, including exercises and assignments made prior to October 20, 2022 that have not settled on a broker-to-broker basis, will be subject to delayed settlement.** In the event that General License 45 is not extended, OCC may at a future date fix a cash settlement price in respect of MBT shares for exercise and assignment purposes.

It is OCC’s understanding that transfer of MBT shares will not be permissible as of October 20, 2022. Clearing Members that have MBT exercise and assignment obligations that were subject to broker-to-broker settlement and for which settlement was completed prior to October 20, 2022, are reminded to mark such obligations as settled on OCC’s broker-to-broker screen as soon as possible if they have not yet done so.

Contract Adjustment

The option symbol MBT will not change

Date: ???

New Deliverable

Per Contract: 100 x the cash proceeds received per MBT ADS, less applicable fees and withholdings, if any

Settlement: All exercise and assignment activity for MBT options from March 16, 2022 through June 16, 2022 were subject to broker to broker settlement, and effective with exercises of June 17, 2022 and thereafter, all MBT exercise and assignment activity has been subject to delayed settlement. MBT options will remain subject to delayed settlement, pending the determination of the cash proceeds paid per MBT ADR, less fees and withholdings, if any

Settlement in MBT options will take place through OCC's cash settlement system. Settlement will be accomplished by payment of the difference between the extended strike amount and the cash deliverable.

Acceleration of Expirations

Pursuant to OCC Rule 807, equity stock option contracts whose deliverables are adjusted to call for cash-only delivery will be subject to **an acceleration of the expiration dates for outstanding option series** (See OCC Information Memo 23988).

Disclaimer

This Information Memo provides an unofficial summary of the terms of corporate events affecting listed options or futures prepared for the convenience of market participants. OCC accepts no responsibility for the accuracy or completeness of the summary, particularly for information which may be relevant to investment decisions. Option or futures investors should independently ascertain and evaluate all information concerning this corporate event(s).

The determination to adjust options and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The determination to adjust futures and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article XII, Sections 3, 4, or 4A, as applicable. For both options and futures, each adjustment decision is made on a case by case basis. Adjustment decisions are based on information available at the time and are subject to change as additional information becomes available or if there are material changes to the terms of the corporate event(s) occasioning the adjustment.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, please email the Investor Education team at options@theocc.com. Clearing Member Firms of OCC may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.