



Қазақстан қор биржасы
Казакстанская фондовая биржа
Kazakhstan Stock Exchange

HOW TO BECOME A KASE REMOTE MEMBER



How to become a KASE remote member

- 1** Meet KASE requirements
- 2** Register as a taxpayer in the tax committee
- 3** Conclusion of an agreement with Central Securities Depository, only for the «stock» category
- 4** Obtain the status of a remote member of the KASE
- 5** Obtain the status of a clearing member
- 6** Obtain the access to trading system
- 7** Start working on stock exchange market of KASE



STEP 1

Meet KASE requirements



STOCK CATEGORY 1/2

- ▲ To be an active member of the Exchange being a member of WFE or an entity of the country other than the Republic of Kazakhstan between the foreign regulatory authority of which and the National Bank of Kazakhstan there is a valid international agreement on cooperation and exchange of information providing for the mutual recognition of licenses for brokerage and/or dealer activities in the securities market.
- ▲ To be established in a state that has the current status of a FATF member (Financial Action Task Force).
- ▲ To be established in a country being a party to the international agreement with the Republic of Kazakhstan (convention, agreement) on avoidance of double taxation and prevention of income and capital (property) tax evasion.
- ▲ Not to be registered (established) as a legal entity in any of the offshore zones.
- ▲ To act on the basis of the relevant rights (license or permit) for at least two calendar years prior to the date of filing an application for admission.
- ▲ The authorized capital must be at least 400,000 MCIs (Monthly Settlement Index in 2018 equals to 2,405 tenge).

STEP 1

Meet KASE requirements



STOCK CATEGORY 2/2

- ▲ To have risk management system which complies with IOSCO recommendations.
- ▲ To comply with IFRS or US GAAP requirements regarding accounting and financial reporting procedures.
- ▲ To have the equity not below the size of its authorized capital.
- ▲ To be an active (stock) exchange member of a country other than the Republic of Kazakhstan in accordance with the laws of which it was incorporated with the right to trade those types of financial instruments to trading in which in the trading system this applicant claims admittance.
- ▲ To have Sovereign rating not lower than BBB- by S&P's or similar rating of another rating agency or a foreign regulatory body of a country in accordance with the laws of which the foreign membership applicant was incorporated has signed an IOSCO multilateral memorandum of understanding for cooperation and information exchange.
- ▲ To have a valid permit (license or right) for brokerage and / or dealer activities on the securities market issued by a foreign regulatory body.

STEP 1

Meet KASE requirements



CURRENCY CATEGORY 1/2

- ▲ To be an active member of the Exchange being a member of WFE or an entity of the country other than the Republic of Kazakhstan between the foreign regulatory authority of which and the National Bank of Kazakhstan there is a valid international agreement on cooperation and exchange of information providing for the mutual recognition of licenses for brokerage and/or dealer activities in the securities market.
- ▲ To be established in a state that has the current status of a FATF member (Financial Action Task Force).
- ▲ To be a legal entity established in accordance with the laws of a Member State of the Single Economic Space and a party to the agreement on cooperation in the field of integrated currency market of Member States of the Eurasian Economic Community and/or another agreement on cooperation and integrated financial market organization.
- ▲ To be established in a country being a party to the international agreement with the Republic of Kazakhstan (convention, agreement) on avoidance of double taxation and prevention of income and capital (property) tax evasion.
- ▲ The authorized capital must be at least 400,000 MCIs (Monthly Settlement Index in 2018 equals to 2,405 tenge).

STEP 1

Meet KASE requirements



CURRENCY CATEGORY 2/2

- ▲ To act on the basis of the relevant rights (license or permit) for at least two calendar years prior to the date of filing an application for admission.
- ▲ To have risk management system which complies with IOSCO recommendations.
- ▲ To comply with IFRS or US GAAP requirements regarding accounting and financial reporting procedures.
- ▲ Not to be registered (established) as a legal entity in any of the offshore zones.
- ▲ To have the equity not below the size of its authorized capital.
- ▲ To be an active (stock) exchange member of a country other than the Republic of Kazakhstan in accordance with the laws of which it was incorporated with the right to trade those types of financial instruments to trading in which in the trading system this applicant claims admittance.
- ▲ To have a valid permit (license or right) to execute transactions with financial instruments other than securities, including exchange transactions in foreign currencies issued by a foreign regulatory body.

STEP 1

Meet KASE requirements



DERIVATIVES 1/2

- ▲ To be an active member of the Exchange being a member of WFE or an entity of the country other than the Republic of Kazakhstan between the foreign regulatory authority of which and the National Bank of Kazakhstan there is a valid international agreement on cooperation and exchange of information providing for the mutual recognition of licenses for brokerage and/or dealer activities in the securities market.
- ▲ To be established in a state that has the current status of a FATF member (Financial Action Task Force).
- ▲ To be established in a country being a party to the international agreement with the Republic of Kazakhstan (convention, agreement) on avoidance of double taxation and prevention of income and capital (property) tax evasion.
- ▲ Not to be registered (established) as a legal entity in any of the offshore zones.
- ▲ To act on the basis of the relevant rights (license or permit) for at least two calendar years prior to the date of filing an application for admission.
- ▲ The authorized capital must be at least 400,000 MCI.

STEP 1

Meet KASE requirements



DERIVATIVES 2/2

- ▲ To have risk management system which complies with IOSCO recommendations.
- ▲ To comply with IFRS or US GAAP requirements regarding accounting and financial reporting procedures.
- ▲ To have the equity not below the size of its authorized capital.
- ▲ To be an active (stock) exchange member of a country other than the Republic of Kazakhstan in accordance with the laws of which it was incorporated with the right to trade those types of financial instruments to trading in which in the trading system this applicant claims admittance.
- ▲ To have Sovereign rating not lower than BBB- by S&P's or similar rating of another rating agency or a foreign regulatory body of a country in accordance with the laws of which the foreign membership applicant was incorporated has signed an IOSCO multilateral memorandum of understanding for cooperation and information exchange.
- ▲ To have a valid permit (license or right) for brokerage and / or dealer activities on the securities market issued by a foreign regulatory body.

STEP 2

Register as a taxpayer in the tax committee

NECESSARY DOCUMENTS:



>> APPLICATION <<

NOTARY ATTESTED COPIES:

- ▲ Of the constitutive documents of the legal entity (the company).
- ▲ Of the document confirming the state registration in the country of incorporation with the indication of the state registration number (or its analog).
- ▲ Of the document confirming the tax registration in the country of incorporation with indication of the tax registration number (or its analog).

STEP 3

Conclusion of an agreement with Central Securities Depository, only for the «stock» category



AGREEMENT FOR OPENING A CURRENT ACCOUNT / CORRESPONDENT ACCOUNT

List of necessary documents
«in Appendix 1»

[» CLICK HERE «](#)



AGREEMENT ON DEPOSITORY SERVICES

List of necessary documents
«in Appendix 2»

[» CLICK HERE «](#)

STEP 4

Obtain the status of a remote member of the KASE



1

Provide the following

>> DOCUMENTS <<



2

Receive approval of the Board of Directors on the issue of accepting a candidate for foreign members of the Exchange



3

Pay entrance membership fees

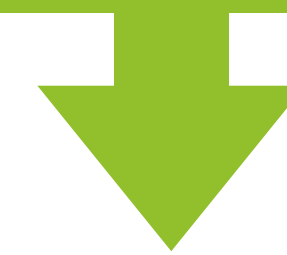
>> PAY <<

STEP 5

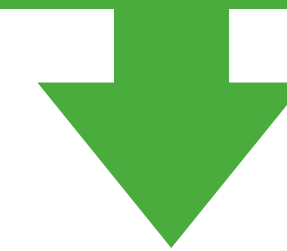
Obtain the status of a clearing member



CHECK FOR COMPLIANCE OF REQUIREMENTS



PROVIDE THE NECESSARY DOCUMENTS



PAY GUARANTEE FEES



GENERAL REQUIREMENTS:

- ▲ Presence of the Exchange member status
- ▲ Connection to the electronic document interchange system «eTransfer.kz»

ADDITIONAL REQUIREMENTS:

FOR THE CATEGORY «STOCK»

Have a sub-account with an additional feature «trading participant sub-account» and a bank account with an additional feature «trading participant bank account» opened in their name in Central Securities Depository.

FOR THE CATEGORY «DERIVATIVES»

The presence of a bank account or several bank accounts opened by the Exchange in the name of a candidate to account for its margin and guarantee fees.

Provide the necessary documents



OBTAINING THE STATUS OF A CLEARING PARTICIPANT:

[» APPLICATION «](#)

A certificate from Central Securities Depository JSC, which confirms that the candidate has accounts



TO OPEN A BANK ACCOUNT:

List of Documents
«in Appendix 3»

[» CLICK HERE «](#)

Pay guarantee fees



CLEARING MEMBER FEE:

STOCK MARKET

KZT 1 000 000

CURRENCY MARKET

KZT 10 000 000

DERIVATIVES MARKET:

for currency
futures
KZT 2 000 000

for stock
futures
KZT 1 000 000



STEP 6

Obtain the access to trading system

- ▲ Submit an application for the certification of the user of the TS
- ▲ Pass the training seminar in the Certification and Documentation Division
- ▲ Take the electronic test
- ▲ Provide a list of traders
- ▲ Provide a statement of intent to use programming-cryptographic information security devices ➤
- ▲ Provide a statement of intent to work with the trading system in remote access mode ➤
- ▲ Get login and password to enter the trading system
- ▲ Submit an application for the admission to trading

STEP 7

Start working on stock exchange market of KASE



Install the trading terminal
in compliance with
the requirements for
software and hardware



Login to the trading terminal using your login and password

LIST OF DOCUMENTS FOR CONCLUDING A CONTRACT OF OPENING A CURRENT ACCOUNT / CORRESPONDENT ACCOUNT 1/2

- ▲ Application for the entering into a current account agreement ➤
- ▲ If necessary:
 - Application for the documents exchange through the S.W.I.F.T. system ➤
 - Application of the documents exchange through electronic document management systems ➤
 - Application for the conclusion of an agreement on the receipt and issuance of operational documents in the form of facsimile messages ➤
- ▲ Information required to arrange for the Central Depository to receive operational documents in the form of originals on paper carriers delivered to it by mail, by courier organizations.
- ▲ If necessary: Information required to arrange of receipt and issuance of operational documents by the Central Depository in the form of facsimile messages.
- ▲ 2 card copies with specimen signatures (the authenticity of which is certified by a notary or confirmed by an authorized person of the Central Depository with the personal presence of persons entered in the card) and a seal.
- ▲ A copy of the document issued by the tax service body confirming the fact of the depositor for the registration in the Republic of Kazakhstan, for branches and representative offices of non-resident legal entities at the place of their registration in the Republic of Kazakhstan (if the client in accordance with the tax legislation of the Republic of Kazakhstan must be registered in tax authorities).

LIST OF DOCUMENTS FOR CONCLUDING A CONTRACT OF OPENING A CURRENT ACCOUNT / CORRESPONDENT ACCOUNT 2/2

- ▲ For branches and representations of legal entities - non-residents of the Republic of Kazakhstan - a copy of the document confirming the fact of passing the state registration (reregistration), as well as notarized and executed in the state language and / or Russian language a copy of the provision on the relevant branch or representative office and a copy of the power of attorney issued by a legal entity – non-resident of the Republic of Kazakhstan to the head of a branch or representative office.
- ▲ Copies of identity documents of persons authorized to sign payment documents when performing transactions related to management of current accounts of the depositor (by disposing of money in the current accounts of the client), in accordance with the specimens card of the depositor signatures and the stamp of the seal held by the Central Depository.
- ▲ Letter of consent to provide the Exchange with information on money held on current / correspondent accounts.
- ▲ Original or notarial certified copy of the extract from the trade register, containing information on the body that registered the legal entity - non-resident of the RK, with certified translation into the state or Russian language.
- ▲ Covering letter containing the list of documents to be provided and a reference to the agreement (contract) in accordance with which the documents specified in the list are provided.

LIST OF DOCUMENTS FOR CONCLUDING A CONTRACT FOR DEPOSITARY SERVICES 1/2

- ▲ Application for the conclusion of a depositary service agreement ➤
- ▲ If necessary:
 - Application for the documents exchange through the S.W.I.F.T. system ➤
 - Application of the documents exchange through electronic document management systems ➤
 - Application for the conclusion of an agreement on the receipt and issuance of operational documents in the form of facsimile messages ➤
- ▲ Information required to arrange for the Central Depository to receive operational documents in the form of originals on paper carriers delivered to it by mail, by courier organizations.
- ▲ If necessary: Information required to arrange of receipt and issuance of operational documents by the Central Depository in the form of facsimile messages.
- ▲ Original or notary certified copy of the extract from the trade register, containing information on the body that registered the legal entity - non-resident of the RK, with certified translation into the state or Russian language.
- ▲ The order to open a personal account in the Central Depository.

LIST OF DOCUMENTS FOR CONCLUDING A CONTRACT FOR DEPOSITARY SERVICES 2/2

- ▲ A card with signatures specimen (authenticity of which is attested by a notary) and seal stamp.
- ▲ A notarized copy of the license to carry out professional activities on the securities market / another document of a similar nature, with a notarized translation into Kazakh and / or Russian language.
- ▲ Letter of the Exchange with a list of categories of which the applicant is a member (on membership condition on the Exchange).
- ▲ Copy of the confirmation letter sent by the applicant to Kazakhstan Interbank Settlement Center about the preliminary consent of the client for the formation by the Central Depository, on behalf of the depositor, of the payment order for the transfer of money from the position of the depositor to the Interbank System of Money Transfer (for the applicant having the position in the ISMT).
- ▲ Power of Attorney for authorized representatives of the applicant which have the right to provide and receive documents in the Central Depository.
- ▲ Covering letter containing the list of documents to be provided and a reference to the agreement (contract) in accordance to which the documents specified in the list are provided.

Provide the following documents 1/3:



- 1. Application for the applicant for foreign member(s) of the Exchange ➤**
- 2. Questionnaire of a candidate for foreign members of the Exchange / foreign Exchange member, which includes questions for AML / CFT foreign financial organizations ➤**
- 3. A notarized copy of the document certifying the state registration or similar registration of the applicant as a legal entity.**
- 4. A notarized copy of the applicant's Charter or other similar document with all amendments and additions to the Charter.**
- 5. A notarized copy of the document (certificate, or other similar document) confirming the registration of the applicant as a taxpayer in the country of incorporation.**
- 6. A notarized copy of the document (license, permit, or other similar document) confirming the applicant's right to operate as broker/dealer on the securities market of the country of incorporation.**
- 7. A notarized copy of the document (license, permit, or other similar document) confirming the applicant's right to carry out banking transactions, including forex transactions (currency exchange).**
- 8. A letter from the foreign stock exchange confirming that the applicant is its member, and that it does not object to the applicant's applying for the Exchange membership.**
- 9. Details of persons holding shares (stakes in the shareholder capital) of the applicant in the number making up five or more percent of the total number of outstanding shares of the applicant (of the total amount of the applicant's shareholder capital).**

Provide the following documents 2/3:



- 10.** Details of the composition and term of office of the managing body and executive body of the applicant.
- 11.** CVs of members of the governing body and executive body of the applicant (person solely carrying out duties of the executive body of the applicant) to the extent necessary and sufficient for evaluating their qualification and practical experience.
- 12.** A document with samples of signatures of the applicant's Chief Executive Officer and his/her deputies, Chief Accountant and his/her deputies, the persons authorized to interact with the Exchange on the applicant's behalf, and an impression of the applicant's stamp.
- 13.** Annual financial statements of the applicant for the last year ended prepared in accordance with the International Financial Reporting Standards or USA GAAP.
- 14.** An auditor's report on the annual financial statements of the applicant provided in accordance with the line 13 of this list.
- 15.** Interim financial statements for the last ended quarter preceding the date of filing an application for the Exchange membership prepared in accordance with the IFRS or US GAAP.
- 16.** Information on prudential standards and/or other similar standards (indicators) estimates calculated by the applicant in accordance with requirements of applicable laws as of the last day of the calendar month preceding the month of submission of an application for Exchange membership.

Provide the following documents 3/3:


- 17.** Copies of regulatory acts specifying the subject and allowed values of prudential standards or other similar standards (indicators). Copies of regulatory acts according to which the values of prudential standards or other similar standards (indicators) were calculated.
- 18.** A document containing details of the applicant's accounts in the Central Securities Depository JSC and other accounting and settlement companies which the applicant intends to use for settlements of transactions with the Exchange.
- 19.** Information about the software and hardware facilities the applicant intends to use when operating the Exchange's trading system and performing other actions related to the Exchange membership.
- 20.** Information about the risk management system.
- 21.** Information about the existing insurance policies of the applicant regarding its professional activity in the financial market (if available).

Membership Fees:



	BY "STOCK" CATEGORY	BY "CURRENCY" CATEGORY	
ENTRANCE MEMBERSHIP FEE	1 500 MCI	6 000 MCI	
REFERENCE:			
MONTHLY MEMBERSHIP FEES	Scheme 1 (with the use of minimum and fixed amounts of Exchange commission fees)	Scheme 1 (without additional payment of commission fees on foreign currency transactions)	
	25 MCI	USD	OTHER FOREIGN CURRENCY
		200 MCI for those who are market makers on the US dollar	400 MCI for those who are not market makers for any foreign currency
		300 MCI for those who are not market maker on the US dollar, but on any other foreign currency except the US dollar	
	Scheme 2 (without the use of minimum and fixed amounts of Exchange commission fees)	Scheme 2 (with additional payment of commission fees on foreign currency transactions)	
50 MCI	300 MCI		
TECHNICAL FEES	<ul style="list-style-type: none"> • 15 MCI per month for provision of ports in the Exchange telecommunication equipment and provision of Trading data for use; • 15 MCI per month for provision of access for the information system of an organization to the trading system through a gateway and provision of Trading data for use; 		

REQUIRED DOCUMENTS FOR OPENING A BANK ACCOUNT OR SEVERAL BANK ACCOUNTS 1/2

1. Application for joining a banking (current or correspondent) account.
2. [Application form of the Exchange client](#) 
3. The list of bank accounts, opening of which is necessary for the client with indicating the trade (or clearing) accounts, previously opened by the Exchange client as a member of the Exchange or by the user of the confirmation system.
4. A notarized copy of the certificate of state registration (reregistration) as a legal entity with a business identification number.
5. A copy of the document with the registration number of the taxpayer issued by the tax authority, except the cases when the submission of such a document with opening a bank account is not required.
6. Notarized certified copy of the Charter in the last valid version.
7. Document certifying the address of the location of the legal entity.
8. A notarized copy of the license for the right to conduct certain types of banking operations (if available, for opening a correspondent account).

REQUIRED DOCUMENTS FOR OPENING A BANK ACCOUNT OR SEVERAL BANK ACCOUNTS 2/2

- 9.** List of bank (current or correspondent) accounts in other servicing banking organizations.
- 10.** Information on affiliated persons in the form submitted to the authorized body as of the end of the last reporting quarter.
- 11.** List of employees of the client authorized to sign documents related to the conduction of banking operations.
- 12.** Notarized document with sample of signatures and seal stamp.
- 13.** Power of Attorney for authorized persons entitled to provide payment document and other documents to the Exchange and receive documents from the Exchange.
- 14.** Copies of identity documents for persons authorized to sign payment and other documents when performing banking operations.

Thank you for your attention!

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- 1.** Return on investment in financial instruments depends on a variety of market and non-market factors. In particular, the actual income of an investor may change depending on the fluctuations in interest rates, changes in taxation, FX movements, changes in quotations of securities, market indexes, changes in production and financial performance of companies, and other factors;
- 2.** Previous results do not necessarily affect the future results with the future estimations based on the assumptions that may not materialize. The value of any investment or income may go down and up, as a result the investors might not receive the entire invested amount back. For the investments in non-universally recognized markets, the investors may experience various difficulties, including selling them or obtaining the reliable information about their value or the risks involved;
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