

KAZAKHSTAN STOCK EXCHANGE

Approved

by decision No. 17/1 of Kazakhstan
Stock Exchange Board

of February 4, 2003

Effective

February 4, 2003

NOTICE

The Rules have been translated into English by employees of Kazakhstan Stock Exchange for information purposes only. In case of any incompliance of this translation with the original version of Rules in Russian, the Russian version shall always prevail.

RULES

on Annual Rewarding of Best Performing Exchange Members

Almaty

2003

LIST OF AMENDMENTS

1. Changes and Additions No. 1:

- approved by decision No. 18/2 of the Kazakhstan Stock Exchange Board February 9, 2004;
- effective February 9, 2004.

2. Addition No. 2:

- approved by decision No. 67/0 of the Kazakhstan Stock Exchange Board May 17, 2004;
- effective May 17, 2004.

3. Changes No. 3:

- approved by decision No. 153/0 of the Kazakhstan Stock Exchange Board November 21, 2005;
- effective November 21, 2005.

4. Changes and Addition No. 4:

- approved by decision No. 17/0 of the Kazakhstan Stock Exchange Board February 6, 2006;
- effective February 6, 2006.

5. Changes No. 5:

- approved by decision No. 17/0 of the Kazakhstan Stock Exchange Board January 25, 2008;
- effective January 28, 2008.

6. Changes and Addition No. 6:

- approved by decision No. 66/1 of the Kazakhstan Stock Exchange Board May 19, 2008;
- effective January 1, 2008.

7. Change No. 7:

- approved by decision No. 69/0 of the Kazakhstan Stock Exchange Board May 23, 2008;
- effective January 1, 2008.

8. Change No. 8:

- approved by decision No. 30/1 of the Kazakhstan Stock Exchange Board February 23, 2009;
- effective February 23, 2009.

9. Change and Addition No. 9:

- approved by decision No. 160 of the Kazakhstan Stock Exchange Board May 6, 2010;
- effective May 6, 2010.

These Rules provide for terms and procedures on annual rewarding of the best performing members of Kazakhstan Stock Exchange (the Exchange) except for the National Bank of the Republic of Kazakhstan (*this paragraph was changed by the decision of the Exchange Council of January 15, 2004*).

1. The best performing Exchange members are rewarded annually (hereinafter referred to as – the rewarding) in accordance with the results of the ended calendar year by way of handing in diplomas at the place and time predetermined by the Exchange (*this item was complemented by the decision of the Exchange Board of May 17, 2004 and changed by the Exchange Board decision of May 19, 2008*).
2. Members are rewarded in the following nominations:
 - 1) "Exchange currency market leader";
 - 2) "Exchange government securities market leader";
 - 3) "Exchange share market leader" (*this sub-item was changed by the Exchange Board decision of May 19, 2008*);
 - 3-1) "Exchange corporate bond market leader" (*this sub-item was included by the Exchange Board decision of February 9, 2004 and changed by the Exchange Board decisions of November 21, 2005 and May 19, 2008*);
 - 4) "Repo transactions market leader" (*this sub-item was supplemented by the Exchange Board decision of May 19, 2008*);
 - 5) (*this sub-item was excluded by the Exchange Board decision of May 19, 2008*);
 - 6) "Leading financial advisor" (*this sub-item was changed by the Exchange Board decision of May 19, 2008*);
 - 7) (*this sub-item was excluded by the Exchange Board decision of May 19, 2008*).
3. Only two Exchange members are rewarded in the nominations defined in sub-items 1)–4) of item 2 hereof – those having taken the premier and the second place.

Only one Exchange member is rewarded in nomination "Leading financial advisor" (*this paragraph was changed by the Exchange Board decision of May 19, 2008*).
4. The Exchange Information and Analysis Department (on condition of subsequent approval of the Exchange Board) shall expertly determine Exchange members for rewarding in nominations specified in sub-items 1)–4) of item 2 hereof; at that.
 - 1) initial list of candidates for rewarding in the nominations shall be built through ranking Exchange members in terms of activity indicators for the elapsed year in corresponding sectors of the Kazakhstan financial market serviced and monitored by the Exchange;
 - 2) Exchange activity indicators shall be calculated in accordance with the Methodology of calculation of activity indicators of Kazakhstan Stock Exchange members approved by the Exchange Board decision dated May 19, 2008 No. 66/0;
 - 3) an activity indicator, calculated for each candidate in a corresponding market sector, shall be adjusted by 0.05 in reduction for each of the following cases:
 - failure on a deal on the financial market except as provided in sub-item 3-1 hereof;
 - violation of norms and procedures set with Exchange internal documents.(*This sub-item was changed by the Exchange Board May 6, 2010*);
 - 3-1) candidates that failed (which is proved) to fulfill repo closing deals, shall be removed from the list of candidates for rewarding in the nomination specified in sub-item 4) of item 2 hereof, and in the nominations corresponding to markets in which the same financial instruments are used as trade subject (*this sub-item was included by the Exchange Board May 6, 2010*);
 - 4) adjacent markets serviced and monitored by the Exchange are the those with the same financial instruments trading or financial instruments with the same underlying assets (for

example, share market and repo market where shares are loaned in repo transactions will be considered adjacent).

(This item was changed by the Exchange Board on May 19 and 23, 2008 and February 23, 2009).

5. *(This item was excluded by the Exchange Board decision of May 19, 2008).*
6. The "Leading financial advisor" is determined by the Exchange Listing Department (with subsequent approval of the Exchange Board) expertly on the basis of the following indicators *(this paragraph was changed by the decision of the Exchange Board of February 9, 2004)*:
 - 1) the number of issues of securities listing on the Exchange, investment offers on which were prepared by Exchange members in the capacity of financial advisors (with participation of Exchange members as financial advisors) *(this sub-item was changed by the Exchange Board decision of May 19, 2008)*;
 - 1–1) quality of the investment offers that were prepared by Exchange members in the capacity of financial advisors (with participation of Exchange members as financial advisors) for purposes of listing on the Exchange *(this sub-item was included subject to the Exchange Board decision of February 9, 2004)*;
 - 2) volumes of mentioned securities issues *(this sub-item was changed by the Exchange Board decision of May 19, 2008)*.
7. *(This item was excluded by the Exchange Board decision of May 19, 2008).*
8. Exchange members taking second places in the nominations specified in sub-items 1)–4) of item 2 hereof, are awarded with "silver" diplomas *(this item was changed by the Exchange Board decision of May 19, 2008)*.
9. Exchange members taking second places in the nominations specified in sub-items 1)–6) of item 2 hereof, are awarded with "silver" diplomas *(this item was changed by the Exchange Board decision of May 19, 2008)*.
10. *(This item was excluded by the Exchange Board decision of May 19, 2008).*
11. The Exchange defines design and content of diplomas *(this item was changed by the Exchange Board decision of May 19, 2008)*.
12. Exchange members rewarded with diplomas in accordance herewith, are entitled to use their pictures and references thereto in their publications and advertising materials *(this item was changed by the Exchange Board decision of May 19, 2008)*.

President

A. Joldasbekov