

KAZAKHSTAN STOCK EXCHANGE JSC

Approved

by a decision of the Management Board of
Kazakhstan Stock Exchange JSC

(Minutes No.147 dated November 29, 2019)

Effective

as of December 3, 2019

NOTICE

The Regulations have been translated into English by employees of Kazakhstan Stock Exchange solely for information purposes. In case of any incompliance of this translation with the Regulations' original in Russian, the Russian version prevails.

REGULATIONS

on carrying out of clearing sessions on transactions with the central counterparty

(This heading was changed by a decision of the Exchange's Management Board of June 18, 2020)

Almaty

2019

LIST OF AMENDMENTS

1. Changes and additions No. 1:

- approved by a decision of the Management Board of Kazakhstan Stock Exchange JSC (minutes No. 84 of the meeting dated June 18, 2020);
- effective from August 3, 2020.

2. Change No. 2:

- approved by a decision of the Management Board of Kazakhstan Stock Exchange JSC (minutes No.151 of the meeting dated November 17, 2020);
- effective from November 30, 2020.

3. Change No. 3:

- approved by a decision of the Management Board of Kazakhstan Stock Exchange JSC (minutes No.65 of the meeting dated July 1, 2021);
- effective from July 7, 2021.

4. Change No. 4:

- approved by a decision of the Management Board of Kazakhstan Stock Exchange JSC (minutes No.92 of the meeting dated July 29, 2022);
- effective from August 22, 2022.

5. Change No. 5:

- approved by a decision of the Management Board of Kazakhstan Stock Exchange JSC (minutes No.109 of the meeting dated September 20, 2022);
- effective from September 20, 2022.

6. Change No. 6:

- approved by a decision of the Management Board of Kazakhstan Stock Exchange JSC (minutes No.142 of the meeting dated December 07, 2022);
- effective from December 07, 2022.

7. Change No. 7:

- approved by a decision of the Management Board of Kazakhstan Stock Exchange JSC (minutes No.27 of the meeting dated February 23, 2024);
- effective from March 01, 2024.

These Regulations define the time schedule of execution by Kazakhstan Stock Exchange JSC (hereinafter – the Exchange) of clearing activities on transactions with financial instruments on exchange markets, while acting as the central counterparty.

1. The concepts used in these Regulations are identical to those defined by the Exchange's internal document "Rules of execution of clearing activities on transactions with financial instruments" and other internal documents of the Exchange.
2. These Regulations determine the time for the procedures carried out by the Exchange as part of clearing activities on exchange markets for transactions with which the Exchange acts as the central counterparty.
3. The clearing day, during which the Exchange carries out all the necessary procedures for clearing activities, starts at 08:00 ALT and ends at 23.59 ALT (*this item was changed by a decision of the Exchange's Management Board dated 29 July of 2022*).
4. The time for the Exchange to carry out clearing activities for transactions with which the Exchange acts as the central counterparty in particular exchange markets is specified by the appendices hereto.
5. The time of the clearing sessions can be changed by the deputy Chairman of the Exchange's Management Board, who supervises the clearing unit, or by the person performing his duties, in the event of a malfunction in the software and hardware used during the clearing sessions, to identify circumstances that impede the clearing sessions in normal mode, or other circumstances.
6. In the event of a delay in conducting the clearing sessions at a particular stage, the start time of the next stage is shifted by an amount of time not exceeding the time of the occurred delay.
7. Responsibility for the timely introduction of amendments and additions to these Regulations is borne by the clearing unit.
8. These Regulations are subject to updating as necessary, but at least once every three years.

Chairperson of the Management Board

A. Aldambergen

Appendix 1

to the Regulations on carrying out of clearing activities on transactions with the central counterpart

(This appendix was changed by a decisions of the Exchange's Management Board of June 18, 2020, of July 29, 2022, of September 20, 2022 and of December 07, 2022)

SCHEDULE
of settlement and clearing sessions on the stock market

Item No.	Transaction time, (ALT)	Transaction name
A	1	2
1.	09:00 – 10:30	Clearing session "mark-to-market"
<i>(This line was changed by a decision of the Exchange's Management Board dated 23 February of 2024)</i>		
2.		Determining the margin requirements
3.		Return of payments on coupons and dividends on repo transactions and purchase / sale transactions Yn ¹
4.		Providing clearing participants with reports containing: <ul style="list-style-type: none"> – information about margin-call – information on transfer obligations / income claims – information about the property included in the property pools.
5.	15:30 – 17:30	First settlement and clearing session
6.		Determining the net claims / net liabilities for transactions with partial collateral with the due settlement date, concluded before 15:30 ALT
7.		Providing clearing participants with reports on net claims / net liabilities on deals with partial collateral with the due settlement date, concluded before 15:30 ALT
8.	16:00	Deadline for delivery by clearing participants of financial instruments (money – to KASE's correspondent account in the Central Depository, securities – to KASE's section) for fulfillment of net claims / net liabilities on deals with partial collateral with the due execution date concluded before 15:30 ALT, taking into account the deals concluded in self-settlement modes before 16:00 ALT
9.		Settlement of unsettled net liabilities of clearing participants on deals with partial collateral with the due settlement date, concluded before 16:00 ALT
10.		Determining the net claims / net liabilities on deals with full coverage,

¹ On deals with partial collateral and settlement date different from the deal conclusion date.

Regulations on carrying out of clearing activities on transactions with the central counterpart

Item No.	Transaction time, (ALT)	Transaction name
A	1	2
		concluded before 16:35 ALT
11.		Execution of settlements on deals of the first settlement clearing session
12.		In case of refusal of settlements under the order for registration of net transactions, the following is additionally performed: Settlement of the default of the net liabilities of the participants in connection with the refusal to calculate the order for the registration of net transactions; Execution of settlements on deals of the first settlement clearing session, taking into account net liabilities default settlement deals
13.		Providing clearing participants with reports on final net claims / net liabilities on deals of the first settlement clearing session
14.	17:30 – 19:15	Second settlement and clearing session
15.	–	Determining the total net claims / net liabilities on deals with partial collateral with the due settlement date, concluded from 15:30 to 17:30 ALT
16.		Providing clearing participants with reports on net claims / net liabilities on deals with partial collateral with the due settlement date, concluded from 15:30 to 17:30 ALT
17.	17:45	Deadline for the delivery by clearing participants of financial instruments (money – to KASE's correspondent account in the Central Depository, securities – to KASE section) for the execution of net claims / net liabilities on deals with partial collateral with the due execution date, concluded from 15:30 to 17:30 ALT, including deals concluded in self-settlement modes before 17:45 ALT
18.		Settlement of unsettled net liabilities of clearing participants on deals with partial collateral with the due settlement date, concluded before 17:45 ALT
19.		Execution of settlements on deals of the second settlement clearing session
20.		In case of refusal to calculate the order for registration of net transactions, the following is additionally performed: Settlement of the default of the net I of the liabilities in connection with the refusal to calculate the order for the registration of net transactions; Execution of settlements on deals of the first settlement clearing session, taking into account the net liabilities default settlement deals.
21.		Providing clearing participants with reports: – on the resulting net liabilities / net claims on deals of the second settlement clearing session; – on net liabilities / net claims on deals with future settlement dates; – on claims and liabilities on clearing funds.

Appendix 2

to the Regulations on carrying out of clearing sessions on transactions with the central counterparty

(This appendix was changed by decisions of the Exchange's Management Board of June 18, 2020 and November 17, 2020)

SCHEDULE
of settlement-clearing sessions on the currency market

Item No.	Timespan of the transaction, (ALT)	Transaction name
A	1	2
1.	09:00 – 09:30	Clearing session mark-to-market
2.		Determination of margin requirements for trades with late execution dates
3.		Determination of payment obligations / variation margin claims
4.	12:00	Providing clearing participants with reports containing: – information on the margin-call – information on obligations to transfer / claims to receive variation margin
5.	11:30 – 12:00	CNY morning settlement session
<i>(This line was changed by a decision of the Exchange's Management Board dated 23 February of 2024)</i>		
6.		Determining the net claims / net obligations in CNY deals with execution date due
7.		Settlement of transactions in CNY on deals with execution date due
8.		Providing clearing participants with reports on the net claims / net obligations in Chinese yuan on deals with execution date due
9.	12:15	Deadline for the delivery of Chinese yuan to the Clearing Centre by clearing participants in payment of net obligations on transactions with the due date
<i>(This line was changed by a decision of the Exchange's Management Board dated 23 February of 2024)</i>		
10.	12:30 – 12:45	Clearing session on transactions with liquidity providers in Chinese yuan
<i>(This line was changed by a decision of the Exchange's Management Board dated 23 February of 2024)</i>		
11.		Determining the net claims/net liabilities for CNY transactions with liquidity providers concluded between 12:15 and 12:30 ALT
<i>(This line was changed by a decision of the Exchange's Management Board dated 23 February of 2024)</i>		
12.		Settlement of deals with CNY liquidity providers

Regulations on carrying out of clearing activities on transactions with the central counterpart

Item No.	Timespan of the transaction, (ALT)	Transaction name
A	1	2
13.		Providing clearing members with reports on net claims / net obligations on deals with CNY liquidity providers
14.	15:30 – 16:00	Main clearing session for T0 settlements
15.		Determining the net claims/net obligations in Kazakh tenge, US dollars, euros, Russian rubles on deals with execution date due
16.		Settlements of deals in Kazakh tenge, US dollars, euros, Russian rubles on deals with execution date due
17.		Providing clearing participants with reports on the resulting net claims / net obligations in Kazakh tenge, US dollars, euros, Russian rubles on deals with execution date due
18.	17:00	Deadline for delivery to the Exchange by clearing participants of Kazakh tenge, US dollars, euros, Russian rubles in payment of net obligations on deals with execution date due
19.	17:30 – 18:00	Additional clearing session T+
20.		Determining the net claims / net obligations on deals concluded: – at an additional trading session; – with liquidity providers on euros, Russian rubles, concluded from 17:00 to 17:30 o'clock ALT
21.		Settlements in Kazakh tenge, US dollars, euros, Russian rubles on deals concluded: – at an additional trading session; – with liquidity providers on euros, Russian rubles, concluded from 17:00 to 17:30 ALT
22.		Providing clearing participants with reports on net claims / net obligations on trades concluded: – at an additional trading session; – with liquidity providers on euros, Russian rubles, concluded from 17:00 to 17:30 ALT
23.	19:00-19:30	Clearing session with unconscientious clearing participants
24.		Settlement of outstanding final net obligations of clearing participants in Kazakh tenge, US dollars, euros, Russian rubles in payment of net obligations on deals with execution date due
25.		Conclusion of deals for the transfer of unexecuted positions to the next business day

Appendix 3

to the Regulations on carrying out of clearing sessions on transactions with the central counterpart

(This appendix was amended by the Exchange Management Board decisions of June 18, 2020 and July 01, 2021)

SCHEDULE
of the clearing session on the derivatives market

No. p/p	Operation time, (ALT)	Name of operation
A	1	2
1.	13:00	Deadline for delivery by the clearing participants of the money for execution of the resulting net obligations on the variation margin
2.	13:00 – 17:30	Settlement of the outstanding Total Net Obligations of the Clearing Members under the margin call
3.	17:30 – 18:00	Interim clearing session
4.		Determination of the Intermediate Net Claims / Net Obligations of the Clearing Members under the executed trades for each Settlement Code / Aggregate Trading and Clearing Account / Segregated Trading and Clearing Account
5.		Calculation of warranty coverage
6.		Calculation of trade limit
7.	20:30 – 21:00	Final clearing session
8.		Determination of the Total Net Claims / Net Obligations of the Clearing Members under the executed trades for each Settlement Code / Aggregate Trading and Clearing Account / Segregated Trading and Clearing Account
9.		Calculation of warranty coverage
10.		Calculation of trade limit
11.		Margin-call fixing
12.	before 00:00	Submission of reports to the Clearing Members containing: <ul style="list-style-type: none"> – on positions accounted for in the trading and clearing accounts; – on the final obligations to pay / claims to receive the variation margin; – information about margin-call