

KAZAKHSTAN STOCK EXCHANGE JSC

A p p r o v e d

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

(minutes No. 147 dated November 29, 2019)

E f f e c t i v e

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 activities on
transactions with the central counterpart

Almaty

2019

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 21:00 ALT.
4. The time for the Exchange to carry out clearing activities for transactions with which the Exchange acts as the central counterpart 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

SCHEDULE
of settlement clearing sessions on the stock market

Item No.	Timespan of the transaction, (ALT)	Transaction name
A	1	2
1.	10:00 – 10:30	Clearing session mark-to-market
2.		Determining margin requirements
3.		Return of payments on coupons and dividends on repo deals and purchase/sales deals Yn ¹
4.		Providing clearing participants with reports containing information on the margin-call
5.	15:30 – 17:15	First settlement clearing session
6.	15:30	Determining of net claims / net obligations on transactions with partial collateral with the execution date due, which were concluded before 15:30 ALT
7.	15:30 – 15:45	Providing the clearing participants with reports on net claims / net obligations on transactions with partial collateral with the execution date due, which were concluded before 15:30 ALT
8.	16:15	The deadline for the delivery by clearing participants of financial instruments (money – to KASE's correspondent account with the Central Securities Depository, securities – to KASE section) for the fulfillment of net claims / net obligations on transactions with partial collateral with the execution date due, which were concluded before 15:30 ALT, taking into account transactions concluded in self-regulation modes until 16:15 ALT
9.	16:15 – 17:00	Settlement of unfulfilled net obligations of clearing participants on transactions with partial collateral with the execution date due, which were concluded before 16:15 ALT
10.	17:00	Determining of net claims / net obligations on transactions with full coverage concluded before 17:00 ALT
11.	17:00 – 17:15	Conducting of settlements on transactions of the first settlement clearing session
12.	17:15 – 17:30	Providing clearing participants with reports on the resulting net claims / net obligations on transactions of the first settlement clearing session
13.	17:30 – 18:45	Second settlement clearing session
14.	17:30	Determining of the resulting net claims / net obligations on transactions with partial collateral with the execution date due, which were concluded from

¹ On transactions with partial security and the settlement date other than the deal conclusion date.

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		15:30 to 17:30 ALT
15.	17:30 – 17:45	Providing clearing participants with reports on the resulting net claims / net obligations on transactions with partial security with the execution date due, which were concluded from 15:30 to 17:30 ALT
16.	17:45	The deadline for the delivery by clearing participants of financial instruments (money – to KASE's correspondent account with the Central Securities Depository, securities – to KASE section) to fulfill the net claims / net obligations on transactions with partial security with the execution date due, which were concluded from 15:30 to 17:30 ALT, taking into account deals concluded in self-regulation modes before 17:45 ALT
17.	17:45 – 18:25	Settlement of unfulfilled net obligations of clearing participants on transactions with partial security with the due date concluded before 17:45 ALT
18.	18:25 – 18:45	Conducting of settlements on transactions of the second settlement clearing session
19.	18:45 – 19:30	Providing clearing participants with reports: <ul style="list-style-type: none"> – on resulting net obligations / net claims on deals of the second settlement clearing session; – on net obligations / net claims on deals with futures settlement dates; – on obligations on transfer / claims on receipt of income; – on claims and obligations on clearing funds.

Appendix 1

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SCHEDULE
of clearing sessions on the currency market

Item No.	Timespan of the transaction, (ALT)	Transaction name
A	1	2
1.	11:00 – 11:30	Morning clearing session for settlements on CNY
2.		Determining of resulting net claims / net obligations in Chinese yuan on transactions with the execution date due
3.		Providing clearing participants with reports on the resulting net claims / net obligations in Chinese yuan on transactions with the execution date due
4.	12:00	Deadline for delivery to the Exchange of Chinese yuan by clearing participants in payment of net obligations on transactions with the execution date due
5.	12:00 – 14:00	Conducting settlements in Chinese yuan on transactions with the settlement date due
6.	12:00 – 12:45	Settlement of outstanding resulting net obligations of clearing participants in Chinese yuan on transactions with the settlement date due
7.	12:45 – 13:00	Clearing session based on the settlement of outstanding resulting net obligations of clearing participants in Chinese yuan on deals with the settlement date due
8.		Providing clearing participants with reports on the resulting net claims / net obligations in Chinese yuan on transactions with the settlement date due, taking into account the concluded transactions on the settlement of unfulfilled resulting net obligations
9.	13:00 – 14:00	Conducting settlements in Chinese yuan on deals with the execution date due
10.	15:30 – 16:00	Main clearing session for settlements T0
11.		Determining the resulting net claims / net liabilities in Kazakh tenge, US dollars, euros, Russian rubles for transactions with the execution date due
12.		Providing clearing participants with reports on the resulting net claims / net obligations in Kazakh tenge, US dollars, euros, Russian rubles for transactions with the execution date due
13.	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 transactions with the execution date due
14.	17:00 – 18:00	Conducting settlements in Kazakh tenge, US dollars, Euros, Russian rubles

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		on transactions with the execution date due
15.	17:00 – 17:45	Settlement of outstanding resulting net obligations of clearing participants in euros and Russian rubles on transactions with the execution date due
16.	17:45 – 18:00	Clearing session based on results of the settlement of outstanding net obligations of clearing participants in euros and Russian rubles on transactions with the execution date due
17.		Providing clearing participants with reports on the resulting net claims / net obligations in euros and Russian rubles for transactions with the execution date due, taking into account the concluded transactions on the settlement of outstanding resulting net obligations
18.	18:00 – 18:30	Conducting settlements in euro and Russian rubles on deals with the execution date due
19.	17:00 – 17:30	Main clearing session T+
20.		Determining marginal requirements on transactions with execution dates not yet due
21.		Providing clearing participants with reports on the resulting margin requirements on transactions with execution dates not yet due
22.	17:30 – 18:00	Additional clearing session
23.		Defining resulting net claims / net liabilities in Kazakh tenge and US dollars for transactions with the execution date due
24.		Providing clearing participants with reports on the resulting net claims / net obligations in Kazakh tenge and US dollars on transactions with the execution date due
25.	18:30	Deadline for delivery to the Exchange by clearing participants of Kazakhstan tenge and US dollars in payment of: net liabilities on transactions with the execution date due; margin requirements for transactions with the execution date not yet due.
26.	18:30 – 19:00	Conducting settlements in Kazakh tenge and US dollars on deals with the execution date due
27.	18:30 – 19:15	Settlement of outstanding resulting net obligations of clearing participants in Kazakh tenge and US dollars on deals with the settlement date due
28.	19:15 – 19:30	Clearing session based on the settlement of outstanding resulting net obligations of clearing participants in Kazakh tenge and US dollars on deals with the settlement date due
29.	19:30 – 20:00	Conducting settlements in Kazakh tenge and US dollars on transactions with the settlement date due

Appendix 3

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

SCHEDULE
of the clearing session on the derivatives market

Item No.	Timespan of the transaction, (ALT)	Transaction name
A	1	2
1.	15:30 – 16:00	Clearing session
2.		Defining resulting net liabilities / net claims on initial, maintained and variation margin
3.		Providing clearing participants with reports on the resulting net claims / net obligations on the initial, maintained and variation margin
4.	16:00 – 18:00	Conducting settlements
5.	17:15	Deadline for execution by the clearing participants of resulting net obligations on the variation margin
6.	17:30 – 18:00	Settlement of outstanding resulting net obligations of clearing participants on the variation margin
7.		Providing clearing participants with reports on the resulting net claims / net obligations on the initial, supported and variation margin, taking into account the settlement of outstanding resulting net obligations of clearing participants on the variation margin
8.	16:00 – 18:00 (of the next business day)	Conducting settlements based on results of the settlement of outstanding resulting net obligations of clearing members on the variation margin