

KASE CLEARING CENTER JSC

Approved

by decision of the Board of Directors of
KASE Clearing Center JSC

(minutes of the meeting
dated June 5, 2023 No. 7)

Effective

from the date of start of activities of
KASE Clearing Center JSC

RULES

**of conduct of clearing activities under
transactions with financial instruments**

Almaty City

2023

These Rules of conduct of clearing activities under transactions with financial instruments (hereinafter referred to as the Rules) have been developed subject to the laws of the Republic of Kazakhstan, internal documents of KASE Clearing Center JSC (hereinafter referred to as the Clearing Center) and determine terms and conditions and procedure for the Clearing Center to carry out clearing activities under transactions with financial instruments (as this activity is defined by the Law of the Republic of Kazakhstan "Securities Market"), as well as the functions of the central counterparty (hereinafter referred to as the CCP).

Chapter 1. CLEARING ACTIVITIES

Article 1. Basic concepts

1. The Rules use concepts and terms defined by the laws of the Republic of Kazakhstan and internal documents of the Clearing Center, as well as the following concepts.

1) **margin-call** – a requirement of the Clearing Center to a clearing participant with partial collateral:

– to bring a negative value of the single limit on the trading and clearing account used for transactions with the CCP on the stock and/or foreign exchange market to a non-negative value in the manner established by specific features of the stock market or the foreign exchange market of these Rules;

– to repay a debt according to a settlement code in the manner established by specific features of the derivatives market of these Rules;

2) **Provider Bank** – Bank being a clearing participant on the foreign exchange market as determined by the Management Board of the Clearing Center as a party when closing transactions to transfer positions or liquidate positions for the purpose of settling a default;

3) **Exchange** – Exchange that has entered into an interaction agreement with the Clearing Center;

4) **stock market** – stock market, foreign exchange market and derivatives market corresponding to the concepts defined by the Rules;

5) **foreign exchange market** – an organized market of foreign currencies of the Exchange, under transactions with which the Clearing Center shall carry out clearing activities;

6) **security deposit** – a value expressed in tenge, measuring sufficiency of the collateral on each segregated trading and clearing account / aggregated trading and clearing account / settlement code of the clearing participant on the derivatives market, necessary for submission of orders and conclusion of transactions, as well as for discharge of obligations under closed transactions;

7) **settlement day** – the day on which the Clearing Center makes settlements to discharge obligations under a specific financial instrument;

8) **default** – failure to discharge (delayed or improper discharge) by the clearing participant of its obligations;

9) **margin default** – failure (delayed or improper discharge) by the clearing participant of margin-calls arising as a result of the mark-to-market clearing session;

10) **voluntary provider** – a clearing participant on the stock market which has submitted a statement of consent to act as a party when the Clearing Center closed on its behalf transactions with the CCP with the use of the client trading and clearing account set out in the statement, as part of the procedure for transfer of positions in the manner determined by the Rules, in case of availability of the necessary securities accounted for on such trading and clearing account;

11) **single limit** – a value expressed in tenge, measuring sufficiency of the collateral on the trading and clearing account (own or client) of the clearing participant on the foreign exchange and/or stock market, necessary for submission of orders and closing of transactions "with partial collateral";

12) **custodian** – a legal entity, subject to the laws of the state of its registration, entitled to carry out custodial activities on the securities market, that is, activities in:

accounting or storage of financial instruments and money, confirmation of rights to these financial instruments and money, with the assumption of obligations for safety of these financial instruments and money;

acceptance for settlement of transactions closed by the trading participant to the benefit of the custodian's client which belong to other persons;

13) **clearing (clearing activities under transactions with financial instruments)** – a process of determining, verifying and transmitting of information on claims and/or obligations of the clearing participants on a net and/or gross basis for transactions with financial instruments;

14) **gross clearing** – the process of determining the claims and/or obligations to be complied with for each closed transaction, as well as preparation and transfer of documents (information) that serve as the basis for their execution;

15) **net clearing** – the process of determining the claims and/or obligations of the clearing participants to be complied with which arise as a result of the netting of transactions closed by them, as well as preparation and transfer of documents (information) that are the basis for termination of claims and/or obligations under closed transactions, and emergence of claims and/or obligations as a result of the netting of these transactions;

16) **clearing session** – a part of the Clearing Center's operational day, during which the Clearing Center shall carry out net clearing based on results of transactions closed at exchange trading, generates clearing reports, as well as documents that are the basis for settlements subject to the internal document of the Clearing Center "Regulation for holding clearing sessions under transactions with the central counterparty" (hereinafter referred to as the Regulation);

17) **clearing system** – a software and hardware complex of the Clearing Center, used by it in the course of conduct of the clearing activities and performing the CCP functions for transactions with financial instruments and intended to automate the actions to be performed by the Clearing Center as part of this activities;

18) **clearing division** – a structural division of the Clearing Center, the main function of which is to perform actions necessary for the Clearing Center to carry out the clearing activities under transactions with financial instruments;

19) **clearing day** – a day on which the Clearing Center clears transactions with any financial instrument;

20) **clearing report** – a document provided by the Clearing Center to the clearing participant and containing information on obligations and claims of the clearing participant arising as a result of conduct of the clearing, information on margin-call (if any) and other information specified by the Rules;

21) **clearing account** – an account in the clearing system of the Clearing Center assigned to the clearing participant (own) or its client (client), intended for record of the information on the collateral, claims and obligations for financial instruments calculated on a net basis, under transactions, orders, transfers for settlements, transfers of collateral and other operations to establish collateral limits;

22) **clearing participant** – a legal entity that has entered into a clearing service agreement with the Clearing Center;

23) **clearing participant without collateral** – a clearing participant of the category "without collateral" which participates in the trading without provision of the collateral;

24) **clearing participant with full coverage** – a clearing participant of the "full coverage" category, which participates in trading subject to ensuring the discharge of obligations under closed transactions in the amount necessary for their settlement in those financial instruments in which these obligations arise in full before the moment of their settlement;

25) **clearing participant with partial collateral** – a clearing participant of the "partially collateralized" category, which participates in the trading subject to formation of control over sufficiency of the collateral in the manner established by the Rules;

26) **correspondent account of the Clearing Center with the Central Depository** – a correspondent account of the Clearing Center with the Central Depository, intended exclusively for depositing cash collateral and making cash settlements and under transactions with the CCP on the stock market subject to the internal document of the Clearing Center "Rules for making cash

settlements for transactions with the central counterparty on the stock market" (hereinafter referred to as the Securities Settlement Rules);

27) **CP with an account in KISC** – a clearing participant which has a correspondent account in tenge opened with the National Bank of the Republic of Kazakhstan and settlements for which are carried out by the Kazakhstan Center for Interbank Settlements of the National Bank of the Republic of Kazakhstan (hereinafter – KISC)

28) **margin contribution** – money and/or other financial instruments contributed by the clearing participant to the settlement organization as collateral for discharge of obligations to the Clearing Center;

29) **National Bank** – republican state institution National Bank of the Republic of Kazakhstan;

30) **netting** – complete or partial termination of claims and obligations accounted for in a specific clearing account arising from transactions with financial instruments through netting;

31) **net obligation** – an obligation as a result of netting;

32) **net position** – a net claim and/or net obligation;

33) **net claim** – a claim as a result of netting;

34) **collateral** – money and/or securities in a settlement organization, taken into account as a collateral under transactions to be closed by the clearing participant, as well as discharge of its net obligations;

35) **restrictive limit** – a restriction established by the Clearing Center in relation to the single limit of a trading and clearing account, which does not allow transactions that will result in its value becoming less than value of the established restrictive limit;

36) **information technology division** – a division of the Clearing Center that develops, supports and improves quality of the information system of the Clearing Center;

37) **risk management division** – a division of the Clearing Center that carries out identification and assessment of risks, as well as control over risks and monitoring the effectiveness of risk management methods;

38) **position** – an obligation or a claim arising as a result of conclusion of a transaction with a financial instrument, recorded in a specific clearing account;

39) **full coverage** – a condition to close transactions with the CCP, under which availability of full coverage of net obligations in those financial instruments in which they arise from closed transactions and submitted orders is checked, where their settlement entails a maximum value of net obligations on each settlement date taking into account net claims and/or net obligations on previous settlement dates;

40) **user of the collateral control system or “user of the collateral control system”** – a clearing participant on the stock market which is a custodian which is granted an access to the control and collateral system in order to ensure settlement of transactions closed by an authorized trading participant on behalf of the client of such clearing participant;

41) **“prohibition of short sales” sign** – a restriction in relation to a certain collateral / trading and clearing account / clearing participant, which does not allow to place orders on the stock market in the ASTS+ trading and clearing system, entailing the lack of collateral under obligations arising as a result of making them under securities in full;

42) **“prohibition of uncollateralized purchases” sign** – a restriction that does not allow to place orders on the stock market in order to close transactions in the ASTS+ trading and clearing system, leading to the lack of the collateral for money obligations arising as a result of making them in full in relation to a certain currency / trade –clearing account / clearing participant;

43) **KASE section** – section of a sub-account with the “sub-account of the trading participant” sign of a personal account opened in the open accounting system in the Central Depository subject to the Code of Rules of the Central Depository in order to account for the provided collateral in securities and discharge of net obligations and net claims in securities for transactions with the CCP based on results

of net clearing and discharge of obligations and claims in securities for transactions without the CCP based on results of clearing on a gross basis;

44) **Repo section** – section of a sub-account with the “sub-account of the trading participant” sign of a personal account opened with the Central Depository subject to the Code of Rules of the Central Depository for the purpose of blocking securities during settlement of an opening transaction related to a repo transaction without the CCP with a purchase-sale direction;

45) **GC Global section** – section of a subaccount with the “subaccount of the trading participant” sign of a personal account opened with the Central Depository subject to the Code of Rules of the central depository for the purpose of accounting for securities provided by the clearing participant to a property pool;

46) **settlement division** – a division of the Clearing Center, the main function of which is to carry out settlements under transactions with financial instruments on the foreign exchange market and derivatives market, as well as settlements on money on the stock market;

47) **settlement code** – an account in the trading / trading and clearing system of the derivatives market, intended to record information on the collateral of submitted orders and closed transactions, as well as to discharge obligations under such transactions;

48) **modes with the CCP** – modes with the use of which transactions are closed under which the Clearing Center performs the CCP functions;

49) **derivatives market** – an organized market of derivative financial instruments of the Exchange, under transactions with which the Clearing Center shall carry out clearing activities;

50) **transactions without the CCP** – transactions for which the Clearing Center does not perform the CCP functions;

51) **transactions with the CCP** – transactions for which the Clearing Center performs the CCP functions;

52) **guarantee fee accounts** – accounts / sub-accounts for accounting for guarantee fees in the internal accounting system of the Clearing Center, opened to the clearing participant subject to the internal document of the Clearing Center “Rules for internal accounting of money and execution of documents for settlements under exchange trading” and intended for accounting for money transferred by the clearing participant for the purpose of paying guarantee fees to the guarantee funds of the exchange markets subject to the Rules;

53) **collateral accounts** – accounts / sub-accounts of the clearing participant in the internal accounting system of the Clearing Center in tenge or foreign currency opened subject to the internal document “Rules for internal accounting of money and execution of documents for settlements under exchange trading” and intended for accounting for money to be transferred for the purpose of accounting for collateral and execution of net obligations and net claims on the derivatives market, foreign exchange and stock markets for transactions with the CCP

54) **trading division** – a division of the Exchange that carries out the functions for organization of trading;

55) **trading limit** – an amount of money determined subject to the specific features of the derivatives market of the Rules, within which the clearing participant on the derivatives market has the right to close transactions;

56) **1st level trading and clearing account (hereinafter referred to as the trading and clearing account)** – an account in the trading and clearing system of the Exchange assigned to the clearing participant being the trading participant, which is a combination of the 1st level trading account and the clearing account that matches it by code;

57) **1st level trading account (hereinafter referred to as the trading account)** – an account in the trading system of the Exchange opened to the trading participant which is a clearing participant (own) or to its client (client) intended to record information on transactions to be closed by the trading participant, orders, transfers for settlements, transfers of collateral and other operations to establish collateral limits in the trading system;

58) **2nd level trading and clearing account** – an account in the trading and clearing system of the Exchange, which is a combination of the 2nd level trading account of then authorized trading

participant and the 1st level trading and clearing account of a user of the control and confirmation system

59) **2nd level trading account** – an account in the trading system of the Exchange opened to an authorized trading participant, intended to record information on transactions, orders, transfers for settlements and other operations related to the control of established collateral limits on the 1st level trading and clearing account;

60) **trading and clearing account of the property pool (hereinafter referred to as the PP account)** – a set of registration records and other designations in the trading and clearing system of the Exchange, opened by the Clearing Center subject to the internal document of the Clearing Center regulating the opening, maintenance and closure of trading and clearing accounts, and intended for record of the Information on financial instruments contributed by a pool participant to the property pool, as well as about transactions, orders and other operations with these financial instruments;

61) **authorized body** – a state body of the Republic of Kazakhstan that regulates and develops the financial market;

62) **trading participant** – a member of the Exchange which has the right to close transactions in the trading and clearing system of the Clearing Center;

63) **authorized trading participant** – a trading participant authorized by the user of the control and collateral system to close transactions on behalf of its client;

64) **pool participant** – a clearing participant which has acceded to the Property Pool Agreement and contributed property to the property pool of the Clearing Center for the purpose of issuing clearing participation certificates;

65) **financial instrument** – money (tenge, foreign currency), securities, including derivative securities, as well as other financial instruments for transactions with which the Clearing Center carries out clearing activities;

66) **financial instruments included in the property pool** – financial instruments that the Clearing Center determines as permitted for inclusion in a certain property pool;

67) **financial instruments contributed to the property pool** – financial instruments that the clearing participant which has entered into the Property Pool Agreement contributes in a certain quantity to the PP account for the purpose of issuing the clearing participation certificates;

68) **stock market** – an organized securities market of the Exchange, under transactions with which the Clearing Center carries out clearing activities;

69) **Central Depository** – Central Securities Depository JSC, which carries out operations related to discharge of obligations to transfer securities based on clearing results;

70) **central counterparty (hereinafter referred to as the CCP)** – a legal entity which is a party to transactions with financial instruments closed by the clearing participants or their authorized trading participants in the trading system of the Exchange;

71) **partial collateral** – a condition to close transactions with the CCP, under which sufficiency of the collateral is monitored until the obligations under them are discharged subject to the Rules;

2. Unless otherwise appears from the context of the Rules, words in the singular shall include the plural and vice versa, and a reference to a word of any gender shall include a reference to words relating to all other genders.

Article 2. General provisions on clearing activities

1. The Clearing Center shall carry out clearing activities, with or without performing the CCP functions, subject to closed contracts (agreements) defining the procedure and conditions of interaction when organizing trading by the Exchange.

2. Net clearing shall be carried out for transactions with the CCP, gross clearing shall be carried out under transactions without the CCP, taking into account specific features fixed for certain exchange markets by the Rules.

3. The procedure for assigning, depriving and restoring the status of the clearing participant, the procedure for establishing a category for the clearing participant, as well as the requirements for organizations applying for A status of the clearing participant, the requirements for establishing the category of the clearing participant, rights and obligations of the clearing participants, responsibility of the clearing participants and the Clearing Center shall be determined by the internal document of the Clearing Center "Clearing Participants Regulation".

4. The method of ensuring discharge of obligations under transactions with the CCP shall be determined depending on the type of category assigned to the clearing participant of a certain exchange market by the Management Board of the Clearing Center subject to the "Clearing Participants Regulation", as well as specific features established in relation to a certain financial instrument subject to clause 7 of this article.

The method of ensuring discharge of obligations under transactions without the CCP shall be determined subject to specific features of a particular exchange market.

5. The National Bank, which is the central bank of the Republic of Kazakhstan and represents the upper (first) level of the banking system, subject to the "Clearing Participants Regulation" has been assigned the category "without collateral" on all exchange markets.

6. Exchange of electronic documents between the clearing participants and the Clearing Center shall be carried out through the electronic document exchange system eTransfer.kz¹.

7. The Clearing Center shall carry out clearing of transactions with the CCP for clearing participants with partial collateral, taking into account the following specific features:

1) admission of a financial instrument to close transactions subject to conditions of partial collateral on the foreign exchange and stock markets is established for financial instruments included in the T+ List of the corresponding exchange market.

Financial instruments accepted as collateral under transactions to be carried out on the basis of partial collateral shall be financial instruments included in the T+ Collateral List of the corresponding exchange market.

The procedure for including / excluding financial instruments from the List T+ and the Collateral List T+ shall be carried out on the basis of a decision of the Management Board of the Clearing Center subject to the internal document of the Clearing Center "Procedure for including financial instruments in the List T+ and in the Collateral List T+ (hereinafter referred to as the "Procedure for including financial instruments")".

In relation to any financial instrument in List T+, the "prohibition of short sales" sign can be established based on the decision of the Committee.

The above lists shall be reviewed on a periodic basis and posted on the Internet resource of the Clearing Center;

2) on the stock market, the method of ensuring discharge of obligations under transactions with the CCP shall be determined by the settlement code established for a certain trading mode in which securities are traded, depending on whether certain securities are included or not included in List T+.

In relation to securities not included in List T+, the settlement code of the modes in which they are traded shall correspond to the condition of full coverage of obligations (settlement code "T").

In relation to securities included in List T+, the settlement code of the modes in which they are traded shall correspond to the condition of partial collateral of obligations (settlement code "Y"). In relation to securing obligations under a security traded in the Y settlement code mode, the "prohibition of short sales" sign can be established.

In relation to a security included in List T+, for certain modes a settlement code of "T" can be established providing for full coverage of obligations under transactions.

¹ A specialized electronic document flow system between the Clearing Center and a clearing participant with guaranteed delivery and cryptographic security which ensures confidentiality and impossibility to correct the transmitted data.

Trading modes with the CCP, in which transactions are closed with certain securities, indicating the method of ensuring discharge of obligations (settlement codes) accepted for such mode, shall be determined by the rules of the Exchange.

On the stock market for transactions without the central clearing party, the method of ensuring discharge of obligations shall be determined by the rules of the Exchange.

On the foreign exchange market, the method of securing obligations for all transactions with foreign currencies included in the T+ List shall be carried out on the basis of partial collateral.

8. Net clearing shall be carried out automatically using the clearing system during the clearing session, clearing on a gross basis shall be carried out automatically using the clearing system based on results of each transaction closed during trading.

9. The procedure for conduct of the clearing sessions shall be determined by the Regulation.

10. The procedure for clearing on a gross basis shall be determined by the rules of the Exchange.

11. The Clearing Center, as a clearing organization performing the CCP functions, shall issue clearing participation certificates subject to the internal document of the Clearing Center "Instructions for issue, placement, circulation and redemption of the clearing participation certificates" (hereinafter referred to as the CPC Instruction).

12. Procedure for formation and use of the clearing participants' collateral, as well as the procedure for formation and use and restoration of clearing funds (guarantee, reserve funds and property pools) is set out in articles 13-15 of the Rules.

13. The Clearing Center shall have the right to invest money that makes the collateral of the clearing participants, as well as clearing funds (guarantee and reserve funds) subject to the internal document of the Clearing Center "Asset Investment Policy" posted on the Internet resource of the Clearing Center.

14. Income from investing the money that make the collateral for the clearing participants, as well as clearing guarantee funds, shall not accrue or be paid to the clearing participants.

15. As part of the contractual relations between the Clearing Center and the Exchange, the Clearing Center shall perform the CCP functions under all transactions with financial instruments traded on the derivatives market and on the foreign exchange market. For transactions on the stock market, the Clearing Center shall perform the CCP functions under transactions closed in trading modes with the CCP, and shall not perform the CCP functions for transactions without the CCP.

16. Specific features of the clearing activities of the Clearing Center on certain exchange markets are described in Chapters 3, 4, 5 of the Rules.

17. The Rules shall be posted on the Internet resource of the Clearing Center and shall be available for review to all clients of the Clearing Center and other interested parties.

18. The Clearing Center shall have the right to request from the Central Depository any information, including confidential information, if such information is required for the Clearing Center to perform the main functions and/or the CCP. The Central Depository shall have the right to provide information requested by the Clearing Center, provided that this does not directly conflict with the internal procedures of the Central Depository.

19. The Clearing Center shall have the right to request from the Exchange any information, including confidential information, if such information is required for the Clearing Center to perform the main functions and/or the CCP. The Exchange shall have the right to provide information requested by the Clearing Center, provided that it does not directly conflict with the internal documents and procedures of the Exchange.

Article 3. Procedure for formation and termination of the property pool

1. Decision on terms and conditions for formation of the property pool shall be made by the Management Board of the Clearing Center and shall contain the following information:

1) name of the property pool;

- 2) code (individual designation) of the clearing participation certificate;
 - 3) date of commencement of formation of the property pool and date of commencement of circulation of clearing certificates of participation;
 - 4) a list of financial instruments to be included in the property pool.
2. Centralized maintenance of the register of holders of the clearing participation certificates shall be carried out by the Central Depository.
 3. The decision of the Clearing Center on formation of the property pool shall be brought to the attention of the trading participants / clearing participants by posting it on the Internet resource of the Clearing Center.
 4. The Clearing Center shall have the right to create several property pools.
 5. The Management Board of the Clearing Center shall approve the list of financial instruments to be included in a certain property pool from among the FIs that meet the criteria for inclusion into the collateral list in the T+ collateral list.
 6. Exclusion of a security from property pools shall be carried out in the manner determined by the CPC Instruction.
 7. The property pool can be terminated by decision of the Management Board of the Clearing Center only after the Clearing Center has redeemed all clearing participation certificates in the manner established by the CPC Instruction.

Article 4. Rights of a pool participant

1. A pool participant shall have the right to demand from the Clearing Center repayment of all or a part of the clearing participation certificates issued to it, provided that it owns the clearing participation certificates presented for redemption and the pool participant does not have property obligations under these clearing participation certificates, as well as other property obligations under the Property Pool Agreement.

The demand for redemption of the clearing participation certificates shall be deemed submitted by the Pool Participant to the Clearing Center when the pool participant submits an order for transfer of money / securities for the purpose of issuing property from the property pool subject to the standards provided for by the CPC Instruction.

When clearing participation certificates are redeemed, the Clearing Center shall issue property to the pool participant in the manner and subject to the terms and conditions established by the rules of the CPC Instruction.

2. If the clearing participant is declared insolvent subject to article 17 of the Rules, termination of obligations under the property pool agreement shall be carried out subject to article 18 of the Rules.

Article 5. Conditions and procedure for entry into / termination of the property pool agreement

1. Entry into the property pool agreement between the Clearing Center and the clearing participant shall be carried out by the clearing participant acceding to the Property Pool Agreement, which is an annex to the CPC Instruction.
2. The property pool agreement shall be considered entered into from the date the Clearing Center satisfies the application to open an individual entrepreneur account.
3. The procedure for submitting and executing the said order shall be established by the internal document of the Clearing Center regulating the opening, maintenance and closure of trading and clearing accounts and the Rules.
4. Accession of the clearing participant to the Property Pool Agreement shall give the right to this clearing participant to close repo transactions with clearing participation certificates.

5. Pool participant shall have the right to cancel the Property Pool Agreement only if all clearing participation certificates issued to it are redeemed in the manner established by the CPC Instruction.

Article 6. Implementation of the CCP functions by the Clearing Center

1. When performing the CCP functions, the Clearing Center shall be guided by the following principles:

- 1) use of a reliable risk management system;
- 2) improvement of market efficiency, including:

reducing costs for clearing participants, including use of the netting mechanism;

guaranteed discharge of obligations under closed transactions with the CCP of the clearing participants, taking into account the limitation of obligation of the Clearing Center established by the Rules;

transparency of actions by which each clearing participant can on its own assess the risks of transactions with the Clearing Center as the CCP.

2. An open offer mechanism shall be applied to transactions with the CCP, which is a method of discharge of the contractual obligations under closed transactions through direct inclusion of the CCP into the transaction. Thus, after a transaction is closed, the Clearing Center, performing the CCP functions, shall directly:

- 1) become a counterparty to this transaction, being a seller for each buyer and a buyer for each seller;
- 2) acquire a special right through its actions to create obligations for the clearing participants, including acceptance and discharge by the clearing participant of obligations for all transactions (including obligations arising as a result of novation) closed on its behalf by the Clearing Center as part of implementation of default resolution procedures subject to the requirements of the Rules and other internal documents of the Clearing Center.

3. An open offer shall be deemed accepted by the clearing participant from the date of the decision to assign the status of the clearing participant to a certain exchange market subject to the requirements of the internal documents of the Clearing Center takes effect.

4. As part of performance of the CCP functions, the Clearing Center shall use a risk management system, conditions and operating procedures of which are established by the internal document of the Clearing Center "Risk Management Policy".

Article 7. Clearing accounts

1. The Clearing Center shall open clearing account for the clearing participant based on an application for assignment of the status of the clearing participant subject to the internal document of the Clearing Center regulating the opening, maintenance and closure of trading and clearing accounts.

2. The Clearing Center shall carry out clearing, accounting for collateral, transactions, positions and net positions of the clearing participants in the clearing system in the context of own and client clearing accounts.

3. On the foreign exchange market, based on the decision of the Management Board of the Clearing Center to assign the status of the clearing participant on the foreign exchange market to the clearing participant, one own clearing account shall be opened and one or more aggregated client clearing accounts that match the number of the trading accounts opened for him.

Closing of clearing accounts of the clearing participant on the foreign exchange market shall be carried out on the basis of the decision of the Management Board of the Clearing Center on deprivation of the status of the clearing participant on the foreign exchange market.

4. On the derivatives market, the clearing participant shall open and close its own and client clearing and trading and clearing accounts subject to the established specific features of the derivatives market.

5. On the stock market, clearing and trading and clearing accounts shall be opened and closed subject to the established specific features of the stock market.

Article 8. Procedure for opening of property pool accounts

1. In the ASTS+ trading and clearing system, individual entrepreneur accounts shall be opened to the clearing participant / authorized trading participant which has acceded to the Property Pool Agreement in the manner prescribed by the internal document of the Clearing Center regulating the opening, maintenance and closure of trading and clearing accounts.
2. Opening of the individual entrepreneur account for the authorized trading participant shall be possible provided that the authorized trading participant has entered into a property pool agreement for the purpose of conclusion of transactions with clearing participation certificates on its own behalf and in its own interests.
3. Opening / closing of the individual entrepreneur accounts shall be carried out based on an application of the trading participant to open / close an individual entrepreneur account in the form provided for by the internal document of the Clearing Center regulating the procedure for opening, maintaining and closing of the trading and clearing accounts.

Article 9. Determination of net positions of the clearing participants

1. Based on results of each clearing session carried out subject to the Regulation, the clearing system shall carry out netting and determine net positions on clearing accounts (its own and client) of the clearing participants.
2. In order to determine net positions on the clearing account (own or client) of the clearing participant, the clearing system shall carry out netting of claims and obligations for transactions with financial instruments accounted for on this clearing account.
3. Claims and obligations under transactions set out in clause 2 of this article, for the purpose of netting, must meet the following conditions:
 - 1) they must be expressed in financial instruments of the same name;
 - 2) they must have the same execution date.
4. When determining net positions on the clearing account (own and client) of the clearing participant, the Clearing Center shall have the right to increase / decrease the net position of the current settlement date by the volume of outstanding obligations / claims on this account, due date of which occurred earlier than this settlement date.
5. When determining net claims or net obligations on the clearing account (own and client) of the clearing participant, the Clearing Center shall have the right to increase / decrease these net positions through netting carried out with the corresponding financial instruments located in the collateral accounts of the corresponding clearing account, as well as in the guarantee fee accounts of the clearing participant which owns this clearing account, in the manner established by the Rules.
6. When determining net claims or net obligations on the clearing account (own and client) of the clearing participant, the Clearing Center shall have the right to increase / decrease these net positions in connection with the issue / redemption of the clearing participation certificates to settle margin-calls subject to article 32 of these Rules

Article 10. Conduct of settlements

1. Settlement organizations shall be:
 - Central Depository – on the stock market, in terms of discharge of claims and obligations on securities for all transactions and in terms of discharge of claims and obligations for money in transactions without the CCP;

– Clearing Center – on the foreign exchange market and derivatives market, as well as on the stock market in terms of discharge of claims and obligations for money under transactions with the CCP.

2. Settlements on the stock market under transactions with the CCP shall be carried out subject to the Rules, the Rules for settlements for securities, the Code of Rules of the Central Depository in the “delivery versus payment” mode, which provides for discharge of claims for money and/or securities for a certain settlement and clearing session for a certain clearing account (own or client) subject to full discharge of counter-obligations for money and/or securities, as well as subject to discharge of the requirements for securing of outstanding obligations.

3. Settlements on the stock market under transactions without the CCP shall be carried out in the “delivery versus payment” mode, which provides for compliance with claims of the clearing participant under each transaction without the CCP, subject to discharge of the counter obligation under this transaction.

The “delivery versus payment” mode on the stock market under transactions without the CCP shall be ensured by the Central Depository.

4. On the foreign exchange market, settlements shall be carried out in the “payment versus payment” mode, which means that the Clearing Center can discharge the net claim of the clearing participant only after the clearing participant has discharged in full its obligation to the Clearing Center with the current settlement date.

5. The clearing participant on the foreign exchange market shall credit money to discharge net obligations and collateral obligations in the manner and within the time limits established by the internal document of the Clearing Center “Rules for making settlements based on results of trading in foreign currencies” (hereinafter referred to as the Currency Settlement Rules), according to details of correspondent accounts of the Clearing Center, posted on the Internet resource of the Clearing Center.

6. The clearing participant on the derivatives market shall carry out settlements with the Clearing Center subject to the internal document of the Clearing Center “Rules for making settlements for trading on the derivatives market” taking into account specific features of the derivatives market established by the Rules.

7. The clearing participant on the stock market shall credit financial instruments for discharge of net obligations and collateral obligations to the following accounts and sections of accounts:

– under transactions with the CCP, securities to the KASE section, money to the KASE correspondent account with the Central Depository;

– for issue of clearing participation certificates: securities to the GCGlobal section, money to the correspondent account of the Clearing Center opened with the Central Depository;

– under transactions without the CCP, securities to the KASE section, tenges to a bank account with the Central Depository (for the clearing participant that is not a CP with an account with the KISC) or to a correspondent account with the National Bank (for the clearing participant that is the CP with an account with the KISC) .

8. The Clearing Center shall take into account money credited by the clearing participants as collateral and discharge of obligations under transactions of the clearing participants on all exchange markets on collateral accounts, money credited by the clearing participants as guarantee fees of the clearing participant on all exchange markets, on guarantee fee accounts opened to the clearing participant in the internal accounting system of the Clearing Center in the context of exchange markets, own or client accounts of the clearing participant, currencies, type of collateral subject to the internal document of the Clearing Center “Rules for internal accounting of money and execution of documents for settlements of exchange trading.”

9. Specific features of exchange markets defined by Chapters 3, 4, 5 of the Rules can include:

1) refusal to discharge net obligations and net claims for transactions without the CCP and other obligations, in the manner determined by the internal documents of the Exchange;

2) early termination of net obligations and net claims of the clearing participant, in the manner determined by the CPC Instruction and internal documents of the Exchange.

Article 11. List of measures designed for risk management during clearing.

1. In order to mitigate risks associated with clearing, the Clearing Center shall:
 - 1) set requirements to financial stability of the clearing participants;
 - 2) submit requirements to the clearing participants to provide the collateral;
 - 3) carry out preliminary control of adequacy of the collateral of the clearing participants when submitting orders;
 - 4) no less than every settlement day carry out revaluation of the value of collateral / security deposit and net positions of the clearing participant with partial collateral;
 - 5) form guarantee funds to ensure discharge of obligations under partially collateralized transactions.
2. Presence and principles of operation of elements of the risk management system on any exchange market shall be determined taking into account specific features of this market, as well as the internal document of the Exchange "Risk Management Policy".
3. Collateral to be collected by the Clearing Center for discharge by the clearing participants of their obligations under transactions with the CCP shall be intended to cover credit and market risks.
4. Credit risk assessment shall be carried out by monitoring the financial condition of the clearing participants in order to determine compliance with the requirements established by the CP Regulations for assigning the clearing participant a category that determines the method of ensuring obligations to settle transactions on a certain exchange market (trading modes of the exchange market).

Article 12. Categories of the clearing participants.

1. In order to determine the procedure for ensuring settlement of transactions, the clearing participant shall be assigned one of the following categories:
 - 1) "without collateral";
 - 2) "with partial collateral";
 - 3) "with full coverage".
 2. The procedure for assigning, changing and depriving the category of the clearing participant shall be determined by the CP Regulations.
 3. Clearing participant without collateral shall not provide the collateral and shall not pay guarantee fees. Clearing participant in the "uncollateralized" category is the National Bank.
 4. As a collateral for discharge of obligations by the clearing participant with partial collateral under transactions to be closed subject to the terms and conditions of partial collateral, the Clearing Center shall establish:
 - requirements for partial provision of net obligations for transactions recorded on clearing accounts and submitted orders of such clearing participants and calculated taking into account specific features established for certain exchange markets in Chapters 3, 4, 5 of the Rules;
 - requirements for paying a guarantee fee on the relevant exchange market.
- As a collateral for discharge of obligations by the clearing participant with partial collateral under transactions closed on full coverage terms, the Clearing Center shall establish requirements for full coverage of net obligations in those financial instruments in which they arise as a result of the consummation of such transactions.
5. As a collateral for discharge of obligations of the clearing participants with full coverage, the Clearing Center shall establish requirements for full coverage of net obligations for all clearing accounts of such clearing participant.
 6. In order to cover market risks, clearing participant with partial collateral shall have to:

- 1) comply with requirements for partial collateral subject to specific features of the exchange markets established for certain exchange markets by Chapters 3, 4, 5 of the Rules;
- 2) ensure the availability of guarantee fees to the guarantee funds of the relevant exchange market in amounts established by the Clearing Participants Regulation.
7. In order to cover the credit risk, clearing participant with full coverage shall have to comply with collateral requirements on full coverage terms.
8. The Clearing Center on the stock and foreign exchange market shall have the right to establish the “prohibition of short sales” sign in relation to any financial instrument and/or the “prohibition of uncollateralized purchases” sign in relation to any currency for transactions closed from all trading and clearing accounts of the clearing participants at any point in time according to the decision of the Market Risk Committee, taking into account specific features of the stock market established by Chapters 3 and 4 of the Rules.
9. The Clearing Center on the stock and foreign exchange markets shall have the right to establish a restriction on the minimum acceptable value of a single limit, value of net positions for any financial instrument on the trading and clearing account for transactions with partial collateral, taking into account specific features of the stock and foreign exchange markets established by Chapters 3, 4 of the Rules
10. The Clearing Center on the derivatives market shall have the right to change / set the trading limit for clearing and trading and clearing accounts of the clearing participants.

Article 13. Partial collateral

1. Clearing participant with partial collateral shall have to create collateral under closed but unsettled transactions with the CCP, as well as submitted orders for transactions with the CCP subject to the terms and conditions of partial collateral:
 - 1) on the stock market in the amount at which value of the single limit, calculated subject to the specific features of the stock market established by Chapter 3 of the Rules, for the trading and clearing account from which transactions with partial collateral are closed was not negative;
 - 2) on the foreign exchange market in the amount at which value of the single limit, calculated subject to particular features of the foreign exchange market established by Chapter 4 of the Rules, for the trading and clearing account from which transactions with partial collateral are closed was not negative;
 - 3) on the derivatives market in the amount of the security deposit calculated subject to the specific features of the derivatives market established by Chapter 5 of the Rules.
2. The list of financial instruments accepted as a collateral under transactions with partial collateral on a certain exchange market shall be determined by the T+ Collateral List to be established subject to the FI Inclusion Procedure.
3. Revaluation of financial instruments constituting collateral of the clearing participant under transactions with partial collateral shall be carried out at least every settlement day.
4. The procedure for calculation of the collateral to cover changes in value of the net obligations of the clearing participant on the derivatives market under closed transactions, as well as for orders submitted to the trading and clearing system, shall be determined taking into account the specific features of the derivatives market established by the Rules.
5. The procedure for calculation of a single limit used to control sufficiency of the collateral under transactions with partial collateral on the stock and foreign exchange markets shall be determined taking into account specific features of the stock and foreign exchange markets.

Article 14. Clearing funds

1. Clearing fund on a particular exchange market shall consist of the following types of funds:
 - 1) clearing guarantee fund (hereinafter referred to as the guarantee fund);

- 2) clearing reserve fund (hereinafter referred to as the reserve fund);
- 3) property pool.

2. Guarantee fund shall be formed from guarantee fees credited by the clearing participants to the correspondent account of the Clearing Center.

Reserve fund shall be formed from own funds of the Clearing Center in the national currency in the manner prescribed by the Rules.

Property pool shall be formed from securities contributed by pool participants to the "GCGlobal" section of the pool participant in the Central Depository and/or money, including in foreign currency to be credited by the clearing participants to the correspondent account of the Clearing Center at the Central Depository in the manner established by the CCP Instructions.

3. Separate guarantee funds can be created on a certain exchange market to be used to cover outstanding obligations under transactions with financial instruments closed in certain trading modes.

4. Total size of the guarantee and reserve funds of a certain exchange market shall be calculated in such way as to cover possible losses from changes in the settlement prices of financial instruments of this exchange market, which can arise in case of a failure to discharge net obligations by two clearing participants with the largest volume of these obligations.

5. Methodology for calculation of a size of the guarantee and reserve funds and guarantee fees to clearing guarantee funds shall be established by the internal document of the Clearing Center "Methodology for determining the size of clearing funds".

6. An assessment of sufficiency of the size of clearing funds shall be carried out at least once a year, as well as in the case of using the funds of clearing funds to settle a default.

7. The decision to change the size of reserve funds and the size of guarantee fees to the guarantee funds shall be made by the Board of Directors of the Clearing Center based on an assessment of sufficiency of the size of the clearing funds subject to the internal document of the Clearing Center "Methodology to determine size of clearing funds".

8. Information on size of the formed clearing funds for each exchange market shall be posted on the Internet resource of the Clearing Center.

9. Reserve funds shall be used only to cover outstanding obligations under transactions with financial instruments of a certain exchange market for which this reserve fund was formed.

10. Funds of the guarantee funds cannot be used as a collateral for discharge of any other obligations of the Clearing Center and/or its clearing participants, in addition to obligations under transactions closed on the exchange market as part of the settlement of default.

11. The procedure for using the clearing funds is set out in article 24 of the Rules.

Article 15. Procedure to make and return guarantee fees to clearing guarantee funds

1. Guarantee fees to the clearing guarantee funds shall be made by the clearing participants with partial collateral.

2. Financial instruments shall be contributed to the property pool by the clearing participants in case that the clearing participant accedes to the Property Pool Agreement.

3. The amounts of guarantee fees, currency in which the guarantee fee is paid to a certain guarantee fund, are set out in the internal regulatory document of the Clearing Center "Clearing Participant Regulation".

4. Financial instruments contributed to the property pool and their quantity shall be determined by the clearing participant on its own subject to the CPC Instruction.

5. Information on the amount of the guarantee fee required for payment to a certain guarantee fund and/or necessary for its restoration shall be set out in a daily report on claims and obligations for clearing funds and sent to the clearing participant subject to the Regulation.

6. Clearing participant with partial collateral, no later than start of the trading day, shall have to make a guarantee fee to the guarantee fund of the exchange market on which such clearing participant intends to close transactions with partial collateral.
7. Clearing participant with partial collateral shall have to make a guarantee fee for the purpose of its restoration to any clearing guarantee fund in case that the funds of this fund are used to settle a default within the period set out in article 25 of the Rules.
8. Guarantee fees shall be credited by the clearing participant to the correspondent accounts of the Clearing Center with the National Bank. The list of correspondent accounts of the Clearing Center shall be posted on the Internet resource of the Clearing Center.
9. For the purpose of separate internal accounting of money received to the correspondent account of the Clearing Center from the clearing participants as guarantee fees, clearing participants must indicate in payment documents special codes indicating the type of payment and identifying a specific exchange market for which the guarantee fund is formed. The list of such codes shall be posted on the Internet resource of the Clearing Center.
10. The Clearing Center shall return to the clearing participant its guarantee fee based on an application executed in form of annex 2 to the Rules, in the following cases (subject to the terms and conditions established by clause 12 article of the Rules):
 - 1) when changing the category of the clearing participant “with partial collateral” to the category “with full coverage”;
 - 2) upon deprivation of the status of the clearing participant on a certain exchange market;
 - 3) upon voluntary renunciation of the status of the clearing participant.
11. The Clearing Center shall return to the clearing participant financial instruments contributed to the property pool subject to the CPC Instruction.
12. The Clearing Center shall return to the clearing participant its guarantee fee to the guarantee fund if the clearing participant has no outstanding obligations under transactions closed on the exchange market:
 - 1) transactions with financial instruments with a settlement date that has not occurred;
 - 2) outstanding obligations under transactions with financial instruments with an established settlement date.
13. Suspension of the membership of the clearing participant, suspension of its admission to trading with financial instruments, suspension of clearing services shall not serve as grounds for return to the clearing participant of its guarantee fees.

Chapter 2. DEFAULT SETTLEMENT PROCEDURE

Article 16. Recognition of the clearing participant as mala fide

1. Clearing participant on a certain exchange market shall be recognized as a mala fide clearing participant without any decisions being made by the bodies of the Clearing Center upon occurrence of any of the following cases:
 - 1) there is no required number of financial instruments on accounts of the clearing participant in the settlement organization to discharge its net obligations under transactions with the CCP by the time of the settlement day established subject to the specific features of a certain exchange market of the Rules, and/or discharge of net obligations cannot be carried out for other reasons subject to the characteristics of a particular exchange market of the Rules (hereinafter referred to as default of net obligations);
 - 2) demand of the Clearing Center to make clearing guarantee fees by the deadline established subject to the specific features of a certain exchange market of the Rules has not been performed (hereinafter referred to as default on the guarantee fee);

3) decision was made by the Management Board of the Clearing Center to suspend the clearing services of the clearing participant on the relevant exchange market in case of non-payment, late or incomplete payment of clearing fees, membership fees, fines / penalties and other applicable amounts subject to the Rules, internal document of the Clearing Center "Regulations on entry fees, clearing fees and penalties" and other internal documents of the Clearing Center.

4) required number of financial instruments is not available on accounts of the clearing participant with the settlement organization to discharge its obligations under transactions without the CCP at the time of settlements (hereinafter referred to as default under transactions without the CCP).

2. Clearing participant shall be recognized as mala fide if the following conditions are met:

1) the Clearing Center does not have information which serves as the basis to declare the clearing participant insolvent subject to sub-clauses 2)-7) clause 1 article 17 of the Rules;

2) in case of a default on net obligations, the number of days during which the clearing participant defaults on the net obligations for money on a certain clearing account does not exceed two days of settlements in a row, for securities, including the clearing participation certificate, does not exceed 4 consecutive days (including the default of the current day);

3) other conditions, subject to the specific features of a particular exchange market as determined by the Rules.

3. The Management Board of the Clearing Center shall have the right to make a decision to increase the number of settlement days during which the clearing participant can default on net obligations on a certain clearing account subject to sub-clause 2) clause 2 of this article on the basis of information indicating the possibility to discharge outstanding net obligations by a mala fide clearing participant in the near future in case of a default on net obligations.

4. The Management Board of the Clearing Center, upon occurrence of the case set out in sub-clause 1) clause 1 of this article, shall have the right to make a decision not to recognize the clearing participant on a certain exchange market as mala fide, provided that there is confirmation that improper discharge by the clearing participant of its obligations occurred in connection with:

1) a technical failure that took place in the operation of any information system of the Exchange and/or the Clearing Center or its individual component;

2) improper performance by the Clearing Center of its functions provided for by the internal documents of the Clearing Center and/or the clearing service agreement;

3) occurrence of force majeure circumstances (force majeure situations, i.e. natural disasters, acts of God, wars, hostilities, terrorist acts, civil unrest, changes in laws, actions and decisions of (authorized) regulatory bodies, decisions of local executive bodies, government bodies and officials, including quarantine announcements, and other similar circumstances that the clearing participant could not foresee and which directly affected proper performance by the clearing participant of its duties) or other events related to suspension of activities of financial market organizations, including in connection with introduction of a state of emergency or occurrence of an emergency in localities in which the Exchange and/or the Clearing Center and/or the Clearing Participant are located;

4) incorrectly set parameters of any financial instrument that is the subject of a transaction or swap / repo operation;

5) other cases and/or events beyond the reasonable control of the clearing participant.

Decision of the Management Board of the Clearing Center set out in paragraph one of this clause must contain a list of measures and/or recommendations to the Exchange that must be taken by the Clearing Center and/or the Exchange to perform the specified decision. In this case, procedures carried out by the Clearing Center to settle the default on net obligations of such clearing participant before the Management Board shall make the said decision, which comply with the provisions of the internal documents of the Clearing Center for settlement of defaults, shall be legal and cannot be canceled.

The Clearing Center shall not be liable if a failure of the clearing participant or improper discharge of its obligations was caused by a technical failure that occurred in the operation of any information system of a critical supplier of the Clearing Center or its individual component.

5. If the clearing participant is recognized as mala fide due to default on the guarantee fee on any exchange market subject to sub-clause 2) clause 1 of this article and/or in connection with a default

under transactions without the CCP on the stock market subject to sub-clause 4) clause 1 of this article, the clearing division shall notify members of the Management Board of the Clearing Center and the risk management division of the event of default of the clearing participant by sending a relevant message to their corporate email addresses.

6. If the clearing participant is recognized as mala fide subject to clause 5 of this article, the Management Board of the Clearing Center shall have the right to:

- 1) send recommendations to the Exchange to remove the clearing participant which is a trading participant, or to remove its Authorized Trading Participant from participation in trading in all or individual financial instruments subject to the internal document of the Clearing Center - Clearing Participant Regulations, or withdraw and suspend submission of orders for a separate trading and clearing account subject to the specific features of a certain exchange market of the Rules;
- 2) suspend the clearing services;
- 3) change the category of the clearing participant from the category "with partial collateral" to the category "with full coverage";
- 4) establish the "prohibition of short sales" sign and/or the "prohibition of uncollateralized purchases" sign on certain or all trading and clearing accounts of the clearing participant on the stock market subject to the specific features of the certain exchange market of the Rules;
- 5) establish a restriction on the minimum acceptable positive value of a single limit, on the positive value of net positions for any financial instrument on certain trading and clearing accounts of the clearing participant on the stock market subject to the specific features of a certain exchange market of the Rules;
- 6) recognize the clearing participant as insolvent;
- 7) not take any action against the clearing participant.

7. If the clearing participant is recognized as mala fide due to a default on net obligations on any exchange market subject to sub-clause 1) clause 1 of this article, the Clearing Center shall settle the default on net obligations of the mala fide clearing participant through the procedure for transferring the positions subject to the specific features of a certain exchange market of the Rules.

8. If the clearing participant of a certain exchange market is recognized as mala fide subject to sub-clause 3) clause 1 of this article, the Clearing Center shall have the right to write off money from the collateral accounts and/or from the guarantee fee accounts of the clearing participant, as well as to sell any financial instrument included in composition of the collateral or guarantee fees of the mala fide clearing participant on its behalf in the amount necessary to repay its outstanding obligations, provided that there is no negative value of the single limit after such write-off / sale.

9. Mala fide clearing participant shall pay penalties for default on or delayed discharge of net obligations under trades with the CCP or for default on the obligations under trades without the CCP subject to article 26 of the Rules and Regulations on entry fees, clearing fees and penalties.

Article 17. Recognition of the clearing participant as insolvent

1. The Management Board of the Clearing Center shall have the right to recognize the clearing participant as insolvent under transactions with the CCP upon occurrence of any of the following cases:

1) based on the issue raised by the clearing department to declare the clearing participant / mala fide clearing participant as insolvent on a certain exchange market due to its default on net obligations and/or default on margin, and/or default on the guarantee fee on this exchange market in the manner established by the specific features of this exchange market of the Rules. Along with that:

– in case of a default of net obligations, the net obligations of the insolvent clearing participant shall be recognized as outstanding in the amount of their failure to discharge as of the current settlement date, as well as other net obligations determined by the decision of the Management Board of the Clearing Center;

– in case of a default on margin, any net obligations at the choice of the Clearing Center in such amount shall be recognized as outstanding, forced closure of which entails a non-negative value of the single

limit / repayment of debt under TCA + / individual entrepreneur account / settlement code of the insolvent clearing participant;

– in case of a default on the guarantee fee, any net obligations at the choice of the Clearing Center in such amount shall be recognized as outstanding, forced closure of which entails a positive value of the single limit / repayment of debt according to the settlement code of the insolvent clearing participant in an amount exceeding the outstanding net obligations on the guarantee fee for their further repayment using money recorded on collateral accounts;

2) in case if of a license of the resident clearing participant to carry out the main type of activity is cancelled by the authorized body exercising state regulation and control and supervision of the financial market and financial organizations, such clearing participant shall be recognized as insolvent on all exchange markets no later than the business day following the date of cancellation of such license. All net obligations on all clearing accounts of the clearing participant with all settlement dates on all exchange markets shall be recognized as outstanding;

3) in case that a resident clearing participant is deprived of its license / right to carry out a certain type of transaction or activity by the authorized body exercising state regulation, control and supervision of the financial market and financial organizations, the resident clearing participant shall be recognized as insolvent on the exchange market on which financial instruments for which the license to carry out transactions was deprived no later than the business day following the date of deprivation of such license / such right. Net obligations of the clearing participant for all clearing accounts with all settlement dates on this exchange market shall be recognized as outstanding;

4) in case of the appointment of a temporary administration, at the beginning of one of the bankruptcy procedures, deprivation (suspension) of a license for the main type of activity or for conducting operations in any of the financial markets by the authorized body of a non-resident clearing participant, this non-resident clearing participant shall be declared insolvent no later than the business day following the date on which the Clearing Center learned about it. The decision of the Management Board of the Clearing Center shall determine types of exchange markets on which a non-resident clearing participant is recognized as insolvent, and shall also determine terms and conditions and procedure for recognizing its net obligations as outstanding;

5) in case of repeated violation of settlement deadlines during a calendar month on a certain exchange market, the clearing participant can be declared insolvent on such exchange market. Terms and conditions and procedure for recognizing its net obligations as outstanding shall be determined by the decision of the Management Board of the Clearing Center;

6) in case that the clearing participant is declared insolvent on any exchange market. Terms and conditions and procedure for recognizing its net obligations as outstanding shall be determined by the decision of the Management Board of the Clearing Center;

7) in case that the clearing participant, its beneficial owner or an organization directly or indirectly owning or controlling the clearing participant is included in the list of persons involved in terrorist activities, and/or in the list of organizations and persons associated with financing of terrorism and extremism, and/or into the list of organizations and persons associated with financing of proliferation of weapons of mass destruction, within twenty four hours after this information is posted on the official website of the authorized body. All transactions of such clearing participant with all settlement dates for all clearing accounts (own and client) shall be recognized as invalid;

8) in case that a client of the clearing participant is included in the list of persons involved in terrorist activities, and/or into the list of organizations and persons associated with financing of terrorism and extremism, and/or into the list of organizations and persons associated with financing of proliferation of weapons of mass destruction, subject to the information received from the clearing participant indicating the client clearing account and/or received from the Central Depository indicating the personal account of the client of the depositor of the Central Depository, within twenty four hours after such information is received. All transactions with all settlement dates closed from any trading and clearing accounts, settlements for which are carried out using the specified clearing and/or personal account of the client of the Central Depository depositor, shall be recognized as invalid.

2. Confirmation of the fact of deprivation of the license / right of a resident clearing participant shall be a written notice from the authorized body provided by the clearing participant and/or information posted on the official Internet resource of the authorized body. The Clearing Participant

shall be recognized as insolvent from the date and time set out in the decision of the Management Board of the Clearing Center.

3. If the Management Board of the Clearing Center recognizes the clearing participant as insolvent, the Management Board of the Clearing Center shall send recommendations to the Exchange on removal of the insolvent clearing participant from participation in trading in all or individual financial instruments subject to the internal document of the Clearing Center "Clearing Participants Regulation" or recommendations to the Exchange on removal of the insolvent clearing participant from trading on one or more trading and clearing accounts or shall block submission of orders on one or more trading and clearing accounts in the trading / trading and clearing system, settlement of transactions on which shall be carried out using the clearing accounts of the insolvent clearing participant, subject to the specific features of a certain exchange market of the Rules.

4. Recognition of the clearing participant as insolvent shall serve as a basis for immediate implementation of a default settlement procedure for transactions with the CCP of the insolvent clearing participant subject to article 18 of the Rules.

5. The insolvent clearing participant shall pay a fine / penalty for non-discharge or late discharge of net obligations subject to article 26 of the Rules.

6. The Management Board of the Clearing Center, upon occurrence of a default on the margin set out in paragraph three of sub-clause 1) clause 1 of this article, shall have the right to make a decision not to recognize the clearing participant on a certain exchange market as insolvent provided that there is confirmation that the clearing participant has failed to properly discharge its obligations in connection with:

- 1) a technical failure that occurred in operation of any information system of the Exchange and/or the Clearing Center or its individual component;
- 2) improper performance by the Clearing Center of its functions provided for by the internal documents of the Clearing Center and/or the clearing service agreement;
- 3) occurrence of force majeure circumstances (force majeure events, i.e. natural disasters, acts of God, wars, hostilities, terrorist acts, civil unrest, changes in laws, actions and decisions of (authorized) regulatory bodies, decisions of local executive bodies, government bodies and officials, including quarantine announcements, and other similar circumstances that the clearing participant could not foresee and which directly affected proper performance by the clearing participant of its duties) or other events related to suspension of activities of financial market organizations, including in connection with introduction of a state of emergency or occurrence of an emergency in populated areas where the Exchange and/or the Clearing Center and/or the clearing participant are located;
- 4) incorrectly set parameters of any financial instrument that is the subject of a transaction or swap / repo operation;
- 5) other cases and/or events beyond the reasonable control of the clearing participant.

Article 18. Settlement of default of the insolvent clearing participant

1. Each net obligation for transactions with the CCP recognized as outstanding, as well as all transactions recognized as invalid, shall be subject to settlement based on a decision of the Management Board of the Clearing Center subject to article 17 of the Rules.

2. When carrying out procedures to settle default on the client / client custodial clearing account of the insolvent clearing participant, the Clearing Center shall have the right to use the collateral on its own clearing account, as well as its guarantee fees, only after collateral on the client / client custodial clearing account on which the default has occurred is used in full.

Default settlement procedures and other actions performed by the Clearing Center as part of default settlement shall be carried out on each exchange market separately, taking into account particular features of exchange markets, and shall not affect other exchange markets, with the following exception:

The Clearing Center shall have the right to use the collateral on its own clearing account of the insolvent clearing participant in an amount exceeding the net claims of the Clearing Center with the current settlement date and the requirements for collateral on its own clearing account, as well as its guarantee

fees on other exchange markets when it does not have net obligations with any settlement dates on this exchange market.

3. As part of default settlement, the Clearing Center shall carry out the following procedures:

1) suspend the right of the insolvent clearing participant to withdraw its guarantee fees and its own collateral on all exchange markets, as well as collateral for the client / customer custodial clearing account, if default has occurred on such account;

2) send recommendations to the Exchange on suspending the submission of orders to the trading systems of the relevant exchange market, indicating all trading and clearing accounts, which include the collateral accounted for on the clearing account on which default has taken place;

3) in case of a margin default on the TCA+ account / settlement code, close transactions on behalf of the insolvent clearing participant / its Authorized Trading Participant for sale of any collateral accounted for on the clearing account on which the margin default occurred, and/or carry out compulsory liquidation of any of its outstanding net obligations to the extent that eliminates the negative value of the single limit / debt by settlement code subject to article 20 of the Rules;

4) in case of a margin default on the PP account, issue clearing participation certificates by means of:

– conclusion of transactions on behalf of the insolvent clearing participant / its Authorized Trading Participant for sale of any collateral accounted for on the PP account, on which the margin default has occurred, to the extent that eliminates the negative value of the single limit on the PP account, along with that the Clearing Center shall on its own choose the property with which the specified transactions are to be closed;

– formation in the trading and clearing system of an order for transfer of money in tenge from TCA +, corresponding to the specified individual entrepreneur account, to this individual entrepreneur account in the amount necessary to discharge the balance of the Margin-call for the pool, in case of a failure to comply with the margin requirements for the property pool in full based on results of the sale of all assets located in the property pool for the PP account on which there was a margin default.

If the money accounted for under TCA+ is not enough to execute the specified transfer, the missing amount of money shall be taken into account as a net obligation of the clearing participant to the Clearing Center under such TCA+. The specified obligation of the clearing participant shall be included in the nearest clearing pool;

5) in case of a default on the guarantee fee, close transactions on behalf of the insolvent clearing participant / its Authorized Trading Participant for sale of any collateral accounted for in its own clearing account, and/or carry out compulsory liquidation of any outstanding net obligations on its own clearing account in the amount, leading to sufficiency of the amount of the guarantee fee of the insolvent clearing participant to the extent of outstanding net obligations for the guarantee fee subject to article 20 of the Rules and/or in case of insufficiency of the collateral accounted for in its own clearing account;

6) in case of a default of net obligations and/or in cases set out in sub-clauses 2)-6) clause 1 article 17 of the Rules, carry out compulsory liquidation of the recognized outstanding net obligations of the insolvent clearing participant through conclusion on its behalf / on behalf of its Authorized Trading Participant of balancing transactions of the opposite direction in order to minimize the final net obligation and close transactions to cover the final net obligation (if any) by securing the insolvent clearing participant in the sequence determined by sub-clauses 1)-5) clause 1 article 23 of the Rules, in manner defined in article 18 of the Rules.

Carry out the division procedure and settlements subject to article 19 of the Rules, if, as a result of the actions set out in paragraph one of this sub-clause, the final net obligation of the insolvent clearing participant has not been repaid.

Carry out liquidation of outstanding claims of bona fide clearing participants at the expense of clearing funds subject to article 21 of the Rules.

Accrue penalties for outstanding net obligations of the insolvent clearing participant.

Send clearing reports to insolvent and bona fide clearing participants based on results of the liquidation subject to these Rules.

7) carry out liquidation of transactions of the insolvent clearing participant recognized as invalid subject to sub-clauses 7), 8) clause 1 article 17 in the manner established by article 22 of the Rules.

Article 19. Division procedure

1. The division procedure shall be carried out for the purpose of partial discharge of the requirements of bona fide clearing participants.

2. When carrying out the division procedure for the purpose of partial discharge of claims of the bona fide clearing participants, size of the net claim for each clearing account of the bona fide clearing participant shall be determined by the formula:

$$EX_p = Q_p \cdot (\sum Q_p - EX_{nku}) / \sum Q_p$$

Exp – size of the net claim on the p-th clearing account of the bona fide clearing participant for partial execution at the expense of funds to be divided;

p – clearing account of the bona fide clearing participant, the net claims for which were not fulfilled p=1, 2,..., X;

Qp – size of the net claim on the p-th clearing account of the bona fide clearing participant;

Exnku – the amount of funds to be divided.

3. Amount of the outstanding net claim for each p-th clearing account of the bona fide clearing participant after their partial discharge shall be calculated using the following formula:

$$D_p = Q_p - EX_p, \text{ where}$$

Dp – the amount of the outstanding net claim of the p-th bona fide clearing participant.

Article 20. Compulsory liquidation of outstanding obligations of insolvent clearing participant under transactions for which the Clearing Center performs the CCP functions

1. Compulsory liquidation of the outstanding net obligation of the insolvent clearing participant with a certain settlement date (hereinafter referred to as compulsory liquidation) shall be carried out through conclusion of the following transactions, taking into account specific features of exchange markets:

1) balancing transactions for purchase of a financial instrument in which an outstanding net obligation is formed due to outstanding net claims in order to maximize reduction of net positions with a certain settlement date;

2) covering transactions for sale of financial instruments in which collateral and/or guarantee fees of the insolvent clearing participant are formed, and purchase of a financial instrument in which its outstanding final obligation is expressed;

3) on the derivatives market – closing transactions, reverse transactions of the insolvent clearing participant, which formed an outstanding net obligation.

2. Compulsory liquidation shall be carried out in the following manner:

1) conclusion by the Clearing Center of balancing transactions for purchase of a financial instrument in which an outstanding net obligation of the Clearing Center to bona fide participants is formed, in one of the ways set out in clause 3 of this article.

If it is not possible to purchase a financial instrument in which an outstanding net obligation of the Clearing Center has been formed with the settlement date of this obligation, the required quantity of the financial instrument with a settlement date as close as possible to the settlement date of the outstanding net obligation and a repo transaction with the settlement date shall be carried out with the settlement date of the closed purchase transaction and the settlement date of the outstanding net obligation, which through netting make it possible to minimize the size of net positions with the required settlement date;

2) conclusion by the Clearing Center of balancing transactions on behalf of the insolvent clearing participant with itself on the same conditions on which balancing transactions were closed, subject to sub-clause 1) of this clause in reverse direction.

In case when balancing transactions closed subject to paragraph two sub-clause 1) of this clause, settlement date of the balancing purchase transaction closed by the Clearing Center on behalf of the insolvent clearing participant with itself shall correspond to the date of settlement of the outstanding net obligation, and the transaction price shall be adjusted by an amount taking into account the cost of the closed repo transaction / transaction with foreign currency (conventionally called “short-term currency swap”) and determined subject to the rules of the Exchange (hereinafter referred to as transactions with foreign currency);

3) on the derivatives market – conclusion by the Clearing Center of closing transactions on behalf of the insolvent clearing participant and bona fide clearing participants with themselves;

4) the market difference between prices of the balancing transactions / closing transactions closed by the Clearing Center and clearing participants, subject to sub-clauses 1)–3) of this clause, and prices of the transactions that formed unexecuted net positions, form, when netting these transactions, either a net claim of the insolvent clearing participant to the Clearing Center or a net obligation of the insolvent clearing participant to the Clearing Center. In this case, the created net obligation of the insolvent clearing participant with a future settlement date shall be subject to execution on the day of its formation and shall be recognized as terminated;

5) net claim of the insolvent clearing participant to the Clearing Center, set out in sub-clause 4) of this clause, shall be used by the Clearing Center to eliminate the negative value of the single limit / repay debt under the settlement code and/or discharge claims for the guarantee fee.

By decision of the Management Board, the Clearing Center shall have the right to use the net claim to pay penalties / fines charged subject to these Rules, as well as to repay any debts under the obligations of the insolvent clearing participant to the Clearing Center through offset.

Along with that, if this claim is not formed in tenge, the Clearing Center shall close a transaction to sell the financial instrument forming the net claim of the insolvent clearing participant for tenge in one of the ways set out in clause 3 of this article;

6) net obligation of the insolvent clearing participant to the Clearing Center set out in sub-clause 4) of this clause is covered by the collateral and guarantee fees of the insolvent clearing participant included in the “collateral pool to cover default”, in the sequence determined by sub-clauses 1)–5) clause 1 article 23 of the Rules, through offset.

If this net obligation has arisen not in the financial instrument in which the collateral and/or guarantee fees of the insolvent clearing participant are formed, the Clearing Center shall close cover transactions:

on its own behalf in one of the ways set out in clause 3 of this article;

on behalf of the insolvent clearing participant in relation to itself in the amount and on the same terms and conditions on which the transactions closed subject to the previous paragraph were closed.

Moreover, if a certain type of the collateral pool to cover a default consists of various financial instruments, to close covering transactions, financial instruments shall be used in the sequence determined by clause 5 article 23 of the Rules.

3. Transactions during default settlement procedures shall be closed in the following ways subject to the specified sequence:

1) during exchange trading, the Clearing Center shall submit orders to close transactions at prices valid in the Exchange trading system at the time of order submission. Time for order submission as well as volume of the submitted orders shall be determined by the Clearing Center on its own;

2) if conclusion of transactions established by sub-clause 1) of this clause becomes impossible in full or in part during the main trading sessions on the exchange market, the Clearing Center shall have the right to close transactions with the National Bank or with the Provider Bank or with another clearing participant in the required volume in additional trading sessions and/or in extended trading modes and/or in the over-the-counter market at a price established subject to an agreement with the National Bank and/or the Provider Bank and/or any clearing participant. In this case, the price of purchase and sale transactions of the financial instrument must be in the range (+margin rate) – (-margin rate) from the settlement price of such financial instrument if volume of the transaction does not exceed value of the concentration limit established for this financial instrument and in the range (+concentration rate) – (-concentration rate) from the settlement price of such financial instrument if volume of the transaction is greater than the concentration limit. On the stock and foreign exchange

markets, if during exchange trading there were shifts in the boundaries of price corridors, then the magnitude of the shifts changes the settlement price by the corresponding shift amount;

3) if conclusion of transactions is impossible subject to the previous sub-clauses of this clause, the Clearing Center shall close transactions on its own behalf with bona fide clearing participants which have claims under the financial instrument in respect of which the default occurred, acting on their behalf, at the settlement prices of the financial instrument with the corresponding settlement date in effect at the time of closing this trading session.

If there are several bona fide participants with net claims on the defaulted financial instrument, the transaction volume for each clearing account of the bona fide clearing participant shall be determined by the following formula:

$$V_p = Q_p * (Unku / \sum Q_p)$$

V_p – size of the net claim of the p -th clearing account of the bona fide clearing participant in respect of whom the transaction will be carried out;

P – clearing account of the bona fide clearing participant that has a net claim in the financial instrument for which there was a default $p=1, 2, \dots, X$;

Q_p – size of the net claim on the p -th clearing account of the bona fide clearing participant for the financial instrument on which the default occurred;

$Unku$ – amount of the outstanding net obligation under the financial instrument on which the default occurred.

4. The Clearing Center shall have the right to carry out compulsory liquidation within three trading days, starting from the day following the day the clearing participant is declared insolvent, taking into account the specifics established by paragraph two of this clause.

In case of a margin default on the foreign exchange or stock market, the Clearing Center shall have the right to carry out compulsory liquidation on the day the clearing participant is declared insolvent.

Along with that, the Clearing Center shall carry out the procedure for transferring positions in relation to outstanding net obligations under which compulsory liquidation was not carried out at the close of each trading day subject to the specific features of a certain exchange market of the Rules.

5. The Clearing Center shall notify the insolvent clearing participant about implementation of actions for compulsory liquidation no later than the business day on which it shall be carried out, and send a clearing report and/or other written notices with information about:

- 1) termination of outstanding net claims and net obligations of the insolvent clearing participant;
- 2) balancing transactions and covering transactions closed by the Clearing Center on behalf of the insolvent clearing participant;
- 3) net obligations and/or net claims of the insolvent clearing participant formed as a result of compulsory liquidation;
- 4) balances on collateral accounts (if the Clearing Center acts as a settlement organization) and guarantee fee accounts of the insolvent clearing participant;
- 5) other information subject to the terms and conditions established by the Rules and the procedure for carrying out procedures for settling the default.

6. If the Clearing Center carries out transactions on behalf of bona fide clearing participants subject to sub-clause 3) clause 3 of this article, the Clearing Center sends a clearing report and/or other written notices to bona fide clearing participants with information about:

- 1) fact of default;
- 2) balancing transactions and/or covering transactions closed by the Clearing Center on behalf of the bona fide clearing participant;
- 3) termination of outstanding net positions of the bona fide clearing participant as a result of the above transactions closed by the Clearing Center and emergence of a net obligation and/or net claim as a result of these transactions (if any).

7. The insolvent clearing participant, as well as bona fide clearing participants, shall have to discharge obligations under all transactions closed on their behalf by the Clearing Center as part of compulsory liquidation subject to this article and clearing reports sent to them by the Clearing Center.

8. The Clearing Center, acting on behalf of the insolvent clearing participant, as well as on behalf of bona fide clearing participants in relation to transactions with itself, shall carry out all legal and actual actions necessary to close transactions subject to the Rules without a special authority (power of attorney), as well as without consent of the insolvent and bona fide clearing participants.

9. In case of a failure by the insolvent clearing participant to discharge net obligations following the results of compulsory liquidation, information about which were provided in the clearing report subject to clause 5 of this article, the cut-off time set out in the specific features of exchange markets, on the day when compulsory liquidation was carried out, the Clearing Center shall carry out liquidation of outstanding claims of bona fide clearing participants subject to article 21 of the Rules and shall charge the insolvent clearing participant a penalty subject to clause 5 article 26 of the Rules.

10. The Clearing Center shall have the right to use the collateral and guarantee fees of the insolvent clearing participant to pay penalties / fines charged subject to these Rules, as well as to repay other debts under the obligations of the insolvent clearing participant to the Clearing Center through offset.

Along with that, if the collateral and guarantee fees of the insolvent clearing participant are not formed in tenge, the Clearing Center shall close transactions for sale of the financial instrument in which the collateral and/or guarantee fee of the insolvent clearing participant is formed for tenge in one of the ways set out in sub-clauses 1) and 2) clause 3 of this article, in order to repay any debts of the insolvent clearing participant to the Clearing Center.

The Clearing Center shall have the right to use financial instruments of the insolvent clearing participant contributed to the property pool in an amount exceeding the obligations of the insolvent clearing participant for the clearing certificate of participation instrument for this property pool, to pay penalties / fines charged subject to these Rules, as well as for repayment of other debts under the obligations of the insolvent clearing participant to the Clearing Center.

11. The Clearing Center shall have the right to demand compensation for net obligations outstanding by the insolvent clearing participant as a result of compulsory liquidation, as well as other debts to the Clearing Center, subject to the rules of the Exchange.

12. The insolvent clearing participant shall have the right to return its collateral and/or guarantee fee remaining after the completion of compulsory liquidation in the manner established by the Rules, after fulfilling all its obligations, as well as full payment of penalties and other debts to the Clearing Center.

Article 21. Liquidation of outstanding claims of bona fide clearing participants when performing the CCP functions. Limitation of the Clearing Center's obligation

1. The Clearing Center, assuming the CCP functions, shall guarantee discharge of net obligations to each bona fide clearing participant, taking into account the limitation of its obligation to the extent of the clearing funds of the exchange market on which the default occurred, which are part of the collateral pool to cover the default, subject to sub-clauses 6) and 7) clause 1 article 23 of the Rules.

2. If, following the results of compulsory liquidation carried out subject to clause 9 article 20 of the Rules, the obligations of the insolvent clearing participant to the Clearing Center have not been discharged in full or if there are outstanding obligations of the insolvent clearing participant as a result of liquidation netting carried out in subject to clause 4 article 22 of the Rules, the Clearing Center shall carry out the procedure for their division in order to determine the amount of obligations discharged by the Clearing Center to each bona fide participant subject to article 19 of the Rules and carry out the procedure for liquidation of the remaining outstanding claims of each bona fide clearing participant to the Clearing Center (hereinafter – liquidation of claims) at the expense of clearing funds subject to clause 1 of this article in the specified sequence and within the same time frames established for implementation of compulsory liquidation or liquidation netting.

3. If the remaining outstanding claims of bona fide clearing participants to the Clearing Center are not formed in the same financial instrument in which the clearing funds are formed, the Clearing Center, in order to discharge its obligations under these requirements, shall close transactions for sale

of the financial instrument forming the clearing funds and purchase of the financial instruments in which outstanding claims of bona fide clearing participants to the Clearing Center are formed in one of the ways set out in clause 3 article 20 of the Rules.

4. The amount and procedure for using clearing funds to liquidate claims of bona fide participants at the expense of reserve funds and guarantee fees of bona fide clearing participants, as well as calculation of the amount of the used guarantee fee of each bona fide clearing participant, calculated as the value of S_k , are set out in article 24 of the Rules.

5. The amount of claims covered by each bona fide clearing participant through the use of clearing funds of any exchange market shall be calculated as the value of F_p subject to clause 2 article 24 of the Rules, in case that in order to cover the outstanding claims of bona fide clearing participants there are sufficient funds from the guarantee fund and insufficient funds from the reserve fund and as the value of L_p , subject to clause 3 article 24 of the Rules, in case that there are insufficient funds from both the reserve and guarantee clearing funds.

6. Net obligations of the Clearing Center to bona fide clearing participants shall be reduced by the corresponding amounts of discharged claims to bona fide clearing participants, calculated subject to clause 5 of this article.

7. The remaining outstanding obligations of the Clearing Center to bona fide clearing participants after the clearing funds are used shall be recognized as obligations with deferred execution, and corresponding remaining outstanding claims of bona fide clearing participants shall be recognized as deferred claims.

8. No later than the business day following the day on which the liquidation of claims was completed and funds of the clearing funds were used, the Clearing Center shall send a clearing report and/or other written notices to bona fide clearing participants with information about:

- 1) the fact of occurrence of default and the amount of the reserve fund used to settle the default;
- 2) the amount of the clearing participant's guarantee fee used to liquidate claims;
- 3) the amount necessary for the clearing participant to restore the guarantee fee to the guarantee fund;
- 4) the amount of claims with deferred execution (if any);
- 5) sales transactions closed by the Clearing Center on behalf of the bona fide clearing participant as part of the liquidation of claims;
- 6) other information subject to the conditions established by these Rules and the procedure for carrying out the procedures for default settlement.

9. The procedure to restore clearing funds, rights and obligations of the clearing participants in relation to guarantee fees is set out in article 25 of the Rules.

10. Bona fide clearing participant where its net claims have not been fully satisfied as a result of the liquidation of claims shall have no right to demand their discharge, except for cases set out in clause 11 of this article.

11. The amount of deferred obligations of the Clearing Center to bona fide clearing participants can decrease in the following cases:

- 1) when repaying the debt of the insolvent clearing participant to the Clearing Center by itself or other persons;
- 2) when collecting debt on outstanding obligations of the insolvent clearing participant to the Clearing Center in court;
- 3) as a result of exclusion of the clearing participant, its beneficial owner or a client of the clearing participant, as well as an organization that directly or indirectly owns or controls the clearing participant from the list of organizations and persons associated with financing of terrorism and extremism;
- 4) as a result of the Clearing Center receiving from the authorized body for financial monitoring relevant information on possibility of conducting operations by the clearing participant or its client on the grounds provided for by the laws of the Republic of Kazakhstan on anti-money laundering and counter-terrorism financing.

12. Financial instruments received to repay the debt of the insolvent clearing participant for its outstanding obligations or accounted for on its accounting accounts and which became available as a result of exclusion of the clearing participant, its beneficial owner or client of the clearing participant, as well as the organization directly or indirectly owning or controlling the clearing participant, from the list of organizations and persons associated with financing of terrorism and extremism, and/or from the list of persons involved in terrorist activities, and the list of organizations and persons associated with financing of proliferation of weapons of mass destruction, shall be used by the Clearing Center within two business days following the day of their receipt / occurrence of the corresponding event, as follows:

- 1) repayment of the deferred obligations by the Clearing Center to bona fide clearing participants;
- 2) return of the used guarantee fees of the clearing participants;
- 3) restoration of the clearing reserve fund, funds of which were used.

13. In case of repayment of the debt of the insolvent clearing participant to the Clearing Center by means of any of the methods listed in clause 12 of this article, the Clearing Center shall distribute the received financial instruments to repay deferred obligations to bona fide clearing participants in the same proportions that were used to discharge the net claims to each bona fide clearing participant through the use of clearing funds subject to clause 2 or 3 article 24 of the Rules.

14. Obligations with deferred execution by the Clearing Center to bona fide clearing participants shall be deemed repaid on the next business day after the day of distribution by the Clearing Center of financial instruments subject to clause 12 of this article, received to discharge the decision of the executive judicial body to collect the debt of the insolvent clearing participant to the Clearing Center or after writing off this debt from the balance sheet of the Clearing Center in the time frame and in the manner prescribed for accounting for overdue debt by the internal document of the Clearing Center "Accounting Policy". The Clearing Center shall send notices to bona fide clearing participants about termination of their claims under the Clearing Center's deferred obligations on the day of their termination.

15. If the written-off debt is repaid by the debtor after writing it off the balance sheet of the Clearing Center and termination of the deferred obligations to bona fide participants, then the received amount shall be distributed among bona fide clearing participants in the manner determined by clause 12 of this article, in proportions determined by clause 13 of this article.

Article 22. Liquidation netting of the insolvent clearing participant

1. The procedure for liquidation netting for all transactions with the CCP recognized as invalid based on a decision of the Management Board subject to sub-clauses 7) and 8) clause 1 article 17 of the Rules, shall be carried out in order to determine the final net claim / net obligation for all clearing accounts of the insolvent clearing participant.

2. All transactions recognized as invalid shall be subject to termination in full upon occurrence of a net claim / net obligation for each clearing account of the insolvent clearing participant based on results of liquidation netting, calculated in tenge as the sum of the following values (obligations shall be taken into account with the 'minus' sign, claims with the 'plus' sign):

- 1) obligations in financial instruments for all settlement dates recalculated at the corresponding settlement prices established at the end of the day of liquidation netting;
- 2) obligations to pay exchange fees, trading and clearing fees;
- 3) obligations to transfer coupon income under repo transactions;
- 4) claims in financial instruments for all settlement dates recalculated at settlement prices established at the end of the day of liquidation netting.

3. The net claim / net obligation based on results of liquidation netting on the client clearing account of the insolvent clearing participant, recognized as such on the basis of a decision of the Board subject to sub-clause 8) clause 1 article 17 of the Rules, shall be taken into account with the current settlement date on the own clearing account of the insolvent clearing participant transactions under clearing account of which are declared invalid.

If there is a final net obligation on the insolvent clearing participant's own clearing account based on results of accounting for the net claim / net obligation based on results of liquidation netting on its client clearing account, the insolvent clearing participant shall have to discharge such final net obligation no later than the beginning of the next clearing session subject to this Regulation.

In case of a failure to discharge the final net obligation on the insolvent clearing participant's own clearing account, the clearing division of the Clearing Center shall bring to the Management Board the issue of recognizing the net obligation as outstanding due to default of net obligations and carry out the procedures provided for in article 17 of the Rules.

If there is a final net claim on the insolvent clearing participant's own clearing account based on results of accounting for the net claim / net obligation based on results of liquidation netting or the insolvent clearing participant fulfilling its obligations no later than the beginning of the next clearing session subject to the this Regulation, the clearing division shall submit to the Management Board the issue of canceling the recognition of the clearing participant as insolvent in connection with completion of the liquidation netting procedure in relation to its client clearing account, transactions for which were declared invalid due to absence of the outstanding obligations by such clearing participant.

In case of a decision of the Management Board to cancel recognition of the clearing participant as insolvent, the Clearing Center shall have the right to cancel other decisions made in connection with this recognition.

4. If there is a net claim / net obligation as a result of the liquidation netting from the insolvent clearing participant recognized as such subject to sub-clause 7) clause 1 article 17 of the Rules, the Clearing Center shall take into account such net claim / net obligation in separate accounting accounts in the internal accounting system of the Clearing Center.

If there is a net claim based on results of the liquidation netting from an insolvent clearing participant, in relation to such claim the Clearing Center shall carry out freezing procedures subject to the Rules for Settlement in Foreign Currencies and/or the Rules for Settlement in Securities and/or the Rules for Settlement in Derivatives.

If there is an outstanding net obligation of the insolvent clearing participant to the Clearing Center based on results of the liquidation netting, the Clearing Center, in order to discharge its counter obligations to bona fide clearing participants, shall liquidate outstanding claims to bona fide clearing participants in the amount of the net obligation formed as a result of liquidation netting, at the expense of clearing funds subject to article 21 of the Rules.

5. The Clearing Center shall have the right to present to the insolvent clearing participant a claim for recovery of the net obligation of the insolvent clearing participant, calculated subject to clause 2 of this article, and demand its execution in a judicial proceeding.

Article 23. Collateral pool to cover default

1. In order to cover the outstanding net obligations of the insolvent clearing participant, formed as a result of conclusion of balancing transactions during compulsory liquidation, as well as discharge of the net obligations of the Clearing Center for transactions with the CCP to bona fide clearing participants on a certain exchange market, financial instruments from the following types of collateral (hereinafter referred to as the collateral pool to cover default) shall be used in the following sequence:

1) financial instruments in a settlement organization that constitute collateral for obligations under a client / customer custodial clearing account / PP client account associated with the specified clearing account of the insolvent clearing participant, in case that a default has occurred on obligations under this client account. At the same time, financial instruments constituting the collateral for obligations under other client / client custodial clearing accounts / client accounts of the individual entrepreneur of this insolvent clearing participant, for which no default took place, cannot be used;

2) collateral for own clearing account of the insolvent clearing participant of the exchange market on which the clearing participant defaulted and was declared insolvent if the default occurred on the own clearing account / own account of the individual entrepreneur.

In case that the default occurs on the client / customer custodial clearing account, the Clearing Center shall have the right to use the collateral on its own clearing account and/or the collateral on the own account of the individual entrepreneur of the insolvent clearing participant in an amount exceeding the

net obligation on such clearing account with the current settlement date and exceeding requirements of the Clearing Center for collateral for such clearing account;

- 3) guarantee fee of the insolvent clearing participant to the clearing guarantee fund of the exchange market on which it defaulted and was declared insolvent;
- 4) providing the collateral for the insolvent clearing participant on its own collateral accounts of any exchange market on which the clearing participant did not default in an amount exceeding the net obligations of the insolvent clearing participant with the current settlement date and collateral requirements for its own clearing account;
- 5) guarantee fee of the insolvent clearing participant to the clearing guarantee fund of any exchange market, if it has no outstanding obligations on this market;
- 6) clearing reserve fund of the exchange market on which the default occurred;
- 7) guarantee fees of bona fide clearing participants to the corresponding clearing guarantee fund in the amount calculated subject to clause 1 article 24 of the Rules.

2. Money and financial instruments of the following shall not be used to settle a default on any exchange market:

- 1) the clearing participant and its clients, if it is included in the list of organizations and persons associated with financing of terrorism and extremism, the list of persons involved in terrorist activities, the list of organizations and individuals associated with financing of proliferation of weapons of mass destruction;
 - 2) client of the clearing participant if it is included in the list of organizations and persons associated with financing of terrorism and extremism, the list of persons involved in terrorist activities, the list of organizations and persons associated with financing of proliferation of weapons of mass destruction;
3. Maximum share of the clearing reserve fund that can be used to settle a default on any exchange market for one clearing day shall be no more than 25%.

4. If a certain type of collateral pool to cover a default consists of different financial instruments, the following sequence shall be used when closing transactions in order to cover outstanding obligations:

- 1) currency of settlement of the outstanding obligation;
- 2) other currency in the following sequence: KZT, USD, EUR, RUB;
- 3) any securities in the KASE section of the personal account with the Central Depository, at the choice of the Clearing Center.

5. Use and restoration of the clearing funds shall be carried out subject to articles 24 and 25 of the Rules.

Article 24. Procedure for use of clearing funds

1. To calculate the amount of money used from the guarantee fees of bona fide clearing participants to the clearing guarantee fund of any exchange market, the following formula shall be used:

$$S_k = \min\left(\frac{D - R}{N}; G_k\right), \text{ where}$$

- S_k – the amount of money used from the guarantee fee of the k-th bona fide clearing participant;
- K – a bona fide clearing participant, $k=1, 2, \dots, N$;
- Min – a mathematical function that determines the smallest of the values indicated in brackets;

D – a total amount of outstanding net claims of bona fide clearing participants calculated as $\sum_p D_p$, where D_p is determined subject to clause 3 article 19 of the Rules;

G_k – a minimum required amount of the guarantee fee of the k-th bona fide clearing participant;

R – an amount of money in the reserve fund of the exchange market on which a default occurred, available to cover the outstanding net claims of bona fide clearing participants taking into account the limitation of clause 3 article 23 of the Rules;

N – a number of bona fide clearing participants.

2. When using money from the clearing reserve fund of any exchange market to cover outstanding net claims of bona fide clearing participants, to calculate the size of the net claim of each bona fide clearing participant, covered from the funds of such reserve fund, the formula shall be used:

$$F_p = \min \left(\left(R * \frac{D_p}{D} \right); D_p \right), \text{ where}$$

F_p – size of the net claim of the p-th bona fide clearing participant, covered by the funds of the clearing reserve fund;

P – a bona fide clearing participant net claims of which were not discharged $p=1, 2, \dots, X$;

D_p – an amount of outstanding net claims of the p-th bona fide clearing participant calculated subject to clause 3 article 19 of these Rules;

D – designation established by clause 1 of this article;

R – designation established by clause 1 of this article.

3. When using money from the clearing guarantee fund of any exchange market to cover outstanding net claims of bona fide clearing participants, to calculate the size of the net claim of each bona fide clearing participant, covered by the funds of the clearing guarantee fund, the following formula shall be used:

$$L_p = \min \left(\left(G * \frac{D_p}{D} \right); (D - R) * \frac{D_p}{D} \right), \text{ where}$$

G – a size of the guarantee fund of the exchange market on which the default occurred, with the exception of the guarantee fee of the insolvent clearing participant in respect of which compulsory liquidation procedure or the liquidation netting procedure was carried out;

L_p – size of the net claim of the p-th bona fide clearing participant, covered by funds of the clearing guarantee fund.

4. Use of funds from the clearing funds shall be carried out as part of the procedure for liquidation of outstanding net claims of bona fide clearing participants for transactions with the CCP in the manner provided for in article 21 of the Rules

Article 25. Procedure for restoration of clearing funds

1. Insolvent clearing participant, for discharge of which obligations funds from the clearing funds were used, shall have to reimburse them in full subject to the terms and conditions and in the manner established by the Rules.

2. The insolvent clearing participant, within the next settlement day after receipt of the clearing report on results of the clearing session, which records its obligation to restore (reimburse) the funds of the clearing funds, shall have to discharge this obligation in full.

3. A bona fide clearing participant shall have to pay a guarantee fee within five business days from the day following the day of receipt of the clearing report with the requirement to restore the guarantee fee to the guarantee fund in the manner prescribed by article 15 of the Rules.

The specified obligation to replenish the contribution to the guarantee fund of the relevant exchange market cannot arise from a bona fide clearing participant more than 1 (one) time per settlement day and 6 (six) times during a calendar year.

4. If the clearing participant fails to discharge the obligation set out in clause 2 or 3 of this article, measures provided for by the Rules and Clearing Participants Regulation will be taken against it.

5. If the insolvent clearing participant discharges the obligation set out in clause 2 of this article, the Clearing Center shall notify the bona fide clearing participants:

1) of discharge by the insolvent clearing participant of the obligation to restore (reimburse) funds of the clearing funds;

2) of the right of bona fide clearing participants which have already complied with the requirements for replenishment of their guarantee fee, to submit to the Clearing Center through the eTransfer electronic document exchange system an application for return of the specified amount.

6. In case of using the funds from the guarantee fees of bona fide clearing participants as part of implementation of default resolution procedures subject to these Rules, the bona fide clearing participant shall have no right to demand restoration (reimbursement) of these funds from the Clearing Center, except for cases fixed by the Rules.

Article 26. Penalties

1. Penalties shall be charged to a mala fide or insolvent clearing participant for default on or improper discharge by the mala fide or insolvent clearing participant of its obligations subject to the Rules.

2. A mala fide clearing participant which defaulted on trades without the CCP shall pay a fine subject to the internal regulatory document of the Clearing Center "Regulations on entry fees, clearing fees and penalties."

3. A mala fide or insolvent clearing participant for transactions with the CCP closed on the stock and foreign exchange markets shall have to pay the Clearing Center for the Clearing Center's order of the position transfer procedure and/or order of the compulsory liquidation procedure and/or order of the liquidation netting procedure a fine in the amount of 15 times the monthly calculation indicator in effect on the date of such order.

If, during one clearing day, the Clearing Center applied the procedures set out in paragraph one of this clause on several trading and clearing accounts of a mala fide or insolvent clearing participant, such participant shall have to pay the Clearing Center a fine for the Clearing Center's order of settlement procedures for each trading clearing account.

If during the clearing day the Clearing Center applied the procedures set out in paragraph one of this clause several times to one trading and clearing account of a mala fide or insolvent clearing participant, such participant shall have to pay the Clearing Center a non-recurrent fine for the Clearing Center's order of settlement procedures.

4. The insolvent clearing participant positions of which on any exchange market in transactions with the CCP were settled through the compulsory liquidation procedure and/or application of the liquidation netting procedure for more than one clearing day, shall have to pay a penalty to the Clearing Center in respect of the outstanding net obligation based on results of the clearing day in:

$$P_{Likv} = \min(R \times 0,05\% \times D; R \times 1\%), \text{ Where}$$

P_{Likv} – amount of penalty in tenge;

\min – a mathematical function that shall determine the smallest of the values indicated in brackets;

R – value of the outstanding net obligation in tenge calculated at the settlement price of the financial instrument in which this net obligation is expressed, at the time of closing the last trading session for this financial instrument on the day it occurred;

D – number of calendar days during which the outstanding net obligation was not fulfilled.

5. If a margin-call that the clearing participant has as a result of a mark-to-market clearing session is not eliminated by the clearing participant within the timeframe established by the Regulation, the

clearing participant shall have to pay the Clearing Center a fine in the amount of 15 times the monthly calculation index in effect on the date of such margin default.

In case of a repeated margin default within three consecutive months, the clearing participant shall have to pay the Clearing Center a fine in the amount of 50 times the monthly calculation index in effect on the date of such margin default.

6. The fine set out in clause 3 of this article and the penalty set out in clause 4 of this article shall be subject to payment by the clearing participant within five business days from the date of presentation of the corresponding invoice by the Clearing Center.

The day of payment of the penalties set out in paragraph one of this clause shall be considered the day the amount of penalties is credited to the correspondent account of the Clearing Center.

7. Accrual of penalties to clearing participants can be canceled by decision of the Management Board of the Clearing Center in situations where a failure or improper discharge of its obligations of the clearing participant was caused by:

- 1) a technical failure that occurred in the operation of any information system of the Exchange and/or the Clearing Center or its individual component;
- 2) improper performance by the Clearing Center of its functions provided for by the internal documents of the Clearing Center and/or the clearing service agreement;
- 3) occurrence of force majeure circumstances (force majeure situations, i.e. natural disasters, acts of God, wars, hostilities, terrorist acts, civil unrest, changes in laws, actions and decisions of (authorized) regulatory bodies, decisions of local executive bodies, government bodies and officials, including quarantine announcements, and other similar circumstances that the clearing participant could not foresee and which directly affected proper discharge by the clearing participant of its duties) or other events related to suspension of activities of financial market organizations, including in connection with introduction of a state of emergency or occurrence of an emergency in populated areas where the Exchange and/or the Clearing Center and/or the clearing participant is / are located;
- 4) incorrectly set parameters of any financial instrument that is the subject of a transaction or swap / repo operation;
- 5) other cases and/or events beyond reasonable control of the clearing participant.

The Clearing Center shall not be liable if the clearing participant defaults on or improperly discharges its obligations due to a technical failure that occurred in the operation of any information system of a critical supplier of the Clearing Center or its individual component.

Article 27. Collection of outstanding obligations of the insolvent clearing participant

1. The Clearing Center shall have the right to apply to judicial and other authorities in order to recover from the insolvent clearing participant any outstanding obligations, including:

- 1) outstanding obligations of the insolvent clearing participant under transactions for which the Clearing Center performs the CCP functions;
- 2) obligations to pay exchange and clearing fees, penalties and other debts of the insolvent clearing participant.

2. Financial instruments received by the Clearing Center following the results of measures to collect debt from the insolvent clearing participant for obligations set out in sub-clause 1) clause 1 of this article shall be distributed subject to clause 12 article 21 of the Rules among bona fide clearing participants to repay obligations from deferred execution by the Clearing Center to them, which arose as a result of a failure to discharge obligations for which this penalty was received.

3. Bona fide clearing participants shall have the right to submit, in the general manner provided for by the laws of the Republic of Kazakhstan, a claim for compensation of losses associated with non-execution or cancellation of transactions without the CCP to the clearing participant-counterparty for transactions.

Chapter 3. SPECIFIC FEATURES OF THE STOCK MARKET

Article 28. Specific features of conduct of clearing on the stock market

1. The Clearing Center shall carry out unified net clearing for transactions in securities traded in the CCP modes, with settlements in tenge and US dollars.
2. The Clearing Center shall carry out clearing on a gross basis under transactions with securities traded in modes without the CPC, with settlements in tenge.
3. The Clearing Center shall carry out clearing of transactions with the CCP without collateral, with partial collateral and with full coverage, depending on the category established for the clearing participant on the stock market, as well as taking into account the specific features established by clause 7 article 2 of the Rules for transactions closed by the clearing participants with partial collateral.
4. Method of collateral as well as obligation for a failure to discharge obligations by the clearing participants under transactions without the CCP shall be established by the internal documents of the Exchange.
5. The Clearing Center shall determine net claims and net obligations for a set of transactions with the CCP, settlements under which are carried out in any settlement and clearing session in the manner established subject to the Regulations (hereinafter referred to as the clearing pool) and shall define requirements and obligations under transactions without CCP during trading under each non-CCP transaction without CCP closed.
7. The Clearing Center shall charge penalties to the mala fide / insolvent clearing participant of the stock market, which must be paid subject to article 26 of the Rules.
8. The Clearing Center shall have the right to use the collateral in the clearing participant's own clearing account and/or its guarantee fees to pay any debt (including penalties) of such clearing participant to the Clearing Center.

Article 29. Specific features of clearing and trading and clearing accounts on the stock market

1. Trading / clearing / trading and clearing / 1st level individual entrepreneur accounts shall be opened for clearing the stock market participants.

Level 2 trading / trading and clearing accounts shall be opened for authorized stock market trading participants.

Coding of the trading participants' accounts shall be carried out subject to the requirements imposed by the Exchange when registering clients being users of the trading system.

2. Opening / maintaining / closing of trading / clearing / trading and clearing / individual entrepreneur accounts shall be carried out in the manner determined by the internal document regulating the opening, maintenance and closure of trading and clearing accounts

Article 30. Provision of collateral

1. In order to comply with requirements for collateral and discharge of obligations and requirements for transactions with the CCP, clearing participants shall use the following accounts (sections of accounts) opened with the Central Depository:

- for money – KASE correspondent account with the Central Depository;
- for securities – KASE section;
- for securities included in the property pool – GCGlobal section.

2. The Clearing Center, being a settlement organization for transactions with the CCP on the stock market (in terms of money settlements), shall open for the stock market clearing participant its own, aggregated client and aggregated client custodial collateral accounts in the internal accounting

system of the Clearing Center in order to account for the provided collateral and discharge of net obligations and net claims in money on the specified accounts based on results of net clearing.

The Central Depository, being a settlement organization for transactions with the CCP and transactions without the CCP on the stock market (in terms of settlements on securities), shall open in the accounting system of the Central Depository on each sub-account (client and own) a personal account of each depositor-clearing participant of the stock market:

- KASE section for the purpose of accounting for the provided collateral in securities and discharge of net obligations and net claims in securities under transactions with the CCP based on results of net clearing and discharge of obligations and claims in securities for transactions without the CCP based on results of clearing on a gross basis;
- the Repo section for the purpose of blocking securities during execution of an opening transaction related to a repo transaction without the CCP with the direction of purchase and sale;
- GCGlobal section for the purpose of accounting for securities contributed by the clearing participant to the property pool.

The Central Depository, being a settlement organization for transactions without the CCP on the stock market (in terms of cash settlements) in order to discharge obligations and claims in money under each closed transaction without the CCP on a gross basis shall:

- open in the accounting system of the Central Depository for each depositor – a clearing participant on the stock market that is not a CP with an account in the KISC own and client (aggregated) bank accounts and ensure execution of settlements under them;
- ensure sending of documents for settlements on correspondent accounts opened with the National Bank for each depositor being a clearing participant on the stock market, which is a CP with an account in the KISC.

3. Clearing participant on the stock market under transactions with the CCP shall have to ensure that financial instruments are credited to the KASE correspondent account in the Central Depository and/or to KASE sections to discharge the requirements for adequacy of the collateral subject to the terms and conditions established for the category assigned to it and taking into account the specific features established by clause 7 article 2 of the Rules.

4. Clearing participants of the stock market for transactions with the CCP shall transfer money in the appropriate currency to the correspondent account of the Clearing Center in the Central Depository according to the details posted on the website of the Clearing Center subject to the Securities Settlement Rules.

5. The procedure for depositing and returning collateral in money accounted for in the collateral accounts in the internal accounting system of the Clearing Center under transactions with the CCP shall be established by the Securities Settlement Rules.

6. Return of securities from the KASE section to the main section shall be carried out on the basis of a return request sent by the clearing participant to the Central Depository subject to the set of Rules of the Central Depository.

The return shall be performed by the Central Depository only if the following positive checks are carried out in the ASTS+ trading and clearing system:

1) size of the incoming and planned positions in securities in the KASE section used for settlements under TCA “+” and TCA “0”, for which a request was received, calculated ignoring the returned securities, will not become negative;

2) single limit for TCA “+”, for which the return request was received, calculated ignoring the returned securities accounted for on the KASE section, will not become negative in relation to the clearing account for which the check shall be carried out subject to the terms and conditions of partial collateral or size of planned positions in securities listed on the KASE section, for each settlement date, T+ will not become negative in relation to the clearing account for which the check shall be carried out on full coverage terms.

7. Return of securities from the GCGlobal section to the KASE section shall be carried out on the basis of the corresponding order of the clearing participant for transfer provided to the Clearing Center

using the trading and clearing system subject to the internal document of the Clearing Center "CPC Instruction".

8. Return of money from the correspondent account of the Clearing Center in the Central Depository, recorded in the collateral accounts in the internal accounting system of the Clearing Center, shall be carried out only if the following positive checks are carried out in the ASTS+ trading and clearing system:

1) size of the planned position for money in the collateral account for TCA "+", for which the return request was received, calculated ignoring the money being returned, will not become negative.

2) Single limit for TCA "+", for which the refund request was received, calculated ignoring the returned money accounted for in the collateral account, will not become negative in relation to the clearing account for which the check shall be carried out subject to the terms and conditions of partial collateral or the size of planned positions in money accounted for in the collateral account, for each settlement date, T+ will not become negative in relation to the clearing account for which the check shall be carried out under full coverage conditions.

9. If for the TCA "+", for which the check shall be carried out subject to the terms and conditions of partial collateral, the Clearing Center has established a restriction on the minimum permissible value of the single limit, which is a negative value, then the checks set out in sub-clause 2) clause 6 and sub-clause 2) clause 8 of this article shall be carried out taking into account the minimum permissible value of the single limit established by the Clearing Center.

10. Clearing participant on the stock market for transactions without the CCP shall have, before submitting an order to the trading system, to ensure crediting of the financial instruments under the transaction subject to the following conditions:

– with respect to money – to a correspondent account with the National Bank (for clearing participants being CPs with an account in the KISC) or to a bank account (own or client) in the Central Depository (for clearing participants not being CPs with an account in the KISC) to the extent of the full volume of the arising obligations in the currency of settlements;

– with respect to securities – to the KASE section of the sub-account (client or own) of the personal account in the Central Depository in the amount at which the incoming and planned position in securities in the KASE section, calculated taking into account emerging obligations on securities, will not become negative.

Article 31. Settlements on the stock market. Discharge of obligations under closed transactions

1. In order to carry out settlements under transactions with the CCP, the Clearing Center shall, every clearing day subject to the Regulations, determine the net claims and/or net obligations under each financial instrument for each TCA + clearing account, guided by the following information taken into account on the clearing account:

with respect to obligations and requirements recorded on the clearing account with the current settlement date for clearing pool transactions in each settlement and clearing session;

with respect to obligations and requirements for transfer of income on repo and/or for transfer of coupons under purchase and sale transactions recorded on the clearing account in the manner established by clauses 2 and 3 of this article in the first settlement and clearing session.

2. The Clearing Center shall transfer income on coupon fees and/or dividend payments under securities listed on the KASE section, which are the subject of repo transactions closed in modes with the CCP (hereinafter referred to as the transfer of repo income) from the repo buyer to the repo seller in case if the date of fixation of the register of securities holders falls on the period:

– from the settlement date of the repo opening transaction, not including this date, to the settlement date of the repo closing transaction, including this date, if the register is to be compiled at the beginning of the day;

– from the settlement date of the repo opening transaction, including this date, to the settlement date of the repo closing transaction, not including this date, if the register is compiled at the end of the day.

Obligations and requirements for transfer of income in the amount of the payment made shall be issued by the Clearing Center for any TCA + during the mark-to-market session on the settlement date, shall be included in calculation of net positions of the clearing pool in the first settlement and clearing session and shall be subject to execution in the manner determined by the Regulation.

The Clearing Center shall have the right to issue obligations and requirements for transfer of income within five business days from the date of receipt of notice from the paying agent about payments made.

In case of a technical failure that occurs in the operation of any information system of the Clearing Center or its individual component, the Clearing Center shall have the right to impose obligations and requirements for transfer of income within 10 (ten) business days from the date of receipt of notice from the paying agent about payments made.

In order to ensure discharge of obligations to transfer income by the repo buyer, from the moment the repo transaction is closed, which provides for transfer of income, until discharge of such obligations by the repo buyer, the single limit for the corresponding TCA + shall be reduced by the amount of the expected payment of income.

If there is no notice from the paying agent about coupon payments and/or dividend payments made on securities that are the subject of a repo transaction for which the transfer of income is provided for, due to a failure to discharge obligations for such payments by the issuer within 1 month from the last date, in which the issuer had to discharge obligations for such payment, the Clearing Center shall carry out the following actions:

1) transfer to the repo seller the right to demand return by the repo buyer of the coupon interest on bonds or dividends on equity securities with disclosure to the repo buyer of the name of the repo seller and disclosure to the repo seller of the name of the repo buyer in case that the reward or dividends are paid by the issuer to the repo buyer.

In this case, a similar right of claim of the repo seller to the Clearing Center for return by the Clearing Center to the repo seller of the coupon interest on bonds or dividends on equity securities shall become invalid.

2) notify the repo buyer about cancellation of the Clearing Center's right of claim against the repo buyer for return of the coupon interest on bonds or dividends on equity securities and emergence of this right of claim from the repo buyer with disclosure of the name of the repo seller to the repo buyer;

3) increase the single limit on the TCA "+" of the repo buyer by the amount of previously blocked collateral for transfer of income payment.";

3. The Clearing Center shall transfer the coupon for bond purchase and sale transactions closed in the modes with the CCP with future settlement dates (T+) from the seller to the buyer (hereinafter referred to as the transfer of the coupon for purchase and sale transaction), if the settlement date for the purchase and sale transaction occur during the period:

– from the date of fixation, including this date, until the date of payment of the coupon, not including this date, if the register is compiled at the beginning of the day;

– from the date of fixation, not including this date, until the date of payment of the coupon interest, including this date, if the register is compiled at the end of the day.

Obligations and requirements for transfer of a coupon for a purchase and sale transaction in the amount of the payment made are set by the Clearing Center for any TCA "+" during the mark-to-market session on the settlement date and are included in the calculation of net positions of the clearing pool in the first settlement clearing session and are subject to execution in the manner prescribed by the Regulation.

The Clearing Center shall have the right to issue obligations and requirements for transfer of income within five business days from the date of receipt of notice from the paying agent about payments made.

In case of a technical failure that occurs in the operation of any information system of the Clearing Center or its individual component, the Clearing Center shall have the right to impose obligations and requirements for transfer of income within 10 (ten) business days from the date of receipt of notice from the paying agent about payments made.

In order to ensure discharge of obligations to transfer a coupon under a purchase and sale transaction, from the moment of conclusion of a purchase and sale transaction that provides for transfer of a coupon, until fulfillment of such obligations, the single limit for the corresponding TCA "+" of the seller shall be reduced by the amount of the expected payment of the coupon.

In the absence of notice from the paying agent about payment of the coupon interest on bonds that are the subject of the purchase and sale transaction that provides for transfer of the coupon, due to failure to discharge obligations for such payment by the issuer within 1 month from the last date on which the issuer was supposed to discharge obligations for such payment, the Clearing Center shall do the following:

1) transfer to the buyer of the bond purchase and sale transaction the right to demand return of the coupon payment by the seller of the bond purchase and sale transaction with disclosure to the purchaser of the purchase and sale transaction of the name of the seller of the purchase and sale transaction and disclosure to the seller of the purchase and sale transaction of the name of the buyer of the purchase and sale transaction, in case if the remuneration is paid by the issuer to the seller of the purchase and sale transaction;

In this case, a similar right of claim of the buyer of the bond purchase and sale transaction to the Clearing Center for the return by the Clearing Center to the buyer of the bond purchase and sale transaction of the coupon interest on bonds shall lose its force.

2) notify the seller of the bond purchase and sale transaction about cancellation of the right of claim of the Clearing Center to the seller of the purchase and sale transaction for return of the coupon interest on the bonds and emergence of this right of claim from the buyer of the purchase and sale transaction with disclosure of the name of the seller of the purchase and sale transaction to the buyer of the purchase and sale transaction;

3) increase the single limit on TCA "+" of the seller of the bond purchase and sale transaction by the amount of previously blocked collateral under transfer of coupon payment.

4. Procedures for transfer of income set out in clauses 2 and 3 of this article shall not be carried out if the issuer of securities that are the subject of the repo transaction or the subject of the purchase and sale transaction is the seller of the repo transaction and/or the buyer of the purchase and sale transaction.

5. Net claims and net obligations for TCA + clearing accounts determined subject to clause 1 of this article shall be discharged in the manner specified by the Regulation.

6. In order to discharge its net obligations under transactions with the CCP, the clearing participant on the stock market shall have to ensure availability of the financial instruments before cut-off time for delivery by the clearing participants of the financial instruments established by the Regulation (hereinafter referred to as the cut-off time) of each settlement and clearing session on the day of settlements on any TCA+ (own, client, client custodial), ensuring the execution of net positions calculated subject to clause 1 of this article, by transferring money to the KASE correspondent account in the Central Depository and securities to the KASE / GCGlobal section in the amount at which the settlement positions for money and securities displayed in the ASTS+ trading and clearing system at the beginning of the corresponding settlement and clearing session are not negative.

Information on net obligations for transactions with partial collateral, subject to execution by the clearing participants by the cut-off time in each settlement and clearing session, shall be recorded at the beginning of the session and shall be provided to the clearing participants by sending a clearing report subject to the Regulations.

Discharge by the Clearing Center of the final net claims / net obligations for any TCA+ based on results of each settlement and clearing session, taking into account the requirements / obligations for transactions closed during such session in order to settle the outstanding obligations of the clearing participant by the cut-off time as well as claims / obligations for transactions with full coverage, shall be carried out only subject to full discharge of all final net obligations on this account.

Discharge by the Clearing Center of final net claims / net obligations for money shall be carried out on collateral accounts (own, aggregated client, aggregated custodial) opened in the internal accounting system of the Clearing Center for clearing participants, for securities under KASE / GCGlobal sections, no later than the end time settlement and clearing session established by the Regulation.

7. In order to carry out clearing and settlements for any settlement and clearing session within the time limits established by the Regulation, the Clearing Center shall do the following:

- 1) check the availability of the financial instruments necessary to discharge net obligations;
- 2) send an order to the Central Depository to carry out operations related to discharge of obligations to transfer securities;
- 3) calculate net claims and net obligations for money on the collateral accounts of the clearing participant;
- 4) terminate final net obligations / final net claims on financial instruments for each TCA+ in trade and clearing;
- 5) in case of insufficient financial instruments on any TCA+ of the clearing participants, carry out settlements by the cut-off time, carry out procedures for settling the default of the net obligations of the mala fide clearing participant through the procedure for transferring a position subject to article 36 of the Rules.

8. If, in relation to transactions with the CCP, between the date of conclusion and the date of execution of which corporate events occur with respect to the financial instruments, such as reorganization of the issuer of securities, conversion of securities carried out without reorganization of the issuer of securities, or other actions affecting the execution obligations, including those that lead to a change in the subject of the transaction with the CCP, the Clearing Center shall have the right to make one of the following decisions in relation to such transactions:

- 1) to unilaterally change the subject (object) of transactions “with partial collateral”, obligations under which have not been discharged, and/or the procedure for discharge of the obligations, taking into account the terms and conditions of reorganization of the issuer of securities or the terms and conditions of other action established by the issuer of securities;
- 2) that the date of discharge of obligations under transactions shall be considered to have occurred on the settlement day determined by the decision of the Management Board of the Clearing Center.

9. In order to carry out settlements under transactions without the CCP, the Clearing Center shall determine requirements and obligations for the closed transaction at the time of its conclusion or confirmation by the SKO User in the manner determined by the internal documents of the Exchange, and shall send an order to the Central Depository to carry out settlements.

Based on the received order, the Central Depository shall carry out settlements in the following order:

- check sufficiency of securities in the KASE section of the sub-account (own or client) of the personal account at the Central Depository;
- in case of sufficiency of securities, send an order for cash settlements on correspondent accounts in the National Bank (according to the requirements and obligations of the clearing participants which are CPs with an account in the KISC) or make settlements on a bank (own or client) account in the Central Depository (for clearing participants which are not CPs with an account in the KISC).

In case of insufficient securities on the KASE section in the Central Depository and/or refusal of the KISC for settlement in connection with insufficient money on the correspondent account with the National Bank and/or insufficient money on the bank account with the Central Depository, the Central Depository shall send a refusal to execute settlements for the transaction.

When a refusal is received from the Central Depository to execute settlements under transaction, the Clearing Center shall take actions in the manner determined by the internal documents of the Exchange.

10. Fine for delayed discharge of / default on obligations payable by the clearing participant is set out in article 26 of the Rules and the “Regulation on entry fees, clearing fees and penalties.”

11. The Clearing Center shall not transfer between clearing participants commissions and other expenses for depository and other services arising from transactions with securities as a result of possession, use and disposal of such securities by the specified clearing participants.

Article 32. Procedure for conduct of mark-to-market clearing sessions

1. Within the period established by the Regulation, the Clearing Center shall conduct a mark-to-market clearing session on the stock market for the following purposes:

- 1) establish new values of risk parameters in the manner determined by the Regulation and subject to the Methodology for determining the risk parameters of financial instruments (hereinafter referred to as the Methodology);
- 2) for each TCA + / TCA PP calculate new values of the single limit in order to control sufficiency of collateral for transactions with the CCP;
- 3) for each TCA + / TCA PP determine the size of the margin-call (if available);
- 4) issue / redeem clearing participation certificates in connection with changes in the settlement prices of financial instruments included in the property pool of clearing participation certificates;
- 5) for each TCA + set obligations and/or requirements for transfer of income on repo and/or transfer of coupons for purchase and sale transactions in case that the paying agent makes the corresponding payment;
- 6) generate and send to the clearing participants, which have margin-call and/or requirements and/or obligations to transfer income on repo and/or transfer coupons on purchase and sale transactions, clearing reports containing Information on their sizes.

2. The margin-call that the clearing participant has as a result of the mark-to-market clearing session must be eliminated by the clearing participant before 14.00 ALT of the current clearing day, by means of:

- 1) entry of financial instruments included in the T+ Collateral List into the KASE section and/or the correspondent account of the Clearing Center with the Central Depository, recorded on the corresponding TCA +;
- 2) conclusion of transactions that eliminate insufficiency of the collateral;
- 3) depositing financial instruments included in the property pool into the correspondent account of the Clearing Center in the Central Depository and/or the GCGlobal section, if it is impossible to automatically eliminate the margin-call subject to sub-clause 4) clause 1 of this article.

3. Margin-call shall take place for a clearing participant single limit of which on the clearing account for transactions with the CCP has become negative following the results of the mark-to-market clearing session. Margin-call amount shall be equal to an absolute value of the specified single limit.

4. Margin-call that has arisen with the clearing participant for any TCA shall be deemed terminated at the moment when the single limit for such account becomes non-negative.

5. If the clearing participant fails to discharge margin-call within the timeframe established by clause 2 of this article, such clearing participant shall be recognized as insolvent subject to sub-clause 2) clause 1 article 37 of the Rules.

Article 33. List of measures designed for risk management during clearing on the stock market

1. The list of measures designed for risk management in the course of clearing on the stock market shall consist of the following elements:

- 1) risk parameters of financial instruments of the stock market determined subject to the Methodology;
- 2) provision of the clearing participants in the correspondent account of the Clearing Center in the Central Depository and in the "KASE sections" of the clearing participants in the Central Depository;
- 3) provision of the clearing participants on "GCGlobal sections" in the Central Depository;
- 4) revaluation of net positions and collateral, assessment of market and interest risks;

- 5) control of sufficiency of the collateral for transactions with partial collateral by calculating a single limit;
- 6) restrictions imposed by the Clearing Center on changing the single limit, which do not allow the single limit to decrease below the level determined by the Clearing Center;
- 7) “prohibition of short sales” and “prohibition of uncollateralized purchases” signs established for trading and clearing accounts of the clearing participant and/or for financial instruments;
- 8) preliminary full control of the collateral of the clearing participant on the stock market with full coverage or the financial instrument with presence of the “prohibition of short sales” / “uncollateralized purchases” sign;
- 9) clearing reserve fund of the stock market;
- 10) stock market clearing guarantee fund;
- 11) property pool;
- 12) control of sufficiency of guarantee fees of clearing participants to the clearing guarantee fund;
- 13) default resolution procedures;
- 14) limitation of the obligation of the Clearing Center as the central counterparty for discharge of net obligations under transactions with the CCP to bona fide clearing participants subject to the Rules;
- 15) monitoring of the financial condition of the clearing participant on the stock market on a periodic basis in order to determine compliance of the clearing participant with requirements of the category established for such clearing participant, which shall determine the method of ensuring discharge of the obligations under transactions.

2. The procedure for establishing / changing price limits for financial instruments shall be carried out in the manner determined by the Methodology.

3. In order to close transactions on conditions of partial collateral in the ASTS+ trading and clearing system, risk parameters shall be established for each financial instrument used to calculate a single limit for trading and clearing accounts, on the basis of which sufficiency of collateral for obligations on submitted applications and transactions is monitored, the settlement date for which has not yet arrived.

In order to close transactions on full coverage terms, the ASTS+ trading and clearing system shall set the “prohibition of short sales” sign to control full coverage of obligations under securities and/or the “prohibition of uncollateralized purchases” sign to control full coverage of cash obligations under submitted orders and transactions the settlement date for which has not yet arrived:

- 1) in terms of the trading code of the clearing participant – in this case, all trading and clearing accounts (own and client) of this clearing participant will be checked for compliance with the terms and conditions established by this sign;
- 2) in terms of the specific trading and clearing account of the clearing participant – in this case, only the specified trading and clearing account (own or client) will be checked for compliance with the conditions established by this sign;
- 3) in terms of securities – the “prohibition of short sales” sign, for money – the “prohibition of uncollateralized purchases” sign, in this case, applications submitted and transactions closed on all trading and clearing accounts of all clearing participants for a financial instrument with respect to which the attribute is established will be checked for compliance with the terms and conditions established by this sign, regardless of the trading mode in which this financial instrument is traded.

4. Financial instruments accepted as collateral for execution of transactions with partial collateral shall be financial instruments included in the T+ Collateral List.

5. When calculating the single limit, financial instruments not included in the T+ Collateral List, as well as financial instruments issued by this clearing participant and which are accounted for in its KASE section, shall not be taken into account as collateral.

6. If, based on results of calculations of the last clearing session, the requirement for the amount of the guarantee fee is not met, the clearing report shall set out the corresponding requirements for the need to replenish the guarantee fee (if it is insufficient).

Article 34. Single limit on the stock market

1. Single limit for the TCA + trading and clearing account shall be used for the purposes of:
preliminary control of sufficiency of securing net obligations for transactions with partial collateral when submitting orders to close transactions with TCA;

maintaining the required level of collateral adequacy for partially collateralized transactions closed using the TCA until their execution.

2. Single limit on an PP account shall be used to control adequacy of the collateral of the issued quantity of the CPCs.

3. A single limit for any TCA shall be calculated when any of the following cases take place:

- 1) when submitting applications to close transactions with the TCA;
- 2) when closing a transaction via the TCA;
- 3) upon discharge / termination of obligations and requirements under the TCA;
- 4) when depositing / returning collateral to / from TCA;
- 5) when the risk parameters of financial instruments change.

4. Single limit for any TCA shall be calculated taking into account:

- 1) collateral accounted for on the TCA in money and securities;
- 2) net claims and net obligations for money and securities for transactions with partial collateral with all settlement dates;
- 3) net claims and net obligations in money under transactions with securities for which the "prohibition of short sales" sign has been established;
- 4) obligations to transfer / requirements to receive income on coupon payments / dividends under repo transactions;
- 5) other requirements and obligations subject to the Rules.

5. Single limit calculated based on results of the mark-to-market clearing session shall determine the size of the margin-call, negative value of which means the need to replenish the collateral or close transactions that reduce the size of the clearing participant's outstanding net obligations.

6. Single limit shall be calculated in tenge.

7. The procedure to calculate the Single limit shall be the same for all TCA +.

8. Single limit for TCA shall be calculated taking into account:

- estimates of the fair value of net obligations, net claims with all settlement dates, collateral accounted for as a claim with settlement date T0, for each financial instrument (hereinafter referred to as the Portfolio);
- market risk of Portfolios for each financial instrument;
- interest risk of Portfolios for each financial instrument.

9. Structure of the Single Limit shall be:

- 1) portfolio value in tenge;
- 2) sum of values of portfolios for each collateral and portfolios for each foreign currency, taking into account the market risk;
- 3) sum of the interest rate risk of portfolios for each collateral and portfolios for each foreign currency.

$$EL = \text{Portfolio}_c + \sum_{f=1 \dots N} \text{Portfolio}_f - \sum_{f=1 \dots N} \text{IRRisk}_f, \text{ where:}$$

f – security or foreign currency.

10. Value of the Portfolio in tenge shall be calculated as the sum of net obligations and net claims with all settlement dates T_i and the amount of collateral in tenge:

$$\text{Portfolio}_c = \sum_{T_i=T_0}^{T_n} Q_{cT_i} + \text{Collateral}, \text{ where}$$

T_i – a date of calculation of the net position;

T_0 – a date of the current trading day;

T_n – the last settlement date on which any net position exists;

Q_{cT_i} – net position in tenge with settlement date T_i (with a “+” sign for a net claim, with a “-” sign for a net obligation);

Collateral – collateral amount in tenge.

11. Value of the Portfolio of a particular security or foreign currency portfolio, taking into account market risk, shall make it possible to estimate its current market value, taking into account the risk of deviation from the current settlement prices of the security or settlement prices of the foreign currency.

The amount of possible deviation in settlement prices shall be characterized by the margin rate or concentration rate applicable depending on the size of the security portfolio or foreign currency portfolio.

Value of the security or foreign currency portfolio shall be calculated as follows:

$$\text{Portfolio}_f = \sum_{T_i=T_0}^{T_n} F_{fT_i} + \begin{cases} \sum_{T_i=T_0}^{T_n} Q_{fT_i} \times X, & \text{if } \left| \sum_{T_i=T_0}^{T_n} Q_{fT_i} \right| \leq L_{\text{conc}} \\ \text{sign}(L_{\text{conc}} \times X + \left(\left| \sum_{T_i=T_0}^{T_n} Q_{fT_i} \right| - L_{\text{conc}} \right) \times Y), & \text{if } \left| \sum_{T_i=T_0}^{T_n} Q_{fT_i} \right| > L_{\text{conc}} \end{cases}$$

$$X = \begin{cases} PH_{-1f}, & \sum_{T_i=T_0}^{T_n} Q_{fT_i} \leq 0 \\ PL_{-1f}, & \sum_{T_i=T_0}^{T_n} Q_{fT_i} > 0 \end{cases}$$

$$Y = \begin{cases} PH_{-2f}, & \sum_{T_i=T_0}^{T_n} Q_{fT_i} \leq 0 \\ PL_{-2f}, & \sum_{T_i=T_0}^{T_n} Q_{fT_i} > 0 \end{cases}$$

Q_{fT_i} – net position on a security or foreign currency f with settlement date T_i (net claim with the “+” sign or net obligation with the “-” sign).

Collateral in a security or foreign currency f shall be taken into account as a claim with the settlement date of T_0 when calculating a net position with a settlement date of T_0 ;

F_{fT_i} – forward value of net position on a security or foreign currency f with a settlement date T_i ;

L_{conc} – concentration limit for a security or foreign currency f as approved by the Committee and determined subject to the Methodology;

PH_{-1f}, PL_{-1f} – upper and lower limits of the range of market risk assessment for a security or foreign currency f as determined from the margin rate and calculated subject to the Methodology;

PH_{2f}, PL_{2f} – upper or lower limits of the second level market risk assessment range for a security or and foreign currency f as determined from the concentration rate and calculated subject to the Methodology;

sign – sign $\sum_{Ti=T0}^{Tn} Q_{fTi}$, if $\sum_{Ti=T0}^{Tn} Q_{fTi} > 0$, to "+" sign, otherwise "-" sign.

12. Forward value of net position with a settlement date Ti for a security or foreign currency f shall be calculated as follows:

$$F_{fTi} = Q_{Ti} \times \frac{REPORate_{Ti}}{SwapCurr_{Ti}}, \text{ where}$$

RepoR_{fTi} – settlement repo rate with settlement date Ti as determined subject to the Methodology;

SwapCurr_{fTi} – settlement price of a foreign currency transaction with a settlement date Ti as determined subject to the Methodology.

13. Interest rate risk of the Portfolio for a specific security or Portfolio for a specific foreign currency shall evaluate the risk associated with volatility of repo settlement rates and transaction settlement prices with foreign currency.

Size of the possible change in the interest rates shall be characterized by the interest rate risk or concentration interest rate applicable depending on the size of the net position with a certain settlement date for a certain security or a certain foreign currency.

The interest rate risk of the Portfolio for a security or foreign currency shall be a sum of the interest rate risk of all net positions for each settlement date and shall be calculated using the formula:

$$IRRisk_f = \sum_{Ti=T0}^{Tn} IRRisk_{fTi}$$

The interest rate risk of net position for a specific settlement date Ti for a specific security or foreign currency f shall be calculated as follows:

$$IRRisk_{fTi} = \begin{cases} Q_{fTi} \times (RRH_{fTi} - RepoR_{fTi} / SwapCurr_{Ti}), & \text{if } |Q_{fTi}| \leq L_{conc} \text{ и } Q_{fTi} < 0; \\ Q_{fTi} \times (RepoR_{fTi} / SwapCurr_{Ti} - RRL_{fTi}), & \text{if } |Q_{fTi}| \leq L_{conc} \text{ и } Q_{fTi} > 0; \end{cases}$$

RepoR_{fTi} – settlement repo rate with settlement date Ti as determined subject to the Methodology;

RRH_{fTi}, RRL_{fTi} – upper and lower limits of the range of interest rate risk assessment for a security or foreign currency f as determined from the interest rate risk and calculated subject to the Methodology.

Article 35. Recognition of the clearing participant as mala fide on the stock market

1. Clearing participant shall be recognized as a mala fide clearing participant on the stock market without any decisions being made by the bodies of the Clearing Center upon occurrence of any of the following cases:

1) there is no required number of financial instruments accounted for on the clearing account of the clearing participant for discharge of its final net obligations under transactions with the CCP as of the cut-off time as determined by the Regulation and/or discharge of net obligations cannot be carried out due to refusal of settlements by the Central Depository (default of net obligations);

2) failure by the clearing participant on the stock market with partial collateral to discharge the requirement to replenish the guarantee fee within the period established by clause 3 article 25 of the Rules (default on the guarantee fee);

3) there is no required number of financial instruments accounted for on the clearing account of the clearing participant to discharge its obligations under the transaction without the CCP or the User of the control and security system refused to confirm it within the time limits established subject to the internal documents of the Exchange.

2. Recognition of the clearing participant on the stock market as mala fide shall be carried out taking into account clauses 2 and 3 article 16 of the Rules.

3. If the clearing participant on the stock market is recognized as mala fide, the Clearing Center shall carry out general actions provided for in article 16 of the Rules.

4. If the clearing participant on the stock market is recognized as mala fide, in case of a default of net obligations subject to sub-clause 1) clause 1 of this article, the Clearing Center shall carry out the procedure for transferring the position subject to article 36 of the Rules.

5. If the clearing participant on the stock market is recognized as mala fide in case of a default on the guarantee fee subject to sub-clause 2) clause 1 of this article, the Clearing Center shall take the following actions:

1) withdraw and suspend submission of orders for all trading and clearing accounts of the mala fide clearing participant;

2) establish a limit on the minimum acceptable positive value of net positions for any financial instrument accounted for on the own trading and clearing account of the mala fide clearing participant, in the amount of the requirement on replenishment of the guarantee fee;

3) bring to the Management Board the issue of declaring the mala fide clearing participant as insolvent on the stock market due to the default on the guarantee fee and the question of changing the category of the clearing participant from the category "with partial collateral" to the category "with full coverage".

6. In cases set out in sub-clause 3) clause 1 of this article, the Clearing Center shall carry out actions subject to the internal documents of the Exchange.

Article 36. Procedure for transferring a position on the stock market

1. The clearing participant, in the absence of the required number of financial instruments accounted for on any clearing account as of the start of any settlement and clearing session, shall have the right, in the "Self-Settlement Autorepo" trading modes, before the cut-off time, to carry out a position transfer through conclusion of a repo transaction which leads to sufficiency of financial instruments on the clearing account of the clearing participant.

Repo transactions closed in the "Self-Settlement Autorepo" trading modes shall be included in the clearing pool of the settlement and clearing session during which such repo transactions were closed.

If by cut-off time the clearing participant has outstanding net obligations under the clearing pool of the current settlement and clearing session, the Clearing Center shall recognize such clearing participant as mala fide subject to sub-clause 1 clause 1 article 35 of the Rules and carries out procedures to settle the default – net obligations subject to clause 2 of this article.

2. Transfer of execution of the net obligations of the mala fide clearing participant shall be carried out by the Clearing Center through conclusion of repo transactions and/or transactions with foreign currency between the Clearing Center and the mala fide clearing participant, acting on its behalf, subject to the terms and conditions set out in clause 7 of this article, and with taking into account the specific features set out in clause 3 of this article in the following cases:

– in case of a default, net obligations in securities, with the exception of the clearing participation certificate:

in the trading and clearing system, an order shall be generated for transfer of the securities from the PP account corresponding to TCA +, on which there was the default of net obligations in these securities, to the TCA + account, provided that after the specified transfer the number of clearing certificates of participation does not become negative, or

a repo transaction shall be closed in the direction of purchase / sale of securities in the amount of the outstanding net obligation for tenge, and in case of insufficient tenge, additional repo transactions and/or transactions with foreign currency shall be closed in the direction of sale / purchase of securities and/or foreign currency, if the mala fide clearing participant does not have enough tenge to execute the specified repo transaction.

– in case of a default of net obligations in money, transaction with foreign currency and/or repo for tenge shall be closed in the direction of sale / purchase of foreign currency and/or securities available on the clearing account on which there was a default of net obligations and included in T+ collateral list, or with respect to which there is a net claim with the current settlement date.

Selection of a financial instrument that is a subject of a sale transaction for opening a repo transaction and/or a foreign currency transaction to be closed by the Clearing Center on behalf of the mala fide clearing participant as part of the position rollover procedure shall be carried out by the Clearing Center at its own discretion.

3. The Clearing Center shall carry out compulsory liquidation procedure instead of the position transfer procedure without making any decisions by the Clearing Center bodies in cases established by this clause, in order to terminate the net claims / net obligations of the clearing participants that cannot be discharged due to termination of existence of these securities as an object of transactions or in connection with the refusal of the Central Depository to discharge these net claims / net obligations. Termination of such net claims / net obligations shall be carried out by closing transactions that are reverse to the transactions of the clearing participants that formed these net claims / net obligations.

Reverse transactions shall be understood as purchase / sale transactions closed by the CCP on behalf of the clearing participants on the same terms and conditions as the original transactions closed by the clearing participants on their own and having formed net claims / net obligations that cannot be discharged but in the opposite direction, if:

1) the date of fixation of the register of securities for their redemption occurs on a date:

– earlier than 2 (two) clearing days following the date of default on net obligations, if the register is fixed at the beginning of the day;

– earlier than 1 (one) clearing day following the date of default of net obligations, if the register is fixed at the end of the day;

2) if the Central Depository refuses to write off / credit securities, as a result of the impossibility of making settlements under transactions with the CCP.

If the Central Depository refuses to make settlements with respect to securities not included in List T+, purchase / sale transaction shall be carried out without checking the collateral.

If the Central Depository refuses to make settlements with respect to securities included in List T+, purchase / sale transaction shall be carried out with checking sufficiency of the collateral.

If there are insufficient financial instruments on the trading and clearing account of the mala fide clearing participant to discharge net obligations formed as a result of compulsory liquidation, the clearing participant shall have to discharge the outstanding obligations no later than the start of the next settlement and clearing session.

If the clearing participant is unable to discharge outstanding obligations on the client trading and clearing account no later than the start of the next settlement and clearing session, the Clearing Center, in order to eliminate the debt on the client trading and clearing account of the clearing participant, shall have the right to transfer on its own money from the clearing participant's own account in foreign currency and the amount of outstanding obligations to the client trading and clearing account.

4. In case of a default of net obligations under clearing participation certificates, the Clearing Center shall form in the trading and clearing system an order to transfer funds in tenge from TCA + corresponding to the PP account for which a default of net obligations arose, to the PP account in the amount required to discharge net obligations under the property pool.

If the money accounted for under the specified TCA + is not enough to execute the specified transfer, the missing amount of money shall be accounted for as a net obligation of the clearing participant under such TCA +.

The specified net obligation of the clearing participant shall be included into the current clearing pool and shall be regulated in the manner established by clause 2 of this article.

5. In order to discharge net obligations of the Clearing Center to bona fide clearing participants, the Clearing Center shall settle the net obligations formed as a result of closing the transactions to postpone the execution of the net obligations of the mala fide clearing participant, subject to the terms

and conditions set out in clause 7 of this article, by any of the methods listed below in the specified sequence subject to the Regulations:

1) at its own expense, in cases and in the manner provided for by the internal documents of the Clearing Center;

2) conclude repo transactions / operations with foreign currency on its own behalf by submitting orders in trading modes with the CCP "Settlement", opened subject to the Regulations, with any clearing participant which satisfied the submitted application. If conclusion of transactions with foreign currency set out in paragraph one of this clause becomes impossible in full or partial volume on the stock market, the Clearing Center shall have the right to close transactions with foreign currency in the "Settlement" mode with any clearing participant which has satisfied the submitted application on the foreign exchange market and/or on the over-the-counter market;

3) concludes repo transactions / foreign currency transactions on its own behalf with any clearing participant that has the necessary financial instrument accounted for in its own trading and clearing account or with a voluntary provider that has the necessary financial instrument recorded in client trading and clearing accounts, in relation to which it acts as a voluntary provider, acting on its behalf through conclusion of repo transactions / transactions with foreign currency using the method of direct transactions in technological modes;

4) concludes repo transactions / operations with foreign currency on its own behalf with any clearing participant which has counterclaims with the current settlement date for the required financial instrument accounted for in its trading and clearing account (own or client), acting on its behalf through the conclusion of transactions repo / foreign currency transactions carried out by direct transactions in technological trading modes.

6. In case of transactions to transfer positions subject to sub-clauses 3)–4) clause 5 of this article and presence of several trading and clearing accounts, selection of the trading and clearing account to carry out a position transfer transaction shall be carried out subject to an algorithm that takes into account the date of the last use of a particular trading and clearing account used for the transfer procedure, sufficiency of the number of financial instruments accounted for in such trading and clearing account, and presence of a default on net obligations of a voluntary provider.

7. Repo transactions / transactions with foreign currency for the purpose of transferring positions with mala fide and bona fide clearing participants shall be closed by the Clearing Center subject to the following terms and conditions:

1) date of execution of the repo transaction / foreign currency transaction with an earlier settlement date shall be the day the position rollover transaction is closed;

2) term of the repo transaction / foreign currency transaction shall be one settlement day;

3) date of execution of the repo transaction / foreign currency transaction with a later settlement date shall be the settlement date following the date of the repo opening transaction;

4) opening price of a repo transaction shall be set subject to the internal documents of the Exchange.

Transaction rate for opening a foreign currency transaction shall be set equal to the settlement price of transactions for transaction with foreign currency SwapCurrT1 calculated subject to Methodology;

5) price of the repo transaction / transaction with foreign currency shall be equal to the default settlement rate established subject to the Methodology for the financial instrument that is the subject of settlement.

Information on current values of default settlement rates established for financial instruments shall be available for viewing in the ASTS+ trading and clearing system and shall be posted on the website of the Clearing Center.

8. If the clearing participant which defaulted on net obligations in money credited the necessary amount of money to discharge obligations after the cut-off time of the first settlement and clearing session no later than 30 minutes from the cut-off time, then the Clearing Center shall close, before the end of the first settlement and clearing session of the current clearing day with such mala fide participant, a repo transaction / foreign currency transaction in the opposite direction to the settlement transactions.

In this case, reverse repo transactions / foreign currency transactions shall be closed subject to the same terms and conditions as settlement transactions, but in the opposite direction at a price equal to the default settlement rate established subject to the Methodology for the financial instrument that is the subject of settlement, minus 1% per annum.

9. The Clearing Center, acting on behalf of the mala fide as well as on behalf of bona fide clearing participants in relation to itself, shall carry out all legal and actual actions necessary to close transactions subject to these Rules without special authority (power of attorney), as well as without the consent of the mala fide Clearing Center participant and bona fide clearing participants.

10. The mala fide clearing participant, as well as bona fide clearing participants whose trading and clearing accounts were used to carry out transactions as part of the settlement, shall have to discharge obligations under all transactions closed on their behalf by the Clearing Center and carried out subject to this article.

11. The Clearing Center shall charge the mala fide clearing participant on the stock market a penalty that must be paid subject to article 26 of the Rules for application of procedures for transferring a position and/or application of a forced liquidation procedure, as well as for outstanding net obligations resulting from these procedures.

Article 37. Recognition of the clearing participant as insolvent on the stock market

1. The Clearing Division shall submit to the Management Board of the Clearing Center the issue of declaring a clearing participant / mala fide clearing participant of the stock market as insolvent on the basis of sub-clause 1) clause 1 article 17 in the following cases:

- 1) in case of a default of net obligations before 10.30 ALT of the clearing day:
 - if the procedures for transferring the outstanding net obligations on a certain clearing account for money have been carried out 2 previous clearing days in a row;
 - if the procedures for transferring the outstanding net obligations for a certain securities clearing account have been carried out 4 previous clearing days in a row;
 - if the clearing participant has outstanding obligations based on results of the previous clearing day;
- 2) if the margin-call was not eliminated within the period established by clause 2 article 32 of the Rules (margin default), no later than 15.00 ALT of the current clearing day;
- 3) in case of a default on the guarantee fee, before 10.30 ALT of the clearing day following the day that is the deadline for fulfilling the Clearing Center's request to replenish the guarantee fee, subject to clause 3 article 25 of the Rules;

2. In case of a decision of the Management Board of the Clearing Center to recognize a clearing participant as insolvent subject to clause 1 of this article, the Clearing Center shall carry out procedures to settle the default of the insolvent clearing participant subject to article 18 of the Rules.

Chapter 4. SPECIFIC FEATURES OF THE FOREIGN EXCHANGE MARKET

Article 38. Specific features of clearing on the foreign exchange market.

1. The Clearing Center on the foreign exchange market shall perform functions of the CCP for transactions of clearing participants with all foreign currencies.
2. The Clearing Center shall carry out clearing on net basis under transactions with financial instruments of the "spot" and "swap" sections.
3. The Clearing Center on the foreign exchange market shall carry out clearing activities for clearing participants without collateral, with partial collateral and with full coverage.

4. For currency swap operations closed by the clearing participants and deliverable futures, which are derivative financial instruments of the foreign exchange market as determined by the rules of the Exchange, the Clearing Center shall determine for each clearing participant the payment obligations / requirements to receive variation margin.

Parties to currency swap / delivery futures operations shall be required to periodically pay each other an amount of money in tenge, a variation margin, the size of which shall depend on changes in the price of the underlying asset. Variation margin shall be calculated on the day the transaction is closed and shall be paid during the period from the settlement day following the date of conclusion of the currency swap / deliverable futures operation until the date of discharge of obligations under the transaction of closing the currency swap / delivery futures operation, inclusive. The procedure for calculation and payment of variation margin is set out in article 43 of the Rules.

5. In order to close transactions in the trading and clearing system of the ASTS+ foreign exchange market, the clearing participants of the foreign exchange market shall be opened own "S+" and one aggregated or several aggregated client clearing accounts "L+" which coincide with the corresponding trading accounts opened for the clearing participant as a trading participant for transactions with the Central Clearing Party, the clearing participant, subject to the exception established by clause 6 of this article.

The trading account and the clearing account corresponding to it by number, which ensures execution and settlement of trades / operations carried out from such trading account, shall together constitute the trading and clearing account (hereinafter referred to as the TCA) "S+" / TCA "L+".

Opening / closing of TCA "S+" / TCA "L+" shall be carried out on the basis of a decision of the Management Board of the Clearing Center on assignment / deprivation of the status of the clearing participant on the foreign exchange market. In this case, closure of accounts shall be carried out subject to absence of outstanding obligations on the corresponding closed accounts.

6. The National Bank shall open separate client clearing accounts for the purpose of segregated accounting of assets with the National Bank in trust management, as well as separate cash accounting accounts and sub-accounts in the internal accounting system of the Clearing Center if the National Bank has designated separate correspondent accounts for settlements under transactions closed at the expense of such assets.

7. TCA "S+" / TCA "L+" shall contain the following information:

- 1) about transactions, applications, and other operations carried out using TCA "S+" / TCA "L+";
- 2) about money claims and obligations calculated on a net basis for transactions set out in sub-clause 1) of this clause as well as payment obligations / claims to receive variation margin on currency swap operations / deliverable futures;
- 3) about money positions by currency on accounts intended for discharge of net claims and net obligations set out in sub-clause 2) of this clause, as well as money intended for accounting as collateral;
- 4) about size of the single limit, about size of margin-call taken into account on TCA "S+" / TCA "L+";
- 5) about accounts with settlement organizations on which money positions set out in sub-clause 2) of this clause are taken into account.

8. The Clearing Center shall determine net claims and net obligations for a set of transactions, settlements under which are carried out during any settlement and clearing session in the manner established subject to the Regulation (hereinafter referred to as the clearing pool).

Article 39. Settlements on the foreign exchange market. Provision of collateral

1. The Clearing Center, being a settlement organization for transactions on the foreign exchange market, shall open internal own and (if necessary) client aggregated collateral accounts for the clearing participant of the foreign exchange market in order to account for the provided collateral and discharge of net obligations and net claims in money on these accounts for clearing results.

2. Settlements under transactions on the foreign exchange market shall be carried out subject to the Currency Settlement Rules.

3. In order to carry out settlements on the foreign exchange market, the Clearing Center shall, each clearing day subject to the Regulations, determine the net claims / net obligations for each currency for each TCA "S+" / TCA "L+", guided by the following information recorded on the clearing account:

– about obligations and claims taken into account on the clearing account with the current settlement date for clearing pool transactions in each settlement and clearing session;

– about obligations to transfer and claims to receive variation margin, taken into account on the clearing account in the manner established by article 43 of the Rules during the main settlement and clearing session for T0 settlements and are subject to execution in the manner prescribed by the Regulation.

4. Obligations and claims for transfer of variation margin shall be set by the Clearing Center for TCA "S+" / TCA "L+" during the mark-to-market clearing session on each settlement date following the date of conclusion of the currency swap / delivery futures operation, obligations under which have not been terminated.

5. In order to discharge its net obligations, the clearing participant on the foreign exchange market shall have to ensure availability of financial instruments on the TCA "S+" before the cut-off time for delivery by the clearing participants of financial instruments established by the Regulation (hereinafter referred to as the cut-off time) of each settlement and clearing session on the day of settlements, ensure availability of financial instruments on TCA "S+" / TCA "L+" (own, client aggregated), ensuring the execution of net positions calculated subject to clause 1 of this article, by transferring money to correspondent accounts of the Clearing Center, in which the settlement positions for money displayed in the ASTS+ trading and clearing system by the cut-off time for the corresponding currency are not negative.

Information about net obligations to be discharged by the clearing participants by the cut-off time in each settlement and clearing session shall be recorded at the start of the settlement and clearing session and shall be provided to clearing participants by sending a clearing report subject to the Regulation.

Discharge by the Clearing Center of final net claims / net obligations for money shall be carried out on collateral accounts (own, aggregated client) opened in the internal accounting system of the Clearing Center for clearing participants, no later than the end of the settlement and clearing session established by the Regulation.

6. Depositing money by the clearing participants on the foreign exchange market in order to ensure discharge of their net obligations on closed transactions, as well as submitting applications and conclusion of transactions, shall be carried out to the correspondent accounts of the Clearing Center within timeframe and subject to the terms and conditions established by the Currency Settlement Rules.

7. Transfer of money in the appropriate currency for purposes set out in clause 5 of this article shall be carried out by indicating in the payment documents of special codes designating the payment purpose. The list of such codes shall be posted on the website of the Clearing Center.

8. Fine for violation of the payment discipline by the clearing participant on the foreign exchange market shall be determined by the Currency Settlement Rules.

9. Fine for default on / delayed discharge of obligations payable by the clearing participant shall be set out in article 26 of the Rules.

10. The procedure and terms conditions for refund of money to the clearing participants on the foreign exchange market, taken into account on its collateral accounts, shall be determined by the Currency Settlement Rules.

11. Refund of money from correspondent accounts of the Clearing Center accounted for in collateral accounts in the internal accounting system of the Clearing Center shall be carried out only if the following positive checks are carried out in the ASTS+ trading and clearing system:

- 1) size of the planned position for money in the collateral account for TCA "S+" / TCA "L+","+", for which a refund request was received, calculated ignoring the money being returned, will not become negative;
 - 2) single limit for TCA "S+" / TCA "L+", for which a refund request was received, calculated ignoring the returned money taken into account in the collateral account, will not become negative in relation to a clearing account for which a check is carried out on the basis of partial collateral or the size of planned positions in money accounted for on the collateral account, for each settlement date, T+ will not become negative in relation to the clearing account for which the check is carried out under full coverage conditions.
12. If for the TCA "S+" / TCA "L+", for which the check is carried out subject to the terms and conditions of partial collateral, the Clearing Center has established a restriction on the minimum permissible value of the single limit, which is a negative value, checks set out in sub-clause 2) clause 11 of this article shall be carried out taking into account the minimum permissible value of the single limit established by the Clearing Center

Article 40. Procedure for conduct of mark-to-market clearing sessions

1. Within the period established by the Regulation, the Clearing Center shall conduct a mark-to-market clearing session on the foreign exchange market for the following purposes:
 - 1) determine new values of risk parameters subject to the Methodology;
 - 2) for each TCA "S+" / TCA "L+" calculate new values of the single limit in order to control sufficiency of collateral;
 - 3) for each TCA "S+" / TCA "L+" determine the size of the margin-call (if available);
 - 4) for each TCA "S+" / TCA "L+" set transfer obligations / requirements for receiving the variation margin;
 - 5) take into account termination of counter debts under currency swap operations / deliverable futures;
 - 6) form transactions on variation margin;
 - 7) generate and send reports to the clearing participants which have a margin-call and/or requirements and/or obligations to transfer and/or requirements to receive variation margin.
2. The margin-call that the clearing participant has as a result of the mark-to-market clearing session must be eliminated by the clearing participant before 14.00 ALT of the current clearing day, by means of:
 - 1) depositing financial instruments (currency accepted as collateral), to correspondent accounts of the Clearing Center, recorded on the corresponding TCA "S+" / TCA "L+";
 - 2) closing transactions that eliminate insufficiency of the collateral.
3. Margin-call shall take place for the clearing participant the single limit on the clearing account of which under transactions with the CCP has become negative following the results of the mark-to-market clearing session. The margin-call amount shall be equal to the absolute value of the specified single limit.
4. Margin-call that has taken place for the clearing participant under TCA "S+" / TCA "L+" shall be considered terminated at the point in time when the single limit for such account becomes non-negative.
5. If the clearing participant fails to discharge margin-call within the period established by clause 2 of this article, such clearing participant shall be recognized as insolvent subject to sub-clause 2) clause 1 article 46 of the Rules.
6. During the mark-to-market clearing session, the obligations to pay the variation margin are determined and other actions provided for in clause 1 of this article are performed, the Clearing Center shall determine the obligations that are counter debts subject to sub-clause 5) clause 1 of this article of the Rules and take into account termination of counter and similar obligations under currency swap

operations / deliverable futures, while first of all, obligations under transactions of currency swap operations / deliverable futures with an earlier date and time of conclusion are terminated.

7. Counter debts under currency swap operations / deliverable futures subject to termination during the settlement and clearing session are understood as obligations under transactions to close currency swap operations / deliverable futures that meet all the following requirements:

- shall be obligations under derivative financial instruments of the same type (delivery or settlement);
- shall be obligations of the opposite direction;
- shall have the same lot currency and settlement currency;
- are obligations with one execution date;
- shall be obligations with identical lots;
- shall be obligations under swap transactions closed on the basis of orders that indicate the same clearing participant code.

8. The Clearing Center shall recalculate net obligations / net claims in tenge with the corresponding settlement date, taking into account the change in the amount of obligations under transactions for closing of currency swap operations / delivery futures, calculated as a product of the settlement price determined on the current settlement day by the number of closed transactions currency swap / delivery futures, obligations under which have not been terminated.

Article 41. List of measures designed for risk management when clearing on the foreign exchange market

1. The list of measures designed for risk management during clearing on the foreign exchange market shall consist of the following elements:

- 1) monitoring of the financial condition of the clearing participant on the foreign exchange market on a periodic basis in order to determine compliance by the clearing participant with the requirements of the category established for such clearing participant, which shall determine the method of ensuring the discharge of obligations under transactions;
- 2) risk parameters of financial instruments of the foreign exchange market as determined subject to the Methodology;
- 3) individual margin rates established by the Management Board of the Clearing Center for certain clearing participants with partial collateral subject to the Clearing Participants Regulation (hereinafter referred to as individual margin rates);
- 4) providing clearing participants with correspondent accounts of the Clearing Center;
- 5) revaluation of net positions and collateral, assessment of market and interest risks;
- 6) control of sufficiency of collateral for transactions with partial collateral by calculating the single limit;
- 7) variation margin;
- 8) restrictions imposed by the Clearing Center on changing the single limit, which do not allow the single limit to decrease below the level determined by the Clearing Center;
- 9) signs of “prohibition of short sales” and “prohibition of uncollateralized purchases” established for trading and clearing accounts of the clearing participant and/or for financial instruments;
- 10) full preliminary control of the collateral of the clearing participant on the foreign exchange market with full coverage or a financial instrument with the presence of the “prohibition of short sales” / “uncollateralized purchases” sign;
- 11) limits for opening net positions of the clearing participant with partial collateral, established by the Management Board of the Clearing Center;
- 12) clearing reserve fund of the foreign exchange market;

- 13) clearing guarantee fund of the foreign exchange market;
- 14) control of sufficiency of guarantee fees of clearing participants of the foreign exchange market with partial collateral to the clearing guarantee fund of the foreign exchange market on a daily basis;
- 15) default settlement procedures;
- 16) limitation of the obligation of the Clearing Center when performing the functions of the central counterparty to discharge net obligations under transactions to clearing participants on the foreign exchange market subject to these Rules.

2. The procedure for establishing / changing price limits for financial instruments shall be carried out in the manner determined by the Methodology.

3. In order to close transactions subject to the terms and conditions of partial collateral in the ASTS+ trading and clearing system, risk parameters shall be established for each financial instrument which are to be used to calculate a single limit for trading and clearing accounts, on the basis of which sufficiency of collateral for obligations on submitted applications and transactions shall be monitored, the settlement date for which has not yet arrived.

In order to close transactions on full coverage terms, the ASTS+ trading and clearing system shall establish the “prohibition of short sales” and/or “prohibition of uncollateralized purchases” sign to control full coverage of monetary obligations for submitted applications and transactions for which the settlement date has not yet arrived:

1) in terms of the trading code of the clearing participant – in this case, all trading and clearing accounts (own and client) of this clearing participant will be checked for compliance with the terms and conditions established by this sign;

2) in terms of specific trading and clearing account of the clearing participant – in this case, only the specified trading and clearing account (own or client) will be checked for compliance with the terms and conditions established by this sign;

3) in terms of financial instruments – in this case, submitted applications and closed transactions on all trading and clearing accounts of all clearing participants for the financial instrument in respect of which the sign is established will be checked for compliance with the terms and conditions established by this indicator.

4. Financial instruments accepted as collateral for execution of transactions with partial collateral shall be financial instruments included in the T+ Collateral List.

5. Clearing participant on the foreign exchange market with partial collateral shall have to ensure that financial instruments are credited to correspondent accounts of the Clearing Center to meet the requirements for adequacy of collateral subject to the terms and conditions established for the category assigned to it and taking into account the specifics established by clause 7 article 2 of the Rules.

6. Clearing participant on the foreign exchange market with partial collateral cannot demand return of the financial instruments kept on its collateral accounts of the Clearing Center when such use will entail a negative value of its single limit on the foreign exchange market.

7. If, according to results of settlements of the last settlement and clearing session, the requirement for the amount of the guarantee fee is not met, the clearing report shall indicate the relevant requirements about the need to replenish the guarantee fee (if it is insufficient).

8. Amount of guarantee fees to the clearing guarantee funds, as well as the procedure for their payment and return, shall be established by article 15 of the Rules.

Article 42. Single limit on the foreign exchange market

1. Purpose of applying the single limit on the foreign exchange market shall be to measure and maintain the level of adequacy of collateral required to submit orders and close transactions on the clearing account of the clearing participant on the foreign exchange market with partial collateral.

2. Single limit on the foreign exchange market shall be calculated separately for the own account of the clearing participant of the TCA “S+” foreign exchange market and separately for the client account of the clearing participant of the TCA “L+” (if there is one).

3. Single limit for the trading and clearing account TCA “S+” / TCA “L+” shall be used for the purposes of:

preliminary control of sufficiency of securing net obligations for transactions with partial collateral when submitting applications for conclusion of transactions with TCA;

maintaining the required level of collateral adequacy for partially collateralized transactions closed using TCA until their execution.

4. Single limit for any TCA shall be calculated when any of the following cases occur:

- 1) when submitting orders to close transactions with TCA;
- 2) when closing a transaction via TCA;
- 3) upon discharge / termination of obligations and requirements under the TCA;
- 4) when depositing / returning collateral to / from TCA;
- 5) when the risk parameters of financial instruments change.

5. Single limit for TCA shall be calculated taking into account:

- 1) collateral accounted for in cash on the TCA;
- 2) net claims and net obligations for money under transactions with partial collateral with all settlement dates;
- 3) net claims and net obligations in money for transactions with foreign currencies for which the sign of “prohibition of short sales” has been established;
- 4) obligations to transfer / requirements to receive variation margin;
- 5) other requirements and obligations subject to the Rules.

6. Single limit, calculated based on results of the mark-to-market clearing session, shall determine the size of the margin-call, a negative value of which means the need to replenish collateral or close transactions that reduce the size of the clearing participant’s outstanding net obligations.

7. Single limit shall be calculated in tenge.

8. The procedure for calculating the Unified Limit shall be the same for all TCA “S+” / TCA “L+”.

9. Single limit for TCA shall be calculated taking into account:

– estimates of the fair value of net obligations, net claims with all settlement dates, collateral accounted for as a claim with settlement date T_0 , for each financial instrument (hereinafter referred to as the Portfolio);

– market risk of Portfolios for each financial instrument;

– interest risk of Portfolios for each financial instrument.

10. Structure of the Single Limit:

- 1) portfolio value in tenge;
- 2) sum of portfolio values for each foreign currency, taking into account market risk;
- 3) amount of interest rate risk of portfolios for each foreign currency.

$$EL = \text{Portfolio}_{KZT} + \sum_{\text{Curr}=1\dots N} \text{Portfolio}_{\text{Curr}} - \sum_{f=1\dots N} \text{IRRisk}_f, \text{ where:}$$

Curr – foreign currency.

11. Value of the Portfolio in tenge shall be calculated as the sum of net obligations and net claims with all settlement dates T_i and the amount of collateral in tenge:

$$\text{Portfolio}_{KZT} = \sum_{T_i=T_0}^{T_n} Q_{KZT T_i} + \text{Collateral}, \text{ where}$$

T_i – date of calculation of the net position;

- T_0 – date of the current trading day;
- T_n – last settlement date on which any net position exists;
- Q_{KZTTi} – net position in tenge with settlement date T_i (with the “+” sign for a net claim, with the “-” sign for a net obligation);
- Collateral – collateral amount in tenge.

12. Cost of the Foreign Currency Portfolio taking into account market risk allows assess its current market value taking into account the risk of deviation from current settlement prices of foreign currency.

The amount of possible deviation in settlement prices shall be characterized by the margin rate or concentration rate applicable depending on the size of the foreign currency portfolio.

Value of the Foreign Currency Portfolio shall be calculated as follows:

$$\text{Portfolio}_{\text{Curr}} = \sum_{T_i=T_0}^{T_n} F_{\text{Curr}T_i} + \begin{cases} \sum_{T_i=T_0}^{T_n} Q_{\text{Curr}T_i} \times X, & \text{if } \left| \sum_{T_i=T_0}^{T_n} Q_{\text{Curr}T_i} \right| \leq L_{\text{conc}} \\ \text{sign}(L_{\text{conc}} \times X + (|\sum_{T_i=T_0}^{T_n} Q_{\text{Curr}T_i}| - L_{\text{conc}}) \times Y), & \text{if } \left| \sum_{T_i=T_0}^{T_n} Q_{\text{Curr}T_i} \right| > L_{\text{conc}} \end{cases}$$

$$X = \begin{cases} PH_{-1_{\text{Curr}}}, & \sum_{T_i=T_0}^{T_n} Q_{\text{Curr}T_i} \leq 0 \\ PL_{-1_{\text{Curr}}}, & \sum_{T_i=T_0}^{T_n} Q_{\text{Curr}T_i} > 0 \end{cases}$$

$$Y = \begin{cases} PH_{-2_{\text{Curr}}}, & \sum_{T_i=T_0}^{T_n} Q_{\text{Curr}T_i} \leq 0 \\ PL_{-2_{\text{Curr}}}, & \sum_{T_i=T_0}^{T_n} Q_{\text{Curr}T_i} > 0 \end{cases}$$

$Q_{\text{Curr}T_i}$ – net position in foreign currency Curr with settlement date T_i (net claim with the “+” sign or net obligation with the “-” sign).

Collateral in foreign currency Curr shall be taken into account as a claim with a settlement date of T_0 when calculating a net position with a settlement date of T_0 ;

$F_{\text{Curr}T_i}$ – forward value of the net position in foreign currency Curr with the settlement date T_i ;

L_{conc} – concentration limit for foreign currency Curr, approved by the Committee and determined subject to the Methodology;

$PH_{-1_{\text{Curr}}}, PL_{-1_{\text{Curr}}}$ – upper and lower limits of the range of market risk assessment for foreign currency Curr as determined from the margin rate and calculated subject to the Methodology;

$PH_{-2_{\text{Curr}}}, PL_{-2_{\text{Curr}}}$ – upper or lower limit of the range of assessment of the second level market risk for foreign currency Curr as determined from the concentration rate and calculated subject to the Methodology;

Sign – $\text{sign} \sum_{T_i=T_0}^{T_n} Q_{\text{Curr}T_i}$, if $\sum_{T_i=T_0}^{T_n} Q_{\text{Curr}T_i} > 0$, then the “+” sign, otherwise the “-” sign.

13. Forward value of net position with a settlement date T_i for a security or foreign currency f shall be calculated as follows:

$$F_{\text{Curr}T_i} = Q_{T_i} \times \text{Rate}_{\text{Curr}T_i}, \text{ where}$$

$\text{Rate}_{\text{Curr}T_i}$ – settlement rate of foreign currency Curr for the settlement date T_i ;

14. Interest rate risk of portfolio for a particular foreign currency shall measure the risk associated with volatility of the settlement prices of foreign currency transactions and/or currency swap operations and/or deliverable futures.

Size of the possible change in interest rates shall be characterized by the interest rate risk or the interest rate risk at concentration which is applicable depending on the size of the net position with a certain settlement date in a certain foreign currency.

Interest rate risk of portfolio in foreign currency shall be a sum of the interest rate risk of all net positions for each settlement date and shall be calculated using the formula:

$$IRRisk_{Curr} = \sum_{Ti=T0}^{Tn} IRRisk_{CurrTi}$$

Interest rate risk of net position for a specific settlement date T_i for a specific foreign currency $Curr$ shall be calculated as follows:

$$IRRisk_{CurrTi} = \begin{cases} Q_{CurrTi} \times (RRH_1_{currTi} - Rate_CurrTi), & \text{if } |Q_{CurrTi}| \leq L_{conc} \text{ и } Q_{CurrTi} < 0; \\ Q_{CurrTi} \times (Rate_CurrTi - RRL_1_{ffTi}), & \text{if } |Q_{CurrTi}| \leq L_{conc} \text{ и } Q_{CurrTi} > 0; \\ Q_{CurrTi} \times (RRH_2_{currTi} - Rate_CurrTi), & \text{if } |Q_{CurrTi}| > L_{conc} \text{ и } Q_{CurrTi} < 0; \\ Q_{CurrTi} \times Rate_CurrTi - RRL_2_{ffTi}), & \text{if } |Q_{CurrTi}| > L_{conc} \text{ и } Q_{CurrTi} > 0; \end{cases} Rate_CurrTi$$

$Rate_Curr_{Ti}$ – settlement rate of foreign currency $Curr$ for the settlement date T_i ;

RRH_1_{CurrTi} , RRL_1_{CurrTi} – upper and lower limits of the range of interest rate risk assessment for foreign currency $Curr$ to be determined from the interest rate risk and calculated subject to the Methodology;

RRH_2_{CurrTi} , RRL_2_{ffTi} – upper and lower limits of the range of interest rate risk assessment of the second level for foreign currency $Curr$ to be determined from the interest rate risk and calculated subject to the Methodology.

Article 43. Variation margin

1. On the day of closing a currency swap operation, variation margin on a currency swap operation shall be calculated using the formula:

$$VM_SwapT = (Rate_Curr_{Ti}(T) - (SwapBaseCurr + PriceSwap)) \times L, \text{ where}$$

VM_SwapT – variation margin for a currency swap operation on the day the currency swap operation is closed;

$Rate_Curr_{Ti}(T)$ – settlement rate of foreign currency $Curr$ for the settlement date T_i as determined on the current trading day (T) subject to the $SwapBaseCurr$ Methodology – the base rate of the currency swap operation as determined subject to the internal documents of the Exchange;

$PriceSwap$ – the price at which the currency swap operation was closed;

L – lot of currency swap operation.

2. Starting from the day following the date of conclusion of the currency swap operation and up to and including the date of discharge of obligations under the transaction of closing the currency swap operation, variation margin for the currency swap operation, obligations under which have not been terminated, shall be calculated according to the formula:

$$VM_SwapTn = (Rate_Curr_{Ti}(Tn) - (Rate_Curr(Tn-1))) \times L, \text{ where}$$

VM_SwapTi – variation margin under transactions of a currency swap operation on a trading day, starting from the day following the date of conclusion of the currency swap operation and until the date of discharge of obligations under the transaction of closing the currency swap operation of the contract, inclusive;

$Rate_Curr_{Ti}(Tn)$ – settlement rate of foreign currency $Curr$ for the settlement date T_i as determined on the trading day (Tn) subject to the Methodology;

$Rate_Curr_{Ti}(Tn-1)$ – settlement rate of foreign currency $Curr$ for the settlement date T_i as determined on the trading day ($Tn-1$) subject to the Methodology;

L – lot of currency swap operation.

3. On the day of conclusion of a transaction with a deliverable futures, variation margin on the deliverable futures shall be calculated using the formula:

$$VM_FWD(T) = (Rate_Curr_{Ti}(T) - PriceFWD) \times L, \text{ where}$$

VM_FWD(T) – variation margin for transaction with a deliverable futures contract on the day of the transaction;

Rate_Curr_{Ti}(T) – settlement rate of foreign currency Curr for the settlement date Ti as determined on the trading day (T) subject to the Methodology;

PriceFWD – price for a transaction with a deliverable futures contract;

L – lot for transaction with a deliverable futures contract.

4. Starting from the day following the date of conclusion of a transaction with a deliverable futures and until the date of discharge of obligations under transaction with a deliverable futures, variation margin for a transaction with a deliverable futures shall be calculated according to the formula:

$$VM_FWD(Tn) = (Rate_Curr_{Ti}(Tn) - (Rate_Curr(Tn-1))) \times L, \text{ where}$$

VM_FWD(Tn) – variation margin for a transaction with a deliverable futures on a trading day, starting from the day following the date of conclusion of the deliverable futures and until the date of discharge of obligations under the deal with a deliverable futures;

Rate_Curr_{Ti}(Tn) – settlement rate of foreign currency Curr for the settlement date Ti as determined on the trading day (Tn) subject to the Methodology;

Rate_Curr_{Ti}(Tn-1) – settlement rate of foreign currency Curr for the settlement date Ti as determined on the trading day (Tn-1) subject to the Methodology;

L – lot for transaction with a deliverable futures contract.

5. For a clearing participant where it is a seller of currency swap operations / deliverable futures, the Clearing Center shall calculate the variation margin using the formula:

$$Vmsell = (- Ni) \times VM, \text{ where}$$

N – the number of closed currency swap operations / deliverable futures with the i-th underlying asset, obligations under which have not been terminated and for which the clearing participant is the seller;

VM – variation margin for currency swap operations / delivery futures, calculated subject to clause 1-4 of this article.

6. For a clearing participant – a buyer for currency swap operations / deliverable futures, the Clearing Center shall calculate the VMbuy value using the formula:

$$VMbuy = N \times VM, \text{ where}$$

Ni – number of closed currency swap operations / deliverable futures with the i-th underlying asset, obligations under which have not been terminated and where the clearing participant is the buyer;

VM – variation margin for currency swap operations / delivery futures calculated subject to clauses 1-4 of this article.

7. If the value calculated subject to clause 4 or 5 of this article is negative, this shall mean that the clearing participant has an obligation to pay variation margin in the amount equal to the absolute value of Vmsell or VMbuy, if positive, it shall mean that the clearing participant has a requirement to receive variation margin in the amount equal to the value of Vmsell or VMbuy.

8. Obligations to pay / requirements to receive variation margin shall be taken into account at the clearing participant's TCA "S+" / TCA "L+".

9. After the payment obligations / claims for receiving variation margin subject to this article are determined and before termination of obligations under currency swap operations / deliverable futures are taken into account subject to clause 6 article 40 of the Rules, the Clearing Center shall:

- 1) for each currency swap operation with a certain underlying asset and the date of discharge of obligations under the transaction for closing the currency swap operation, calculate the amount in tenge that the buyer for the currency swap operation has to pay to the seller for the transaction for closing the currency swap operation, as a product of the settlement price determined on the current settlement day, for the number of closed currency swap operations, obligations under which have not been terminated;
 - 2) for each deliverable futures with a certain underlying asset and execution date, calculate the amount in tenge that the buyer of the deliverable futures has to pay to the seller of the deliverable futures, as a product of the settlement price determined on the current settlement day by the number of transactions closed with deliverable futures, obligations under which have not been terminated;
 - 3) recalculate values of net obligations / net claims in tenge with the corresponding execution date, taking into account the change in the amount of obligations under the transaction closing the currency swap / delivery futures operation, calculated subject to paragraphs 5 and 6 of this article;
 - 4) obligations to pay / claims to receive variation margin shall be set by the Clearing Center for TCA "S+" / TCA "L+" of the clearing participant during the mark-to-market session and shall be included in the main settlement and clearing session for T0 settlements and are subject to execution in the manner determined by the Regulation.
10. Interest on the amount of the variation margin paid and/or received by the Clearing Center shall not be charged or paid.

Article 44. Recognition of the clearing participant as mala fide on the foreign exchange market

1. Clearing participant shall be recognized as a mala fide clearing participant on the foreign exchange market without any decisions being made by the bodies of the Clearing Center upon occurrence of the following:
 - 1) there is no required amount of money on the collateral accounts of this clearing participant to discharge net obligations at the point in time (hereinafter referred to as the cut-off time) before which national or foreign currency must be credited by the clearing participant to the correspondent accounts of the Clearing Center subject to the Currency Settlement Rules (default of net obligations);
 - 2) the clearing participant on the foreign exchange market with partial collateral failed to comply with the requirement to restore the guarantee fee within the period established by clause 3 article 25 (default on the guarantee fee).
2. Clearing participant on the foreign exchange market shall be recognized as mala fide when the terms and conditions of clause 2 article 16 of the Rules are met.
3. If the clearing participant on the foreign exchange market is recognized as mala fide, it shall carry out the general actions set out in article 16 of the Rules.
4. If the clearing participant on the foreign exchange market is recognized as mala fide in case of a default on net obligations, the Clearing Center shall carry out the procedure for transferring the position subject to article 45 of the Rules.
5. If a default occurs in a case set out in sub-clause 2) clause 1 of this article, the clearing division of the Clearing Center shall, before 10.00 ALT of the clearing day following the day of default, submit to the Management Board of the Clearing Center the issue of non-application or application of any measures in relation to the mala fide clearing participant, including removal of the mala fide clearing participant being a member of the Clearing Center from participation in trading in all or individual financial instruments subject to the internal document of the Clearing Center "Clearing Participants Regulation" and/or changing the category of the clearing participant "with partial collateral" to the category "with full coverage" and/or suspension of the clearing services and/or recognition of the mala fide clearing participant as insolvent.

Article 45. Procedure for transferring a position on the foreign exchange market

1. If the clearing participant on the foreign exchange market is recognized as mala fide in case of a default on net obligations, the Clearing Center shall take the following actions set out in clause 3 of this article to settle the outstanding net obligations of the mala fide clearing participant.

2. In order to discharge the net obligations of the Clearing Center to bona fide clearing participants, the Clearing Center shall carry out settlement in any of the following ways:

1) close a foreign currency transaction with the Provider Bank subject to the terms and conditions set out in clause 5 of this article;

2) close a foreign currency transaction with the National Bank subject to the terms and conditions set out in clause 5 of this article;

3) through provision by the National Bank to the Clearing Center as the central counterparty of an "overdraft" loan on the correspondent account of the Clearing Center with the National Bank;

4) using their own funds;

5) if it is impossible to settle the outstanding net obligation of the Clearing Center by all of the above methods, the Clearing Center shall carry out the division procedure subject to article 19 of these Rules and close a foreign currency transaction with each bona fide clearing participant, acting on their behalf, with itself for an amount of outstanding net claims to them as determined based on results of the division procedure, subject to the terms and conditions set out in paragraph 5 of this article.

3. Transfer of discharge of the net obligations of the mala fide clearing participant to the Clearing Center by closing a transaction with foreign currency shall be carried out between the Clearing Center and the mala fide clearing participant, acting on its behalf, subject to the terms and conditions set out in clause 4 of this article, with the exception of sub-clause 5) clause 4 of this article.

Selection of the financial instrument that is the subject of the sale of the transaction to open a foreign currency transaction closed by the Clearing Center on behalf of the mala fide clearing participant as part of the position rollover procedure shall be carried out by the Clearing Center at its own discretion.

The Clearing Center shall have the right to cancel execution of the actions described in paragraph one of this clause if money is received to pay net obligations until the settlement of the outstanding net obligations of the mala fide clearing participant to the Clearing Center.

4. Transaction with foreign currency for the purpose of transferring obligations outstanding by the Clearing Center to bona fide clearing participants shall be closed by the Clearing Center subject to the following terms and conditions:

1) date of discharge of obligations under transactions with foreign currency with an earlier deadline for settlements shall be the day of default on counter net obligations of the mala fide clearing participant to the Clearing Center;

2) period for transactions with foreign currency shall be one day;

3) date of discharge of obligations under a foreign currency transaction with a later settlement date shall be the settlement date following the date of the swap opening transaction;

4) volume of an opening transaction with foreign currency shall be equal to the amount of the outstanding net obligation of the mala fide clearing participant to the Clearing Center. In this case, rounding that occurs due to multiplicity of lots shall be carried out upward;

5) transaction with foreign currency shall be carried out in the direction of purchasing a financial instrument in which the outstanding net obligation of the mala fide clearing participant is expressed;

6) the rate of the opening transaction with foreign currency shall be set equal to the price of the opening transaction of the swap operation $Price_{OPEN}$ to be calculated subject to the internal documents of the Exchange;

7) price of the swap transaction shall be equal to the default settlement rate SD established subject to the Methodology for the currency in which the net obligation that is the object of the position transfer is formed.

5. The Clearing Center, acting on behalf of mala fide as well as on behalf of bona fide clearing participants in relation to itself, shall carry out all legal and actual actions necessary to close

transactions subject to these Rules without special authority (power of attorney), as well as without consent of the mala fide clearing participant and bona fide clearing participants.

6. Mala fide clearing participant, as well as bona fide clearing participants, shall have to discharge obligations under all transactions closed on their behalf by the Clearing Center, carried out to transfer a position subject to this article.

7. The Clearing Center shall have the right to use the security and/or guarantee fees of the mala fide clearing participant on the foreign exchange market to pay penalties / fines established subject to article 26 of the Rules.

Article 46. Recognition of the clearing participant as insolvent on the foreign exchange market

1. The Clearing Division shall submit to the Management Board of the Clearing Center the issue of declaring the clearing participant / mala fide clearing participant on the foreign exchange market as insolvent on the basis of sub-clause 1) clause 1 article 17 in the following cases:

1) in case of a default of the net obligation of the mala fide clearing participant during two previous clearing days in a row until 10.00 ALT of the current clearing day;

2) if the margin-call has not been eliminated within the period established by clause 2 article 40 of the Rules (margin default), no later than 15.00 ALT of the current clearing day;

3) in case of default on / incomplete discharge of the obligation to make a guarantee fee subject to clause 3 article 25 of the Rules by 9.30 ALT of the clearing day following the day on which they must be discharged.

2. In case of a decision of the Management Board of the Clearing Center to recognize the clearing participant as insolvent, the Clearing Center shall carry out procedures to settle the default subject to article 18 of the Rules.

Chapter 5. SPECIFIC FEATURES OF THE DERIVATIVES MARKET

Article 47. Specific features of clearing on the derivatives market

1. The Clearing Center on the derivatives market shall perform functions of the Central Counterparty with derivative financial instruments of the futures section.

2. The Clearing Center shall carry out clearing on a net basis with foreign exchange and stock derivatives.

3. The Clearing Center on the derivatives market shall carry out clearing activities for clearing participants without collateral and with partial collateral.

4. The following shall be opened to clearing participants on the derivatives market for conclusion of transactions and accounting for positions in the trading and clearing system of the derivatives market SPECTRA subject to the requirements imposed by the Exchange when registering clients being users of the trading system:

settlement codes (SC) – own and aggregated client codes designed to record information about collateral of submitted orders and closed transactions, as well as to discharge obligations under such transactions;

aggregated trading and clearing accounts (BF) – own and client ones which are designed to record information about collateral of submitted orders and closed transactions, as well as open positions for a group of segregated trading and clearing accounts;

segregated trading and clearing accounts (TCA) – own and client ones which are intended for submitting orders and conclusion of transactions;

liquidation trading and clearing accounts (SPECBF) – own and client ones which are designed to account for positions on balancing trades closed without submitting orders between the Clearing Center and bona fide clearing participants subject to.

5. Opening / closing of own and client payment codes and aggregated trading and clearing accounts, as well as a liquidation trading and clearing account, shall take place automatically in case of assignment / deprivation of the status of the clearing participant.

Opening / closing of additional settlement codes, aggregated trading and clearing accounts, as well as segregated trading and clearing accounts shall be carried out based on a request submitted by the clearing participant subject to the rules of the Exchange.

Closing of the accounts set out in paragraphs one and two of this clause shall be subject to absence of open positions on derivative financial instruments, outstanding obligations on closed transactions, as well as absence of money accounted for on such accounts.

6. Trading limit:

1) according to own and/or client settlement code, it shall be calculated as the amount of money accounted for in all aggregated trading and clearing accounts associated with such settlement code;

2) with respect to the aggregated trading and clearing account it shall be calculated as the amount of money accounted for on all segregated trading and clearing accounts corresponding to such aggregated trading and clearing account;

3) with respect to the segregated trading and clearing account it shall be calculated as the amount of money accounted for in such trading and clearing account.

7. If trading limit is set for an aggregated trading and clearing account, the Clearing Center shall: change the value of the trading limit on the aggregated trading and clearing account upon fulfillment (termination) of obligations to pay variation margin, commission and clearing fees by the amount of these obligations;

not change the value of the trading limit on the aggregated trading and clearing account when depositing and returning collateral.

8. The Clearing Center shall determine net claims and net obligations for a set of transactions, settlements for which are carried out during any settlement and clearing session in the manner established by the Regulation.

9. In order to determine net claims / net obligations on the trading and clearing account of the clearing participant on the derivatives market, the Clearing Center shall use variation margin, which shall be calculated in the manner determined by the specification of the corresponding derivative financial instrument during the final clearing session by the Clearing Center, and shall consist of the amounts of variation margin under each transaction closed by the clearing participant.

10. The Clearing Center shall have the right to use money accounted for in the own settlement code of the mala fide or insolvent clearing participant on the derivatives market to pay any debt (including penalties) of this clearing participant to the Clearing Center.

Article 48. List of measures design for risk management during clearing on the derivatives market

1. The list of measures designed for risk management during clearing on the derivatives market shall consist of the following elements:

- 1) risk parameters of the derivatives market as determined subject to the Methodology:
 - settlement prices of derivative financial instruments;
 - initial margin rates of derivative financial instruments;
 - limits on concentration of derivative financial instruments;
 - concentration rates of derivative financial instruments;
 - interest rates of derivative financial instruments;

- limiting rates of market and interest risks of derivative financial instruments;
 - upper and lower limits of the spread for derivative financial instruments included in the spread;
 - upper and lower limits of the range of assessment of market risks of derivative financial instruments;
 - upper and lower limits of the range of assessment of interest rate risks of derivative financial instruments;
 - upper and lower limits of the price corridor of derivative financial instruments;
- 2) guarantee provision for clearing participants on the derivatives market;
 - 3) control of sufficiency of the security deposit on the clearing participant's own / client settlement codes of the derivatives market with partial collateral;
 - 4) variation margin;
 - 5) trading limit;
 - 6) clearing guarantee fund of the derivatives market;
 - 7) monitoring sufficiency of guarantee fees of clearing participants on the derivatives market to the clearing guarantee fund of the derivatives market on a daily basis;
 - 8) clearing reserve fund of the derivatives market;
 - 9) default settlement procedures;
 - 10) limitation of obligation of the Clearing Center as the Central Counterparty for discharge of net obligations under transactions to clearing participants on the derivatives market with partial collateral subject to article 21 of the Rules.
2. Procedure for establishing / changing the limits of the price corridor of derivative financial instruments shall be carried out subject to the Methodology.
 3. Limit for opening positions shall be calculated by the clearing division for each clearing participant on the derivatives market depending on the current financial condition of this participant and shall be approved by the Committee.

Article 49. Settlements on the derivatives market. Provision of collateral

1. The Clearing Center is a settlement organization for transactions on the derivatives market.
2. Settlements for transactions on the derivatives market shall be carried out subject to the internal document of the Clearing Center regulating the rules for making settlements on trades on the derivatives market.
3. Depositing money by the clearing participants on the derivatives market in order to ensure discharge of their net obligations on closed transactions, as well as submitting orders and conclusion of transactions, shall be carried out to the correspondent accounts of the Clearing Center within the terms and conditions established by the Currency Settlement Rules.
4. Transfer of money in appropriate currency for purposes set out in clause 5 of this article, shall be carried out by indicating special codes in payment documents indicating the purpose of the payment. The list of such codes shall be posted on the website of the Clearing Center.
5. Financial instrument accepted as collateral for the clearing participant on the derivatives market shall be tenge and foreign currency included in the list of financial instruments taken into account as collateral for obligations under partially collateralized transactions subject to the Procedure for inclusion of financial instruments in the T+ List and the T+ Collateral List.
6. Procedure and terms and conditions for return of money to clearing participants on the foreign exchange market, taken into account on its collateral accounts, is set out in the Currency Settlement Rules.

7. Writing off the money to be taken into account in calculation of the security deposit of the clearing participant on the derivatives market shall be carried out by the Clearing Center subject to the internal document of the Clearing Center regulating the rules for making settlements for trading on the derivatives market based on the order of the clearing participant, subject to the following terms and conditions:

- as a result of such return, the amount of free money calculated for the aggregated trading and clearing account within which the trading and clearing account set out in the request for return of collateral was opened will not become negative;
- as a result of such return, the amount of free money calculated according to the settlement code associated with the aggregated trading and clearing account within which the trading and clearing account set out in the request for return of collateral was opened will not become negative;
- there is no margin-call calculated according to the settlement code associated with this aggregated trading and clearing account, within which the trading and clearing account is opened as set out in a request for return of collateral;
- the amount of return does not exceed the amount of money that is collateral and is accounted for on all trading and clearing accounts associated with a certain aggregated trading and clearing account;
- the amount of return does not exceed the amount of money that is collateral and is accounted for under the settlement code associated with the aggregated trading and clearing account within which the trading and clearing account is opened, set out in the request for return of collateral, reduced by the amount of deferred obligations defined in subject to paragraph 7 article 21 of the Rules.

Article 50. Procedure for conduct of clearing sessions

1. Within the period established by the Regulation, the Clearing Center shall carry out intermediate and final clearing sessions on the derivatives market. For each clearing session, a clearing pool shall be formed, which includes obligations subject to discharge (termination) during such clearing session. Obligations included in the clearing pool of each clearing session shall be terminated in the clearing pool of that clearing session.

2. During the interim clearing session, the Clearing Center:

- 1) shall determine net claims / net obligations of the clearing participant for closed transactions for each settlement code / aggregated trading and clearing account / segregated trading and clearing account;
- 2) calculate the guarantee;
- 3) calculate the trading limit.

3. During the final clearing session, the Clearing Center:

- 1) shall determine new values of risk parameters subject to the Methodology;
- 2) carry out execution of derivative financial instruments with current settlement date subject to the specifications of such financial instruments;
- 3) determine net claims / net obligations of the clearing participant for closed transactions for each settlement code / aggregated trading and clearing account / segregated trading and clearing account;
- 4) carry out execution of final net obligations / final net claims for money according to the settlement codes of the clearing participants;
- 5) discharge obligations of the clearing participants to pay commissions and clearing fees;
- 6) calculate the Security Deposit;
- 7) calculate the Trading Limit;
- 8) fix the margin-call;
- 9) generate and send reports to clearing participants subject to the "Regulation";

10) open and close trading and clearing accounts for clearing participants.

4. In order to reflect net obligations and net claims in the accounting system on the derivatives market, on a daily basis subject to the Regulation, the Clearing Center shall determine net claims / net obligations for a set of transactions for each trading and clearing account / aggregated trading and clearing account / settlement code, in the manner determined by the specification of the relevant derivative financial instrument, guided by the following information recorded in the specified accounts:

– about obligations to transfer and requirements to receive variation margin taken into account on the trading and clearing account / aggregated trading and clearing account / settlement code in each settlement and clearing session;

– about obligations to pay commissions and clearing fees determined subject to the internal document of the Clearing Center “Regulation on entry fees, clearing fees and penalties.”

5. Variation margin shall be determined for each transaction with a derivative financial instrument in the manner determined by the specification of such financial instrument.

6. If there is no data necessary to determine the variation margin established by the Specifications and Methodology, by the time the final clearing session begins, the Management Board of the Clearing Center shall have the right to decide not to determine and execute the variation margin on derivative financial instruments.

7. The margin-call that the clearing participant has as a result of the final mark-to-market clearing session must be eliminated by the clearing participant before 13.00 ALT of the next clearing day by:

1) depositing money to the appropriate payment code;

2) conclusion of transactions that eliminate insufficiency of the collateral.

8. Margin-call shall arise from the clearing participant which has a debt under the settlement code that arose as a result of the final clearing session. The margin-call amount shall be equal to the absolute value of the specified debt.

9. Margin-call that arose to the clearing participant according to the settlement code following the results of the final clearing session shall be deemed terminated at the point in time when the balance of such account becomes non-negative.

10. In case when the clearing participant fails to discharge the margin-call within the timeframe established by clause 2 of this article, such clearing participant shall be recognized as insolvent subject to sub-clause 1) clause 1 article 53 of the Rules.

Article 51. Collateral on the derivatives market. Principles for calculation of guarantee security

1. Collateral of the clearing participant on the derivatives market is used for the purposes of:

preliminary control of sufficiency of security for net obligations under transactions with derivative financial instruments when submitting applications for conclusion of such transactions;

maintaining the required level of adequacy of collateral for closed transactions with derivative financial instruments until the moment of their execution.

2. When calculating the collateral, the Clearing Center shall use the following rules for aggregating accounts:

1) when applying the account aggregation rule – “Net”, position for each instrument shall be calculated by adding volumes of positions taken into account on the trading and clearing account;

2) when applying the account aggregation rule – “Semi-net” – the risks of positions taken into account on trading and clearing accounts shall be calculated, and the largest position in modulus shall be determined from the two sums of the buy and sell positions for all final trading and clearing accounts.

3. The Clearing Center shall calculate the collateral for trading and clearing accounts subject to the following account aggregation rules:

1) for segregated trading and clearing accounts – “semi-net”;

2) for aggregated trading and clearing accounts – “net” or “semi-net”, depending on the account aggregation rule chosen by the clearing participant subject to the application for determining the parameters of an aggregated trading and clearing account, established by annex 4 to the Rules.

If the clearing participant fails to submit an application to determine parameters of the aggregated trading and clearing account, calculation of the collateral shall be carried out subject to the following rules: the rule for aggregating accounts shall be “semi-net”.

Changing the account aggregation rule used in calculation of the collateral shall be carried out in the next clearing session after an application for selection of parameters from the clearing participant;

3) according to settlement codes – “net”.

4. The basis of the algorithm for calculation of the guarantee security shall be scenario approach.

Within the framework of the scenario approach, for each group of derivative financial instruments, a set of scenarios shall be considered for changes in the parameters that determine the prices of derivative financial instruments included in the group:

- futures contract price;
- interest rate curve;
- implied volatility of a futures contract.

Each scenario shall represent a specific set of changes to the above parameters.

5. For each scenario, the financial result of closing all positions on derivative financial instruments that make up the group shall be calculated at prices determined on the basis of this scenario.

6. The amount of collateral calculated for one derivative financial instrument shall be called the basic amount of collateral.

7. Basic amounts of collateral shall be calculated for one purchased and one sold derivative financial instrument.

8. Scenarios for changes in the price of a derivative financial instrument shall be determined by risk parameters of financial instruments of the derivatives market as determined according to the Methodology, and shall be a set of points (scenarios) equidistant from each other, each of which shall represent the price of a derivative financial instrument.

9. Foreign currency accepted as collateral shall be recalculated at the central exchange rate as determined subject to the Methodology, taking into account the restrictive coefficient determining the share of foreign currency that is taken into account in the collateral, established by the Committee.

Article 52. Recognition of the clearing participant as mala fide on the derivatives market

1. The Clearing Center shall recognize the clearing participant on the derivatives market as mala fide if such clearing participant on the derivatives market with partial collateral has not fulfilled the requirement to restore the guarantee fee within the period established by clause 3 article 25 of the Rules (default on the guarantee fee).

2. If the clearing participant on the derivatives market is recognized as mala fide, the Clearing Center shall carry out general actions set out in article 16 of the Rules, as well as the actions established by this article.

3. In case that a mala fide clearing participant fails to discharge the obligation to request replenishment of the guarantee fee subject to clause 3 article 25 of these Rules, the clearing division shall, before 10.00 ALT of the day following the day of default on the guarantee fee, by decision of the Management Board of the Clearing Center, send a recommendation to the Exchange to remove the clearing participant being a member of the Exchange from participating in trading in all or individual financial instruments subject to the internal document of the Clearing Center "Clearing Participants Regulation" and/or the issue of suspension of clearing services and/or the issue of declaring a mala fide clearing participant insolvent.

Article 53. Recognition of the clearing participant as insolvent on the derivatives market

1. The Clearing Division shall submit for consideration to the Management Board of the Clearing Center the issue of recognizing a clearing participant / mala fide clearing participant on the derivatives market as insolvent on the basis of sub-clause 1) clause 1 article 17 of the Rules in the following cases:

- 1) if the margin-call was not eliminated within the period established by clause 7 article 50 of the Rules (margin default), no later than 14.00 ALT of the current clearing day;
- 2) in case of non-fulfillment / incomplete fulfillment of the requirement to replenish the guarantee fee by 9.30 on the clearing day following the day on which they must be fulfilled.

2. In case of a decision by the Management Board of the Clearing Center to recognize the clearing participant as insolvent, the Clearing Center shall carry out procedures to settle the default subject to article 18 of the Rules.

Chapter 6. FINAL PROVISIONS

Article 54. Responsibility of the Clearing Center

1. The Clearing Center, assuming the functions of the CCP, guarantees discharge of the obligations under closed transactions to each bona fide clearing participant, regardless of discharge by other clearing participants of their obligations to the Clearing Center, taking into account the restrictions provided for by article 21 of the Rules and clauses 2 – 4 of this article.

2. The Clearing Center, as the clearing organization that does not perform functions of the CCP, shall not be responsible for the failure to execute transactions without the CCP, as well as for damages or losses incurred as a result of default under transactions without the CCP of any clearing participant.

3. The Clearing Center shall not be responsible for any damages or losses that arise outside its control, and also as a result of the following cases or events:

- 1) occurrence of a failure due to force majeure circumstances (force majeure situations) or other events beyond the control of the Clearing Center;
- 2) mala fide performance by the clearing participant of its obligations subject to the clearing service agreement and these Rules;
- 3) technical problems, partial or complete operational instability of software and hardware systems, errors in input-output procedures when carrying out trading, clearing and settlement procedures, order errors, management of provided collateral for transactions with financial instruments.

Provisions set out in paragraph one of this sub-clause shall not apply if the resulting damages or losses are the result of an intentional action or unacceptable negligence of the Clearing Center or if they are a direct violation of the provisions of the internal documents of the Clearing Center;

4) implementation by the Clearing Center on behalf of the clearing participant of procedures for transfer of positions and procedures for default settlement, including compulsory liquidation procedures, subject to the Rules;

5) implementation by the Clearing Center of recognition of transactions as invalid, subject to article 17 of the Rules.

4. Claims from the clearing participants, including insolvent clearing participants, with respect to damages or losses set out in clause 3 of this article, will not be taken by the Clearing Center.

5. In case of circumstances of insuperable force (force majeure situations, i.e. natural disasters, acts of god, wars, military operations, terrorist acts, civil unrest, changes in laws, actions and decisions of (authorized) regulatory bodies, decisions of local executive authorities, government bodies and officials, including quarantine announcements, and other similar circumstances that the clearing participant could not foresee and which directly affected proper performance by the clearing participant of its duties) or other events related to suspension of the activities of financial market organizations, including in connection with introduction of a state of emergency or occurrence of an emergency situation in populated areas in which the Exchange and/or the Clearing Center and/or the clearing

participant are located, the Management Board of the Clearing Center shall have the right to make a decision to postpone the deadlines for execution of the transactions closed before occurrence of such events in modes with the CCP and without the CCP, in proportion to the time during which force majeure circumstances operated.

Article 55. Procedure for submitting reports to clearing participants and the National Bank

1. Based on results of clearing sessions, the Clearing Center shall send clearing reports to the clearing participants through the eTransfer.kz electronic document exchange system.

2. Clearing reports provided to the clearing participants may contain the following information:

- 1) about net claims and net obligations for each clearing (trading and clearing) account;
- 2) about transactions included in clearing on net basis;
- 3) about sufficiency of the guarantee fee;
- 4) other information provided subject to the characteristics of exchange markets, defined by the Rules and/or Regulations.

3. Upon receipt of clearing reports based on results of the clearing session, clearing participants shall on their own verify the information specified in the reports, and if there are any comments to the said information, send such comments to the Clearing Center.

4. If it agrees with comments of the clearing participants, the Clearing Center shall appropriately eliminate the identified inconsistencies in clearing reports based on results of the clearing session and send adjusted clearing reports to the clearing participants.

In this case, the correct report shall be deemed to be a clearing report based on results of the clearing session, which has a later date and time of report generation.

5. The Clearing Center shall provide the National Bank with:

- 1) on a daily basis – a summary report on net claims and net obligations of clearing participants;
- 2) on a monthly basis:

report on clearing participants of the Clearing Center;

report on financial instruments accepted by the Clearing Center for clearing services;

report on clearing participants which are mala fide in discharge of their obligations under transactions.

6. Conditions and procedure for submission, as well as forms of reports set out in clauses 1-5 of this article, are defined by these Rules, and other internal documents of the Clearing Center, as well as regulatory legal acts of the Republic of Kazakhstan.

Article 56. Procedure for collecting, processing and storing information

1. Every day, the clearing system receives information from the trading system about closed transactions with financial instruments.

2. All information on closed transactions received from the trading system shall be subject to storage in the clearing system and daily backup.

Backup copies of the information set out in paragraph one of this clause shall be protected from an unauthorized access and shall be stored in the backup technical center of the Clearing Center until they are replaced by updated backup copies.

Article 57. Procedure for disposing of information obtained during the implementation clearing activities

1. Information received when the Clearing Center carries out clearing activities with respect to transactions with financial instruments shall be classified as insider information.

2. The procedure for monitoring the use of insider information shall be determined by the internal document of the Clearing Center "Rules for the internal use of insider information."

Article 58. Clearing fees

1. The Clearing Center shall charge clearing fees for clearing transactions in financial instruments.
2. Rates of clearing fees, as well as the procedure and terms and conditions for their payment by the clearing participants shall be established by the internal document of the Clearing Center "Regulation on entrance fees, clearing fees and penalties".
3. Clearing fees for transactions closed by the Clearing Center for the purpose of settling outstanding or improperly discharged obligations in the cases set out in clauses 3-1 article 19 of the Rules may be canceled by decision of the Management Board of the Clearing Center.

Article 59. Final provisions

1. Responsibility for timely introduction of changes and additions to the Rules shall be borne by the clearing division.
2. The Rules shall be subject to updating as necessary but at least once every three years.

Chairman of the Management Board

Sabitov I.M.

Annex 1

to the Rules of conduct of clearing activities under transactions with financial instruments

[on a letterhead with reference number and date of the application]

KASE Clearing
Center JSC

APPLICATION

for appointment of authorized trading participant with respect to clearing account of the clearing participant

[Full name of the clearing participant] (hereinafter the clearing participants) asks KASE Clearing Center JSC to appoint, subject to the following list, Authorized Trading Participants with respect to clearing clients of custodial accounts of the clearing participant (hereinafter the clearing accounts) and peg them to trading and clearing accounts of second level of the Authorized Trading Participant (hereinafter – TCA 2 level) opened for conclusion of transactions to the benefit of clients of the clearing participant with the use of relevant clearing accounts for collateral and discharge of claims and obligations under transactions to be closed with TCA 2 level.

Clearing participant

(full name of the organization)

- Additionally to the earlier submitted one
- To replace the earlier submitted one

Authorized trading participant	Number of clearing account of the clearing participant

[Position of the chief executive]

[signature]

[Surname, initials]

Annex 2

to the Rules of conduct of clearing activities under transactions with financial instruments

**APPLICATION
for refund of guarantee fee**

KASE Clearing Center JSC

(clearing participant)	Date of filing the application
	Time of filing the application

Hereby the above-mentioned clearing participant asks the Clearing Center to refund the guarantee deposit which was credited to the clearing guarantee fund according to the following details:

Guarantee fee to the clearing guarantee fund (Tick ✓ the applicable)	Amount of currency to be refunded (in figures and in words)	Banking details
<input type="checkbox"/> derivatives market		
<input type="checkbox"/> stock market		
<input type="checkbox"/> currency market		

[Position of the chief executive]

[signature]

[Surname, initials]

[Position of the chief accountant]

[signature]

[Surname, initials]

Annex 3

to the Rules of conduct of clearing activities under transactions with financial instruments

APPLICATION

**to assign the sign of voluntary provider
with respect to the client clearing account on the stock market**

We hereby request KASE Clearing Center JSC (hereinafter referred to as the Clearing Center) to assign to the clearing participant [**full name of the clearing participant according to the certificate (other document) of its state registration (recent state re-registration)**] (hereinafter referred to as the Clearing Participant) the sign of voluntary provider in relation to the client trading and clearing accounts from the list below for conclusion with their use of positions transfer transactions subject to the internal document of the KASE Clearing Center "Rules for clearing activities under transactions with financial instruments" when the KASE Clearing Center performs the functions of the central counterparty on the stock market - repo transactions for a period of 1 day with the Sell / Buy direction at the default settlement rate SD, established subject to the internal documents of the KASE Clearing Center "Methodology for determining risk parameters of financial instruments".

We hereby declare:

- acquaintance with the terms and conditions for conclusion of transfer transactions in order to settle defaults of mala fide clearing participants on the stock market carried out by the Clearing Center subject to the internal documents of the Clearing Center "Rules for clearing activities under transactions with financial instruments", "Methodology for determining risk parameters of financial instruments" and other internal documents of the Clearing Center related to its clearing activities and performance of the functions of the central counterparty;
- unconditional consent to all the terms and conditions and requirements established by the above-mentioned and other internal documents of the Clearing Center related to clearing activities and performance of the functions of the central counterparty;
- availability of documented instructions from clients received in relation to the client trading and clearing accounts listed below.

List of client trading and clearing accounts for use for conclusion of positions transfer transactions [fill in the table]

No.	Number of the client trade and clearing account of the clearing participant
1.	
2.	
3.	
...	

[Position of the chief executive]

[signature]

[surname, initials]

Annex 4

to the Rules of conduct of clearing activities under transactions with financial instruments

APPLICATION
to determine parameters of aggregated trading and clearing account

Hereby [full name of the clearing participant (hereinafter referred to as the clearing participant) asks KASE Clearing Center JSC to fix the following parameters for the following aggregated trading and clearing accounts:

Code of aggregated trading and clearing account	Type of rules of account aggregation when calculating Security Deposit ²
XXYY000	

² The rule is established: 1 – Semi-netting, 2 – Netting.

Annex 5

to the Rules of conduct of clearing activities under transactions with financial instruments

**Property Pool
AGREEMENT
(hereinafter the 'Agreement')**

<p>The Agreement is an accession agreement and defines standard terms and conditions for provision of services by KASE Clearing Center JSC to Pool Participants for issue, servicing and redemption of clearing participation certificates.</p>	<p>Договор является договором присоединения, и определяет стандартные условия оказания АО "Клиринговый центр KASE" услуг Участникам пула по выпуску, обслуживанию и погашению клиринговых сертификатов участия.</p>
<p>1. Terms and definitions Clearing center – KASE Clearing Center JSC;</p> <p>Application to open / close a trading and clearing account of the property pool – a written application of the Pool Participant in the form established by the Clearing Center to accede to the Agreement and open a trading and clearing account of the property pool filled out by the Pool Participant;</p> <p>Property pool – a separate set of securities and money, including in foreign currency, formed by the Clearing Center subject to the Clearing Rules, contributed by clearing participants to ensure issue of clearing participation certificates;</p> <p>Pool Participant – a Clearing Participant which has acceded to the Agreement on the basis of an Application for Accession to the Agreement submitted and accepted by the Clearing Center in the manner prescribed by the Clearing Rules;</p> <p>Clearing Rules – an internal document of the Clearing Center “Rules for clearing activities under transactions with financial instruments”;</p> <p>Application for Accession to the Agreement – an Application to open a trading and clearing account of the property pool;</p> <p>Parties – the Clearing Center and the Pool Participant which has acceded to the Agreement.</p> <p>Concepts and terms contained in the</p>	<p>1. Термины и определения Клиринговый центр – АО "Клиринговый центр KASE";</p> <p>Заявление об открытии / закрытии торгово-клирингового счета имущественного пула – письменное заявление Участника пула по форме Клирингового центра о присоединении к Договору и открытии торгово-клирингового счета имущественного пула, заполненное Участником пула;</p> <p>Имущественный пул – сформированная Клиринговым центром в соответствии с Правилами клиринга обособленная совокупность ценных бумаг и денег, в том числе в иностранной валюте, вносимых клиринговыми участниками для обеспечения выпуска клиринговых сертификатов участия;</p> <p>Участник пула – Клиринговый участник, присоединившийся к Договору на основании поданного и принятого Клиринговым центром Заявления о присоединении к Договору в порядке, предусмотренном Правилами клиринга;</p> <p>Правила клиринга – внутренний документ Клирингового центра "Правила осуществления клиринговой деятельности по сделкам с финансовыми инструментами";</p> <p>Заявление о присоединении к Договору – Заявление об открытии торгово-клирингового счета имущественного пула;</p> <p>Стороны – Клиринговый центр и Участник</p>

<p>Agreement shall be used in the meanings established by the laws of the Republic of Kazakhstan, internal documents of the Clearing Center: Clearing Rules, Clearing Participants Regulation and other internal documents of the Clearing Center regulating the clearing activities of the Clearing Center, posted on the Internet resource of the Clearing Center.</p>	<p>пула, присоединившийся к Договору.</p> <p>Понятия и термины, содержащиеся в Договоре, используются в значениях, установленных законодательством Республики Казахстан, внутренними документами Клирингового центра: Правилами клиринга, Положением о клиринговых участниках и иными внутренними документами Клирингового центра, регулирующими клиринговую деятельность Клирингового центра, размещенными на интернет-ресурсе Клирингового центра.</p>
<p>2. General provisions</p> <p>2.1. The Agreement is an accession agreement entered into by and between the Parties subject to provisions of article 389 of the Civil Code of the Republic of Kazakhstan, terms and conditions of which can be accepted by the Pool Participant only by acceding to the Agreement as a whole.</p> <p>2.2. Accession of the Pool Participant to the Agreement shall not exempt it from discharge of its obligations under the Clearing Services Agreement.</p> <p>2.3. The Agreement shall be posted on the Internet resource of the Clearing Center</p> <p>2.4. Subject to the Agreement, the Pool Participant shall instruct, and the Clearing Center shall undertake to issue clearing participation certificates, clearing servicing in relation to repo transactions with clearing participation certificates to be entered into by the Pool Participant and/or the Trading Participant authorized by it in the trading system of the Clearing Center, in the manner and subject to the terms and conditions established by the laws of the Republic of Kazakhstan, the Rules for implementation of clearing activities under transactions with financial instruments (hereinafter referred to as the Clearing Rules), Instructions for issue, placement, circulation and redemption of clearing participation certificates (hereinafter referred to as the CPC Instructions) and other internal documents of the Clearing Center related to the clearing activities of the Clearing Center.</p> <p>2.5. Terms and conditions to enter into / terminate the Agreement shall be determined by the Clearing Rules, the CPC Instructions and other internal documents of the Clearing Center related to the clearing activities of the Clearing Center.</p> <p>2.6. Transaction with a person connected with the Clearing Center by special relations can be carried out only by decision of the Board of Directors of the Clearing Center, except for cases where the standard terms and conditions of such transactions are approved by the Board of Directors of the Clearing</p>	<p>2. Общие положения</p> <p>2.1. Договор является договором присоединения, заключаемым Сторонами в соответствии с положениями статьи 389 Гражданского кодекса Республики Казахстан, условия которого могут быть приняты Участником пула не иначе, как путем присоединения к Договору в целом.</p> <p>2.2. Присоединение Участника пула к Договору не освобождает его от исполнения обязательств по Договору о клиринговом обслуживании.</p> <p>2.3. Договор опубликован на интернет-ресурсе Клирингового центра</p> <p>2.4. В соответствии с Договором Участник пула поручает, а Клиринговый центр обязуется осуществлять выпуск клиринговых сертификатов участия, клиринговое обслуживание в отношении сделок репо с клиринговыми сертификатами участия, заключаемых Участником пула и (или) уполномоченным им Участником торгов в торговой системе Клирингового центра, в порядке и на условиях, установленных законодательством Республики Казахстан, Правилами осуществления клиринговой деятельности по сделкам с финансовыми инструментами (далее – Правила клиринга), Инструкцией по выпуску, размещению, обращению и погашению клиринговых сертификатов участия (далее – Инструкция КСУ) и иными внутренними документами Клирингового центра, относящимися к клиринговой деятельности Клирингового центра.</p> <p>2.5. Условия заключения / расторжения Договора определены Правилами клиринга, Инструкцией КСУ и иными внутренними документами Клирингового центра, относящимися к клиринговой деятельности Клирингового центра.</p> <p>2.6. Сделка с лицом, связанным с Клиринговым центром особыми отношениями, может быть осуществлена только по решению Совета директоров Клирингового центра, за исключением случаев, когда типовые условия таких сделок утверждены Советом директоров</p>

<p>Center.</p> <p>3. Terms and conditions for accession to the Agreement</p> <p>3.1. The Clearing Participant shall accede to the Agreement by signing the Application for opening a trading and clearing account of the property pool and accepting it by the Clearing Center.</p> <p>3.2. By signing the Application for Accession to the Agreement, the Pool Participant confirms and agrees that it:</p> <ul style="list-style-type: none"> - received, read, understood and agreed with the provisions of the standard terms and conditions of the Agreement in full, without any comments or objections, and undertakes to comply with all provisions of the Agreement in timely manner and in full; - assumes all possible adverse consequences of non-discharge and/or improper discharge of the provisions of the Agreement; - The Pool Participant agrees with all the terms and conditions and procedure for provision by the Clearing Center of the services provided for in the Agreement; - all provisions of the Agreement fully comply with the interests and will of the Pool Participant; - Pool Participant does not have the right to refer to the absence of his signature in the Agreement as evidence that he has not read/understood/accepted the Agreement if the Clearing Center has a copy of the Application for Accession to the Agreement. 	<p>Клирингового центра.</p> <p>3. Условия присоединения к Договору</p> <p>3.1. Клиринговый участник присоединяется к Договору путем подписания Заявления об открытии торгового-клирингового счета имущественного пула и принятия его Клиринговым центром.</p> <p>3.2. Подписывая Заявление о присоединении к Договору, Участник пула подтверждает и соглашается с тем, что:</p> <ul style="list-style-type: none"> - получил, прочитал, понял и согласился с положениями стандартных условий Договора в полном объеме, без каких-либо замечаний и возражений, и обязуется своевременно и в полном объеме выполнять все положения Договора; - принимает на себя все возможные неблагоприятные последствия неисполнения и / или ненадлежащего исполнения положений Договора; - Участник пула соглашается со всеми условиями и порядком осуществления Клиринговым центром услуг, предусмотренных Договором; - все положения Договора в полной мере соответствуют интересам и волеизъявлению Участника пула; - Участник пула не вправе ссылаться на отсутствие его подписи в Договоре, как доказательство того, что Договор не был им прочитан / понят / принят, если у Клирингового центра имеется экземпляр Заявления о присоединении к Договору.
<p>4. Rights and obligations of the Parties</p> <p>4.1. The Clearing Center shall undertake to:</p> <p>1) provide the Pool Participant which has acceded to the Agreement with clearing and other clearing-related services subject to the Clearing Services Agreement, the Clearing Rules and other internal documents related to the clearing activities of the Clearing Center. Composition of the services, terms and conditions and procedure for their provision, amount and procedure for payment, as well as other rights and obligations of the parties related to the clearing service of the financial instrument "clearing certificate of participation" shall be established by the Clearing Services Agreement, the Agreement, the Clearing Rules and other internal documents related to the clearing activities of the Clearing Center;</p> <p>2) carry out formation of the property pool and issue of the clearing participation certificates for the purpose of conclusion of repo transactions with clearing participation certificates to be entered into by the Pool Participant subject to the terms and conditions and in the manner established by the Clearing</p>	<p>4. Права и обязанности Сторон</p> <p>4.1. Клиринговый центр обязуется:</p> <p>1) оказывать Участнику пула, присоединившемуся к Договору клиринговые и иные связанные с клирингом услуги в соответствии с Договором о клиринговом обслуживании, Правилами клиринга и иными внутренними документами, относящимися к клиринговой деятельности Клирингового центра.</p> <p>Состав услуг, условия и порядок их оказания, размер и порядок оплаты, а также иные права и обязанности сторон, связанные с клиринговым обслуживанием финансового инструмента "клиринговый сертификат участия", устанавливаются Договором о клиринговом обслуживании, Договором, Правилами клиринга и иными внутренними документами, относящимися к клиринговой деятельности Клирингового центра;</p> <p>2) осуществлять формирование имущественного пула и выпуск клиринговых сертификатов участия в целях заключения сделок репо с клиринговыми сертификатами участия, заключаемых Участником пула на</p>

<p>Rules and other internal documents of the Clearing Center related to the clearing activities of the Clearing Center and requirements of the laws of the Republic Kazakhstan;</p> <p>2) post a decision on formation of the property pool on the Internet resource of the Clearing Center within the time limits provided for by the Clearing Rules;</p> <p>3) discharge other obligations provided for by the laws of the Republic of Kazakhstan and internal documents of the Clearing Center.</p> <p>4.2. The Pool Participant shall undertake to:</p> <p>1) add property to the property pool;</p> <p>2) in case of a decrease in value of the property contributed to the pool, at the request of the Clearing Center, add additional property to the pool;</p> <p>3) properly discharge all obligations arising as a result of formation of the property pool and conclusion by the Pool Participant of repo transactions with clearing participation certificates;</p> <p>4) comply with the terms and conditions and obligations provided for in the Agreement.</p> <p>4.3. The Clearing Center shall have the right to:</p> <p>1) unilaterally make changes to the Agreement (including by approving them in a new version) and other documents of the Clearing Center for clearing activities (with or without the Clearing Center performing the function of the central counterparty), including with the use of the clearing participation certificates. Moreover, such changes shall be posted on the Internet resource of the Clearing Center;</p> <p>2) determine the obligations of the Pool Participant, including contribution of additional property to the property pool;</p> <p>3) repay clearing certificates of property without presenting a claim to the Pool Participant, if the nominal value of the clearing participation certificates issued to the Pool Participant exceeds the value of the property contributed to the pool;</p> <p>4) demand from the Pool Participant proper compliance with the terms and conditions of the Agreement;</p> <p>5) refuse to perform the Agreement unilaterally if the Pool Participant fails to discharge the obligations provided for by the Agreement and the laws of the Republic of Kazakhstan;</p> <p>6) interact with other organizations and institutions in order to properly discharge their obligations under the Agreement;</p> <p>7) exercise other rights provided for by the Agreement, the Clearing Rules and other internal documents of the Clearing Center</p>	<p>условиях и в порядке, установленном Правилами клиринга и иными внутренними документами Клирингового центра, относящимися к клиринговой деятельности Клирингового центра и требованиями законодательства Республики Казахстан;</p> <p>2) публиковать решение о формировании имущественного пула на интернет-ресурсе Клирингового центра в сроки, предусмотренные Правилами клиринга;</p> <p>3) выполнять иные обязательства, предусмотренные законодательством Республики Казахстан и внутренними документами Клирингового центра.</p> <p>4.2. Участник пула обязуется:</p> <p>1) внести имущество в имущественный пул;</p> <p>2) в случае снижения стоимости внесенного в пул имущества, по требованию Клирингового центра внести в пул дополнительное имущество;</p> <p>3) надлежащим образом выполнять все обязательства, возникающие в результате формирования имущественного пула и заключения Участником пула сделок репо с клиринговыми сертификатами участия;</p> <p>4) соблюдать условия и обязанности, предусмотренные Договором.</p> <p>4.3. Клиринговый центр вправе:</p> <p>1) в одностороннем порядке вносить изменения в Договор (в том числе путем их утверждения в новой редакции) и иные документы Клирингового центра по клиринговой деятельности (с или без осуществления Клиринговым центром функции центрального контрагента), в том числе с использованием клиринговых сертификатов участия. При этом такие изменения публикуются на интернет-ресурсе Клирингового центра;</p> <p>2) определять обязательства Участника пула, в том числе по внесению в имущественный пул дополнительного имущества;</p> <p>3) осуществить погашение клиринговых сертификатов имущества без предъявления требования Участнику пула, в случае если номинальная стоимость выданных Участнику пула клиринговых сертификатов участия превышает стоимость внесенного в пул имущества;</p> <p>4) требовать от Участника пула надлежащего выполнения условий Договора;</p> <p>5) отказаться от исполнения Договора в одностороннем порядке при невыполнении Участником пула обязательств, предусмотренных Договором и законодательством Республики Казахстан;</p> <p>6) взаимодействовать с иными организациями и учреждениями в целях надлежащего выполнения своих обязательств, предусмотренных Договором;</p> <p>7) осуществлять иные права, предусмотренные</p>
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<p>related to the clearing activities of the Clearing Center and the laws of the Republic of Kazakhstan.</p> <p>4.4. Pool participant shall have the right to:</p> <ol style="list-style-type: none"> 1) contribute any property that is accepted into the property pool according to the list approved by the Management Board of the Clearing Center; 2) withdraw the contributed property from the pool when replacing it with another property of equal value; 3) unilaterally repudiate the Agreement, provided that there are no outstanding obligations under the Agreement and transactions closed on the Exchange and non-compliance with the requirements stipulated by the laws of the Republic of Kazakhstan; 4) exercise other rights provided for by the Agreement and the laws of the Republic of Kazakhstan. 	<p>Договором, Правилами клиринга, иными внутренними документами Клирингового центра, относящимися к клиринговой деятельности Клирингового центра и законодательством Республики Казахстан.</p> <p>4.4. Участник пула вправе:</p> <ol style="list-style-type: none"> 1) вносить любое имущество, которое принимается в имущественный пул согласно перечню, утвержденному Правлением Клирингового центра; 2) изымать из пула внесенное имущество при замене его другим, равноценным по стоимости; 3) отказаться от исполнения Договора в одностороннем порядке при условии отсутствия невыполненных обязательств по Договору и заключенным на Бирже сделкам и не соблюдения требований, предусмотренных законодательством РК; 4) осуществлять иные права, предусмотренные Договором, и законодательством Республики Казахстан.
<p>5. Relations of the Pool Participant with the clients of the Pool Participant</p> <p>5.1. The Agreement shall not create and, as a result, shall not regulate relations between the Clearing Center and the clients of the Pool Participant.</p> <p>Relations of the Pool Participant with its client(s) arising, in particular, in connection with execution of transactions in the interests of such client(s), discharge and/or termination of obligations from them, including as a result of clearing, shall be regulated first of all by the laws of the Republic of Kazakhstan and agreements entered into by and between the Pool Participant and its client(s). Despite possible references in the agreement entered into by and between the Pool Participant with its client(s) to the Clearing Rules and other internal documents of the Clearing Center related to the clearing activities of the Clearing Center, such documents shall under no circumstances replace such agreement.</p> <p>No provisions of the Clearing Rules and/or other internal documents related to the clearing activities can be interpreted as the terms and conditions of the agreement by and between the Clearing Center and the client(s) of the Pool Participant.</p>	<p>5. Отношения Участника пула с клиентами Участника пула</p> <p>5.1. Договор не создает и, как следствие, не регулируют отношения между Клиринговым центром и клиентами Участника пула.</p> <p>Отношения Участника пула с его клиентом (клиентами), возникающие, в частности, в связи с совершением сделок в интересах такого клиента (таких клиентов), исполнением и (или) прекращением обязательств из них, в том числе в результате клиринга, регулируются в первую очередь законодательством Республики Казахстан и договорами, заключенными между Участником пула и его клиентом (клиентами). Невзирая на возможные ссылки в договоре, заключенном Участником пула с его клиентом (клиентами), на Правила клиринга, и иные внутренние документы Клирингового центра, относящиеся к клиринговой деятельности Клирингового центра, такие документы ни при каких условиях не заменяют собой такой договор.</p> <p>Никакие положения Правил клиринга и / или иных внутренних документов, относящихся к клиринговой деятельности, не могут толковаться как условия договора между Клиринговым центром и клиентом (клиентами) Участника пула.</p>
<p>6. Responsibility of the Parties</p> <p>6.1. For default on and/or improper discharge of obligations under the Agreement, the Pool Participant shall bear property obligation subject to the laws of the Republic of Kazakhstan.</p> <p>6.2. In case of default on its obligations under the Agreement, the clearing participant shall pay penalties (fines) when they are assessed</p>	<p>6. Ответственность Сторон</p> <p>6.1. За неисполнение и (или) ненадлежащее исполнение обязательств по Договору Участник пула несет имущественную ответственность в соответствии с законодательством Республики Казахстан.</p> <p>6.2. В случае невыполнения своих обязательств, предусмотренных Договором, клиринговый участник уплачивает неустойки</p>

<p>by the Clearing Center, and also make other payments and/or reimburse expenses of the Clearing Center in amount and in manner provided for by the Rules for clearing activities under transactions with financial instruments and the Regulation on entry fees, clearing fees and penalties;</p> <p>6.3. The Clearing Center shall be responsible only for repo transactions with clearing participation certificates closed by the Pool Participant for which it performs functions of the central counterparty. In this case, obligation of the Clearing Center shall be limited subject to the Clearing Rules and other internal documents of the Clearing Center related to the clearing activities of the Clearing Center.</p> <p>6.4. The Clearing House shall not be liable for any damages or losses that arise outside its established control.</p> <p>6.5. The parties shall be exempt from obligation for partial or complete default on obligations under the Agreement, which was a consequence of occurrence of force majeure circumstances, for duration of such circumstances. If duration of force majeure circumstances is more than 30 calendar days, the Parties shall have the right to terminate the Agreement by notifying another Party at least 10 calendar days before the planned date of termination of the Agreement.</p>	<p>(штрафы) при их начислении Клиринговым центром, а также осуществляет другие платежи и (или) возмещает расходы Клирингового центра в размере и порядке, предусмотренном Правилами осуществления клиринговой деятельности по сделкам с финансовыми инструментами и Положением о вступительных взносах, клиринговых сборах и неустойках;</p> <p>6.3. Клиринговый центр несет ответственность только по тем сделкам репо с клиринговыми сертификатами участия, заключенным Участником пула, по которым исполняет функции центрального контрагента. При этом ответственность Клирингового центра ограничивается в соответствии с Правилами клиринга и иными внутренними документами Клирингового центра, относящимися к клиринговой деятельности Клирингового центра.</p> <p>6.4. Клиринговый центр не несет ответственность за какие-либо убытки или потери, которые возникли вне принятых ею рамок контроля.</p> <p>6.5. Стороны освобождаются от ответственности за частичное или полное неисполнение обязательств по Договору, которое явилось следствием возникновения обстоятельств непреодолимой силы, на время действия таких обстоятельств. Если длительность действия обстоятельств непреодолимой силы составит более 30 календарных дней, Стороны вправе расторгнуть Договор, уведомив об этом другую Сторону не менее, чем за 10 календарных дней до планируемой даты расторжения Договора.</p>
<p>7. Force majeure circumstances</p> <p>7.1. Force majeure circumstances shall mean:</p> <ol style="list-style-type: none"> 1) natural disasters, earthquakes, floods, mudflows, fires and other natural disasters that result in the impossibility to discharge or prevent the Party from discharge of its obligations and take place at the location of the head office of the Party referring to these natural disasters; 2) war, military actions of any nature, blockade, terrorist acts, revolutions, civil unrest, strikes, lockouts, resulting in the impossibility of discharging or preventing the Party from discharge of its obligations and occurring at the location of the head office (main bank, headquarters, etc.) of the party referring to the events specified in this clause; 3) embargoes established by government bodies, prohibitions and restrictions established by regulatory legal acts of the Republic of Kazakhstan, including introduction of a state of emergency on the territory of the Republic of Kazakhstan or its individual parts, acts of authorized state bodies and local executive bodies, including quarantine 	<p>7. Обстоятельства непреодолимой силы</p> <p>7.1. Под обстоятельствами непреодолимой силы понимаются:</p> <ol style="list-style-type: none"> 1) природные катастрофы, землетрясения, наводнения, сели, пожары и иные стихийные бедствия, повлекшие невозможность исполнения или препятствующие исполнению Стороной своих обязательств и происходящие в месте нахождения головного офиса Стороны, ссылающейся на указанные стихийные бедствия; 2) война, военные действия любого характера, блокада, террористические акты, революции, народные волнения, забастовки, локауты, повлекшие невозможность исполнения или препятствующие исполнению Стороной своих обязательств и происходящие в месте нахождения головного офиса (главного банка, штаб-квартиры и т.д.) Стороны, ссылающейся на указанные в настоящем пункте события; 3) эмбарго, установленные государственными органами, запреты и

announcements, lawful blocking or changes in the laws of the Republic of Kazakhstan, including states other than the Republic of Kazakhstan, resulting in the impossibility to discharge or preventing the Party from discharge of its obligations under the Agreement and occurring at the location of the head office of the Party referring to the events specified in this clause;

4) malfunction of the software and hardware of the Clearing Center or other infrastructure entities of the organized securities market, foreign exchange market, derivatives market and other sections of exchange markets, activities of which may significantly affect the discharge by the Clearing Center of its obligations under the Agreement;

5) temporary suspension or complete cessation of operations of servicing banks, as well as other circumstances, occurrence of which makes it impossible to discharge or prevents the Party from discharge of its obligations under the Agreement and taking place at the location of the head office of the Party referring to the events specified in this clause.

7.2. A document confirming occurrence of a force majeure circumstance from those specified in sub-clauses 1)-3) clause 7.1. of the Agreement, and duration of their existence shall be a certificate of the Chamber of Commerce and Industry of the Republic of Kazakhstan or other competent body (organization) of the relevant state, with the exception of circumstances broadly covered in the media, or arising from regulatory legal acts of the Republic of Kazakhstan, acts of authorized bodies and local executive bodies.

7.3. Document which confirms occurrence of a force majeure circumstance, which is specified in sub-clause 4) clause 7.1. of the Agreement, and duration of its validity, shall be a certificate signed by the chief executive officer of the Clearing Center, or a relevant opinion of the Clearing Center.

The certificate must be submitted by the Clearing Center within 7 business days after the circumstance specified in sub-clause 4) clause 7.1. of the Agreement take place.

7.4. The Pool Participant shall have to immediately notify the Clearing Center of occurrence of a force majeure event, its expected duration and its termination.

7.5. The Party shall not be liable for default on or improper discharge of its obligations under the Agreement when it has been caused by a failure of another Party to discharge its obligations under the Agreement or as provided for by the laws of the Republic of Kazakhstan governing the relations of the

ограничения, установленные нормативными правовыми актами Республики Казахстан, в том числе введение чрезвычайного положения на территории Республики Казахстан или отдельных ее частях, актов уполномоченных государственных органов и местных исполнительных органов, в том числе объявления карантина, правомерные блокировки или изменение законодательства Республики Казахстан, в том числе других, помимо Республики Казахстан, государств, повлекшие невозможность исполнения или препятствующие исполнению Стороной своих обязательств по Договору и происходящие в месте нахождения головного офиса Стороны, ссылающейся на указанные в настоящем пункте события;

4) неисправность программно-технических средств Клирингового центра или иных субъектов инфраструктуры организованного рынка ценных бумаг, валютного рынка, рынка деривативов и иных секций биржевых рынков, чья деятельность может существенно влиять на выполнение Клиринговым центром своих обязательств по Договору;

5) временное приостановление или полное прекращение функционирования обслуживающих банков, а также иные обстоятельства, возникновение которых влечет невозможность исполнения или препятствует исполнению обязательств Стороной по Договору и происходящие в месте нахождения головного офиса Стороны, ссылающейся на указанные в настоящем пункте события.

7.2. Документом, подтверждающим факт наступления обстоятельства непреодолимой силы из тех, которые указаны в подпунктах 1)-3) пункта 7.1. Договора, и длительность их действия, является свидетельство Торгово-промышленной палаты Республики Казахстан или иного компетентного органа (организации) соответствующего государства, за исключением обстоятельств, широко освещенных в средствах массовой информации, или возникших из нормативных правовых актов Республики Казахстан, актов уполномоченных органов и местных исполнительных органов.

7.3. Документом, подтверждающим факт наступления обстоятельства непреодолимой силы, которое указано в подпункте 4) пункта 7.1. Договора, и длительность его действия, является справка, подписанная первым руководителем Клирингового центра, или соответствующее заключение Клирингового центра.

Справка должна быть представлена Клиринговым центром в течение 7 рабочих дней с момента возникновения обстоятельства, указанного в подпункте 4) пункта 7.1. Договора.

<p>Parties under the Agreement.</p> <p>7.6. Payment by the Party of the penalty (fine) provided for in the Agreement shall not exempt such Party from discharge of its obligations under the Agreement.</p>	<p>7.4. Участник пула обязан незамедлительно известить Клиринговый центр о наступлении обстоятельства непреодолимой силы, предполагаемом сроке его действия и его прекращении.</p> <p>7.5. Сторона не несет ответственность за неисполнение или ненадлежащее исполнение своих обязательств по Договору, если это было вызвано неисполнением другой Стороной своих обязательств по Договору или предусмотренных законодательством Республики Казахстан, регулируемыми отношения Сторон по Договору.</p> <p>7.6. Уплата Стороной неустойки (штрафа), предусмотренной Договором не освобождает данную Сторону от исполнения принятых на себя обязательств по Договору.</p>
<p>8. Confidential information</p> <p>8.1. By providing the Clearing Center with an Application to accede to the Agreement, the Pool Participant thereby gives it its irrevocable and unconditional consent to disclosure by the Clearing Center, subject to the requirements of the laws of the Republic of Kazakhstan and its internal documents, the information provided by the Pool Participant, which may constitute a trade secret and other protected information of the Pool Participant (hereinafter referred to as Confidential Information).</p> <p>8.2. The Pool Participant confirms and guarantees that:</p> <p>1) in connection with this consent, it does not have and will not have any claims against the Clearing Center, including violation of intellectual property rights, as well as property claims, both at the time of acceding to the Agreement and in the future, and also agrees with the fact that the Clearing Center is not responsible to it for disclosure of the Confidential Information subject to the requirements of the laws of the Republic of Kazakhstan;</p> <p>2) Confidential information of the Pool Participant shall in no way violate and/or infringe on the intellectual property rights of third parties, including employees of the Pool Participant.</p>	<p>8. Конфиденциальная информация</p> <p>8.1. Предоставляя Клиринговому центру Заявление о присоединении к Договору, Участник пула тем самым дает ей свое безотзывное и безусловное согласие на раскрытие Клиринговым центром в соответствии с требованиями законодательства Республики Казахстан и ее внутренних документов информации, предоставляемой Участником пула, которая может составлять коммерческую тайну и иную охраняемую информацию Участника пула (далее – Конфиденциальная информация).</p> <p>8.2. Участник пула подтверждает и гарантирует, что:</p> <p>1) в связи с указанным согласием он не имеет и не будет иметь к Клиринговому центру претензий, в том числе о нарушении прав на интеллектуальную собственность, а также имущественных претензий, как на момент присоединения к Договору, так и в будущем, а также соглашается с тем, что Клиринговый центр не несет перед ним ответственность за раскрытие Конфиденциальной информации в соответствии с требованиями законодательства Республики Казахстан;</p> <p>2) Конфиденциальная информация Участника пула никоим образом не нарушает и / или не ущемляет прав на интеллектуальную собственность третьих лиц, включая работников Участника пула.</p>
<p>9. Notices</p> <p>9.1. All notices and other communications provided for in the Agreement must be executed in writing and delivered to the address of the location of another Party or to the email address of the Clearing Center clearing@kase.kz and by email to the Pool Participant, address of which is specified in the Application for Accession to the Agreement, with subsequent delivery of the original of this notice or message to the address of the location of another Party within</p>	<p>9. Уведомления</p> <p>9.1. Все уведомления и иные сообщения, предусмотренные Договором, должны быть составлены в письменном виде и доставлены по адресу места нахождения другой Стороны или по адресу электронной почты Клирингового центра clearing@kase.kz и по электронной почте Участника пула, адрес которого указан в Заявлении о присоединении к Договору, с последующей доставкой оригинала этого уведомления или сообщения по адресу места</p>

<p>three business days from the date it is sent by e-mail.</p> <p>9.2. Any notice or other communication delivered in writing to the location of another Party or by email shall be deemed to have been duly given, sent, received or delivered in all cases on the first business day after its delivery to the addressee.</p> <p>9.3. Delivery of a notice or other communication in writing must be confirmed by a receipt for such delivery and signature of the messenger, and delivery by e-mail must be confirmed by proof of mailing.</p>	<p>нахождения другой Стороны в течение трех рабочих дней со дня его направления по электронной почте.</p> <p>9.2. Любое уведомление или иное сообщение, доставленное в письменном виде по адресу места нахождения другой Стороны или по электронной почте, считается должным образом переданным, отправленным, полученным или доставленным во всех случаях в первый рабочий день со дня его доставки адресату.</p> <p>9.3. Доставка уведомления или иного сообщения в письменном виде должна быть подтверждена квитанцией о такой доставке и подписью посыльного, а доставка по электронной почте – подтверждением об отправке.</p>
<p>10. Anti-corruption conditions and personal data</p> <p>10.1. When discharging their obligations under the Agreement, the Parties and/or their employees shall not pay, offer to pay or authorize payment of money or other valuables, directly or indirectly, to any persons in order to influence actions or decisions of these persons in order to obtain any illegal advantages or other improper purposes.</p> <p>10.2. When discharging their obligations under the Agreement, the Parties and/or their employees shall not to things qualified by the laws of the Republic of Kazakhstan applicable for the purposes of the Agreement as giving/receiving a bribe, commercial bribery, as well as things that violate the requirements of the anti-corruption laws of the Republic of Kazakhstan.</p> <p>10.3. Each Party shall refuse to stimulate in any way employees of another Party, including by providing money, gifts, performing work (services) free of charge to them and other methods not mentioned in this clause, placing the employee in certain dependence, and directed to ensure that this employee does any things in favor of the Party stimulating it.</p> <p>10.4. If the Party suspects that violation of any anti-corruption conditions has occurred or may occur, the relevant Party shall undertake to notify another Party thereof in writing within 5 business days. After written notification, the relevant Party shall have the right to suspend discharge of obligations under the Agreement until it receives confirmation that a violation has not occurred or will not occur. This confirmation must be sent within 5 business days from the date of written notice.</p> <p>10.5. By signing the Agreement, each Party guarantees that it has the necessary properly executed consents of individuals (its employees / authorized persons) for collection</p>	<p>10. Антикоррупционные условия и персональные данные</p> <p>10.1. При исполнении своих обязательств по Договору Стороны и / или их работники не выплачивают, не предлагают выплатить и не разрешают выплату денег или иных ценностей, прямо или косвенно, любым лицам, для оказания влияния на действия или решения этих лиц с целью получить какие-либо неправомерные преимущества или иные неправомерные цели.</p> <p>10.2. При исполнении своих обязательств по Договору Стороны и / или их работники не осуществляют действия, квалифицируемые применимым для целей Договора законодательством Республики Казахстан, как дача / получение взятки, коммерческий подкуп, а также действия, нарушающие требования законодательства Республики Казахстан о противодействии коррупции.</p> <p>10.3. Каждая из Сторон отказывается от стимулирования каким-либо образом работников другой Стороны, в том числе путем предоставления денег, подарков, безвозмездного выполнения в их адрес работ (услуг) и другими, не поименованными в настоящем пункте способами, ставящего работника в определенную зависимость, и направленного на обеспечение выполнения этим работником каких-либо действий в пользу стимулирующей его Стороны.</p> <p>10.4. В случае возникновения у Стороны подозрений, что произошло или может произойти нарушение каких-либо антикоррупционных условий, соответствующая Сторона в течение 5 рабочих дней обязуется уведомить другую Сторону в письменной форме. После письменного уведомления соответствующая Сторона имеет право приостановить исполнение обязательств по Договору до получения подтверждения, что нарушения не произошло или не произойдет.</p>

<p>and processing by another Party of their personal data transferred to another Party, subject to the provisions of the laws of the Republic of Kazakhstan. At the same time, each Party shall undertake to ensure confidentiality and security of personal data of employees / authorized persons of another Party, coming to it from them or from the Party itself, and security during their processing for the purposes of and in connection with performance of the Agreement subject to the requirements of the laws of the Republic of Kazakhstan related to protection of personal data. Also, the Party shall not have the right to use personal data of employees / authorized persons of another Party received from them or from the specified Party for purposes not related to discharge of its obligations under the Agreement, and in any way transfer the personal data of employees / authorized persons of another Party received under the Agreement to any third parties for purposes not related to discharge of its obligations under the Agreement, shall undertake to store these personal data no longer than required by the purposes of their processing and to destroy them upon achieving the purposes of processing or in case of the loss of the need to achieve them, taking into account the requirements of the laws of the Republic of Kazakhstan, comply with other requirements of the laws of the Republic of Kazakhstan related to protection of personal data within performance of the Agreement.</p>	<p>Это подтверждение должно быть направлено в течение 5 рабочих дней с даты направления письменного уведомления. 10.5. Подписанием Договора каждая из Сторон гарантирует, что обладает необходимыми надлежаще оформленными согласиями физических лиц (своих работников / уполномоченных лиц) на сбор и обработку другой Стороной их персональных данных, передаваемых другой Стороне, согласно положениям законодательства Республики Казахстан. При этом каждая Сторона обязуется обеспечить конфиденциальность и безопасность персональных данных работников / уполномоченных лиц другой Стороны, поступающих к ней от них либо от самой Стороны, и безопасность при их обработке для целей и в связи с исполнением Договора в соответствии с требованиями законодательства Республики Казахстан по вопросам защиты персональных данных. Также Сторона не имеет права использовать персональные данные работников / уполномоченных лиц другой Стороны, полученные от них или от указанной Стороны, в целях, не связанных с исполнением своих обязательств по Договору, и каким-либо образом передавать полученные по Договору персональные данные работников / уполномоченных лиц другой Стороны любым третьим лицам в целях, не связанных с исполнением своих обязательств по Договору, обязуется хранить эти персональные данные не дольше, чем этого требуют цели их обработки, и уничтожать их по достижении целей обработки или в случае утраты необходимости в их достижении, с учетом требований законодательства Республики Казахстан, выполнять иные требования законодательства Республики Казахстан о защите персональных данных в рамках исполнения Договора.</p>
<p>11. Dispute resolution procedure 11.1. Disputes and disagreements between the Clearing Center and the Pool Participant arising in connection with performance by the Parties of the Agreement shall be resolved through negotiations. 11.2. If the Parties fail to reach agreement, they shall resolve disagreements and disputes in a court at the location of the Clearing Center.</p>	<p>11. Порядок разрешения споров 11.1. Споры и разногласия между Клиринговым центром и Участником пула, возникающие в связи с исполнением Сторонами Договора подлежат разрешению путем переговоров. 11.2. В случае если Стороны не достигнут соглашения, они разрешают разногласия и споры в судебном порядке по месту нахождения Клирингового центра.</p>
<p>12. Validity and termination of the Agreement 12.1. The Agreement shall take effect on the date the Clearing Center accepts the application of the Pool Participant to open a trading and clearing account, and shall be valid for an indefinite period. 12.2. The Agreement shall be deemed terminated:</p>	<p>12. Действие и расторжение Договора 12.1. Договор вступает в силу с даты принятия Клиринговым центром заявления Участника пула на открытие торгового-клирингового счета, и действует неопределенное время. 12.2. Договор считается расторгнутым: 1) с даты принятия Клиринговым центром решения о прекращении имущественного пула; 2) в течение 3 дней с даты получения</p>

<p>1) from the date of the Clearing Center's decision to terminate the property pool; 2) within 3 days from the date of receipt by the Clearing Center of a notice from the Pool Participant about unilateral repudiation of the Agreement, subject to repayment of all outstanding obligations by the Pool Participant for repayment of the CPC and for transactions closed on the Exchange; 3) from the date of termination of the clearing services agreement; 4) due to other grounds provided for by the Agreement and/or the laws of the Republic of Kazakhstan.</p> <p>12.3. Termination of the Agreement shall not exempt the Parties from discharge of obligations that arose before termination of the Agreement.</p> <p>12.4. The Agreement shall be deemed terminated and the obligations of the Parties terminated after the Parties have discharged their obligations under the Agreement in full.</p>	<p>Клиринговым центром уведомления от Участника пула об одностороннем отказе от исполнения Договора при условии погашения всех неисполненных Участником пула обязательств по погашению КСУ и по заключенным на Бирже сделкам; 3) с даты расторжения договора о клиринговом обслуживании; 4) по иным основаниям, предусмотренным Договором и (или) законодательством Республики Казахстан.</p> <p>12.3. Расторжение Договора не освобождает Стороны от исполнения обязательств, возникших до расторжения Договора.</p> <p>12.4. Договор считается расторгнутым и обязательства Сторон прекращены после исполнения Сторонами обязательств по Договору в полном объеме.</p>
<p>13. Final provisions</p> <p>13.1. The Clearing Center shall have the right to make changes to the Agreement or approve a new version by posting such changes / new version of the Agreement on the Internet resource of the Clearing Center.</p> <p>By signing the Application for Accession to the Agreement, the Participant agrees to accede to the amendments to the Agreement or redrafted Agreement as a whole, and agrees that the Pool Participant independently monitors changes in the version of the Agreement, including its annexes, by viewing the Internet resource of the Clearing Center.</p> <p>In case of disagreement with the amendments made to the Agreement, the Pool Participant shall have the right to terminate the Agreement by submitting to the Clearing Center a written application for termination of the Agreement.</p> <p>13.2. Rights and obligations of the Pool Participant cannot be transferred to third parties.</p> <p>13.3. The Agreement shall be governed by the laws of the Republic of Kazakhstan.</p> <p>13.4. The Agreement has been developed subject to the laws of the Republic of Kazakhstan and internal documents of the Clearing Center related to the clearing activities of the Clearing Center.</p> <p>13.5. The Pool Participant confirms that it is familiar with the terms and conditions and requirements of the Agreement and also unconditionally agrees with them.</p> <p>13.6. If one of the parts of the Agreement is declared invalid subject to the procedure established by the laws of the Republic of Kazakhstan, this shall not entail automatic</p>	<p>13. Заключительные положения</p> <p>13.1. Клиринговый центр вправе вносить изменения в Договор или утверждать в новой редакции путем размещения таких изменений / новой редакции Договора на интернет-ресурсе Клирингового центра.</p> <p>Подписанием Заявления о присоединении к Договору Участник дает свое согласие на присоединение к изменениям в Договор, или изложение Договора в новой редакции в целом, и согласен с тем, что Участник пула самостоятельно отслеживает изменение редакции Договора, включая приложения к нему, посредством просмотра интернет-ресурса Клирингового центра.</p> <p>В случае несогласия с внесенными изменениями в Договор Участник пула вправе расторгнуть Договор путем подачи Клиринговому центру письменного заявления о расторжении Договора.</p> <p>13.2. Права и обязанности Участника пула не могут быть переданы третьим лицам.</p> <p>13.3. Договор регулируется законодательством Республики Казахстан.</p> <p>13.4. Договор разработан в соответствии с законодательством Республики Казахстан и внутренними документами Клирингового центра, относящимися к клиринговой деятельности Клирингового центра.</p> <p>13.5. Участник пула подтверждает, что он ознакомлен с условиями и требованиями Договора, а также безусловно соглашается с ними.</p> <p>13.6. В случае если одна из частей Договора будет в установленном законодательством Республики Казахстан порядке признана недействительной, то данный факт не влечет автоматического признания</p>

<p>invalidation of the entire Agreement as a whole and/or its individual parts.</p> <p>13.7. The agreement is executed in the state and Russian languages.</p> <p>13.8. Other issues not regulated by provisions of the Agreement shall be settled subject to the laws of the Republic of Kazakhstan.</p>	<p>недействительными всего Договора в целом и / или отдельных его частей.</p> <p>13.7. Договор составлен на государственном и русском языках.</p> <p>13.8. Иные вопросы, не урегулированные положениями Договора, разрешаются в соответствии с законодательством Республики Казахстан.</p>
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