KAZAKHSTAN STOCK EXCHANGE

A p p r o v e d

by the decision of Kazakhstan
Stock Exchange Management Board

of May 19, 2008 No. 66/0

Effective

from January 1, 2008

N O T I C E

Mentioned below Methodology in English has been translated by employees of Kazakhstan Stock Exchange for information purposes only. In case of any incompliance of this translation with the Methodology original version in Russian, the latter prevails.

METHODOLOGY

of Kazakhstan Stock Exchange Members Activity Indicators Calculation

Almaty

2008

LIST OF AMENDMENTS

1. Changes and Additions No. 1:

– approved by Kazakhstan Stock Exchange Management Board decision of February 23, 2009 No. 30/0;

– effective from February 23, 2009, excluding the norm on supplementing the Methodology of Kazakhstan Stock Exchange Members Activity Indicators Calculation by item 13–1 in the part of wording "and relate only to repo transactions, terms of which were not extended", not applied to calculate Kazakhstan Stock Exchange members activity indicators for 2008.

2. Changes No. 2:

– approved by Kazakhstan Stock Exchange Management Board decision of November 9, 2009 No. 313;

– effective from November 9, 2009.

3. Changes and Additions No. 3:

– approved by Kazakhstan Stock Exchange Management Board decision of January 21, 2010 No. 22;

– effective from January 21, 2010.

This Methodology defines terms and the order of Kazakhstan Stock Exchange (hereinafter – the Exchange) members' activity indicators calculation, used for purposes of:

1) determining the most distinguished Exchange members for their reward in compliance with Rules on Annual Rewards of the Most Distinguished Exchange Members, approved by the Exchange Management Board decision No. 17/1 of February 4, 2003;

2) determining the most active Exchange members for any period with further announcement of their names;

3) other purposes, stipulated by the Exchange internal documents.

Chapter 1. GENERAL PROVISIONS

1. In this Methodology are used concepts, defined by other Exchange internal documents.

2. For this Methodology purposes:

   1) the exchange market means the organized exchange market of the Republic of Kazakhstan, managed and served by the Exchange *(this sub-item was changed following the Exchange Management Board decision of January 21, 2010)*;

   2) shares mean any equity serial securities; corporate bonds mean any serial debt securities, which are not government securities and securities (bonds) of international exchange organizations *(this sub-item was changed following the Exchange Management Board decision of January 21, 2010)*;

   3) the effective trading day for any Exchange member in any exchange market sector means the trading day, during which this Exchange member concluded in this exchange market sector, at least, one deal that was then satisfied *(this sub-item was changed following the Exchange Management Board decision of January 21, 2010)*.

3. The activity of certain Exchange member in any exchange market sector is characterized by K_a activity indicator, calculated in compliance with Chapter 2 of this Methodology *(this sub-item was changed following the Exchange Management Board decision of January 21, 2010)*.

4. The K_a activity indicator is the criteria, based on which the Exchange develops its members activity ranking in certain exchange market sectors. The maximum value of K_a activity indicator fits with the first rank, the least – the last *(this item was changed following the Exchange Management Board decision of January 21, 2010)*.

5. The activity indicators for any period in any exchange market sector are not calculated for those organizations, which were the Exchange members in the respective exchange market sector less than (considering the specifics, established by item 6 of this Methodology) *(this paragraph was changed following the Exchange Management Board decision of January 21, 2010)*:

   1) 70 % from duration of this period (calendar days), if duration of this period does not exceed three months;

   2) 60 % from duration of this period (calendar days), if duration of this period makes up from three to six months (inclusive);

   3) 50 % from duration of this period (calendar days), if duration of this period makes up six months and over.

6. Activity indicators are not calculated for the National Bank of the Republic of Kazakhstan, whose participation in the exchange market relates to other purposes, than in other Exchange members *(this item was changed following the Exchange Management Board decisions of February 23, 2009 and January 21, 2010)*

7. When calculating the Exchange members activity indicators are not considered:

   1) deals on securities primary market;

   2) deals of purchasing-selling state blocks of shares;

   3) *(this sub-item was excluded following the Exchange Management Board decision of November 9, 2009)*;

4) nego deals (excluding nego deals that relate to repo transactions, concluded by "nego" method[1]);

5) unsatisfied deals *(this sub-item was changed following the Exchange Management Board decision of January 21, 2010)*.

6) deals in foreign currencies, which close currency swap transactions *(this sub-item was added following the Exchange Management Board decision of January 21, 2010)*;

7) repo transactions opening deals *(this sub-item was added following the Exchange Management Board decision of January 21, 2010)*;

8) repo transactions closing deals, terms of which were not extended *(this sub-item was added following the Exchange Management Board decision of January 21, 2010)*;

9) deals, made within specialized trades *(this sub-item was added following the Exchange Management Board decision of January 21, 2010)*.

Chapter 2. ACTIVITY INDICATORS CALCULATION

8. The indicator of any Exchange member activity in the foreign currencies buying-selling sector for any period is calculated by formula:

$$K_a = P + 0.3N + 0.8D, \text{ where}$$

P – this Exchange member net position indicator in the foreign currencies buying-selling sector, calculated in compliance with item 12-1 of this Methodology;

N – deals quantity indicator, made by this Exchange member in the foreign currencies buying-selling sector, calculated in compliance with item 14 of this Methodology;

D – an indicator of the effective trading days quantity for this Exchange member in the foreign currencies buying-selling sector, calculated in compliance with item 15 of this Methodology.

(This item was changed following the Exchange Management Board decisions of February 23, 2009 and January 21, 2010).

8-1. The indicator of any Exchange member activity in the currency swap transactions sector for any period is calculated by formula:

$$V_a = V + 0.3N + 0.8D, \text{ where}$$

V – deals volume indicator, made by this Exchange member in the currency swap transactions sector, calculated in compliance with item 13 of this Methodology;

N – deals quantity indicator, made by this Exchange member in the currency swap transactions sector, calculated in compliance with item 14 of this Methodology;

D – an indicator of the effective trading days quantity for this Exchange member in the currency swap transactions sector, calculated in compliance with item 15 of this Methodology.

(This item was added following the Exchange Management Board decision of January 21, 2010).

9. The indicator of any Exchange member activity on the government securities buying-selling sector for any period is calculated by formula:

$$K_a = V + N + D, \text{ where}$$

V – deals volume indicator, made by this Exchange member in the government securities buying-selling sector, calculated in compliance with item 13 of this Methodology;

[1] These deals are considered in the process of calculating Exchange member's activity indicators on the repo transactions market.

N – deals quantity indicator, made by this Exchange member in the government securities buying-selling sector, calculated in compliance with item 14 of this Methodology;

D – an indicator of the effective trading days quantity for this Exchange member in the government securities buying-selling sector, calculated in compliance with item 15 of this Methodology.

(This item was changed following the Exchange Management Board decision of January 21, 2010).

10. The indicator of any Exchange member activity in the shares buying-selling sector for any period is calculated by formula:

$$K_a = 0.8V + N + D + A, \text{ where}$$

V – volume indicator of deals, made by this Exchange member in the shares buying-selling sector, calculated in compliance with item 13 of this Methodology;

N – quantity indicator of deals, made by this Exchange member in the shares buying-selling sector, calculated in compliance with item 14 of this Methodology;

D – an indicator of the effective trading days quantity for this Exchange member in the shares buying-selling sector, calculated in compliance with item 15 of this Methodology.

A – an indicator of trading account quantity, operated by this Exchange member when making deals in the shares buying-selling sector, calculated in compliance with item 16 of this Methodology.

(This item was changed following the Exchange Management Board decision of January 21, 2010).

11. The indicator of any Exchange member activity on the corporate bonds buying-selling sector for any period is calculated by formula:

$$K_a = V + N + D + 0.8A, \text{ where}$$

V – volume indicator of deals, made by this Exchange member in the corporate bonds buying-selling sector, calculated in compliance with item 13 of this Methodology;

N – quantity indicator of deals, made by this Exchange member in the corporate bonds buying-selling sector, calculated in compliance with item 14 of this Methodology;

D – an indicator of the effective trading days quantity for this Exchange member in the corporate bonds buying-selling sector, calculated in compliance with item 15 of this Methodology.

A – an indicator of trading account quantity, operated by this Exchange member when making deals in the corporate bonds buying-selling sector, calculated in compliance with item 16 of this Methodology.

(This item was changed following the Exchange Management Board decision of January 21, 2010).

12. The indicator of any Exchange member activity on the repo transactions sector for any period is calculated by formula:

$$K_a = V + N + 0.8D + 0.5A, \text{ where}$$

V – volume indicator of deals, made by this Exchange member in the repo transactions sector, calculated in compliance with item 13 of this Methodology;

N – quantity indicator of deals, made by this Exchange member in the repo transactions sector, calculated in compliance with item 14 of this Methodology;

D – an indicator of the effective trading days quantity for this Exchange member in the repo transactions sector, calculated in compliance with item 15 of this Methodology;

A – an indicator of trading account quantity, operated by this Exchange member when making deals in the repo transactions sector, calculated in compliance with item 16 of this Methodology.

(This item was changed following the Exchange Management Board decisions of February 23, 2009 and January 21, 2010).

12-1. Net position indicator of any Exchange member in the foreign currencies buying-selling sector for any period is calculated by formula:

$$P = \frac{P'}{P'_{max}}, \text{ where}$$

P' – unit net position, calculated for this Exchange member in the foreign currencies buying-selling sector for this period in compliance with item 16-1 of this Methodology;

P'_{max} – unit net position's maximum value (P') out of respective values, calculated for each Exchange member, who participated in making deals in the foreign currencies buying-selling sector during this period.

(This item was included following the Exchange Management Board decision of February 23, 2009 and changed following the Exchange Management Board decision of January 21, 2010).

13. Deals volume indicator for any Exchange member in any exchange market sector for any period is calculated by formula *(this paragraph was changed following the Exchange Management Board decision of January 21, 2010)*:

$$V = \frac{V'}{V'_{max}}, \text{ where}$$

V' – unit volume of deals, made by this Exchange member in this exchange market sector for this period, calculated in compliance with item 17 of this Methodology *(this paragraph was changed following the Exchange Management Board decision of January 21, 2010)*;

V'_{max} – the maximum unit volume (V') of deals out of values, calculated for each Exchange member, who participated in making deals in this exchange market sector during this period *(this paragraph was changed following the Exchange Management Board decision of January 21, 2010)*.

13-1. *(This item was added following the Exchange Management Board decision of February 23, 2009 and excluded following the Exchange Management Board decision of January 21, 2010)*.

14. Deals volume indicator for any Exchange member in any organized exchange market sector for any period is calculated by formula *(this item was changed following the Exchange Management Board decisions of February 23, 2009 and January 21, 2010)*:

$$N = \frac{N'}{N'_{max}}, \text{ where}$$

N' – deals unit quantity, made by this Exchange member in this exchange market sector for this period, calculated in compliance with item 17 of this Methodology *(this item was changed following the Exchange Management Board decision of January 21, 2010)*;

N'_{max} – the maximum deals unit quantity (N') out of values, calculated for each Exchange member, who participated in making deals in this exchange market sector during this period *(this paragraph was changed following the Exchange Management Board decision of January 21, 2010)*.

15. The indicator of effective trading days' quantity for any Exchange member in any exchange market sector for any period is calculated by formula *(this paragraph was changed following the Exchange Management Board decision of January 21, 2010)*:

$$D = \frac{D'}{D'_{max}}, \text{ where}$$

D′ – effective trading days unit quantity for this Exchange member in this exchange market sector for this period, calculated in compliance with item 17 of this Methodology *(this paragraph was changed following the Exchange Management Board decision of January 21, 2010)*;

D'_{max} – the maximum effective trading days unit quantity (D') out of corresponding values, calculated for each Exchange member, who participated in making deals in this exchange market sector during this period *(this paragraph was changed following the Exchange Management Board decision of January 21, 2010)*.

16. The indicator of trading accounts quantity for any Exchange member in any exchange market sector for any period is calculated by formula *(this paragraph was changed following the Exchange Management Board decision of January 21, 2010)*:

$$A = \frac{A'}{A'_{max}}, \text{ where}$$

A′ – trading accounts unit quantity, operated by this Exchange member when making deals in the repo transactions sector, calculated in compliance with item 17 of this Methodology *(this paragraph was changed following the Exchange Management Board decision of January 21, 2010)*;

A'_{max} – the maximum trading accounts quantity (A') out of values, calculated for each Exchange member, who participated in making deals in this exchange market sector during this period *(this paragraph was changed following the Exchange Management Board decision of January 21, 2010)*.

16-1. The unit net position (P') of any Exchange member in the foreign currencies buying-selling sector for any period is calculated by dividing day net positions amount of this Exchange member in this exchange market sector for this period (in Kazakhstan tenge) by the number of calendar days in this period, within which this organization was the Exchange member, entitled to participate in foreign currencies trading.

The day net position of any Exchange member for any trading day is calculated by formula:

$$D_d = \sum_{i=1}^{n} |O_i - C_i|, \text{ where}$$

D_d – day net position of this Exchange member for any trading day;

n – the number of foreign currencies names, admitted to circulation on the Exchange;

Qi – this Exchange member obligations to the Exchange on this day in the foreign currency of i-name, expressed in tenge;

Ci – this Exchange member's claim to the Exchange on this day in the foreign currency of i-name, expressed in tenge.

If the currency of account is different from tenge currency, Qi (Ci) is calculated by multiplying the obligation (claim) of this Exchange member to the Exchange, expressed in the currency of account, by the exchange weighted average rate of the currency of account to tenge.

If the Exchange member makes deals with various terms of satisfaction, their obligations and claims are considered only on their satisfaction days (days of settlements)

(This item was included following the Exchange Management Board decision of February 23, 2009 and changed following the Exchange Management Board decision of January 21, 2010).

17. V′ unit value for any Exchange member in any exchange market sector for any period is calculated through division of deals total volume, concluded by this Exchange member in this exchange market sector during this period (in Kazakhstan tenge), by number of calendar days in this period, during which this organization was the Exchange member of corresponding to this exchange market sector category.

N′ unit value for any Exchange member in any exchange market sector for any period is calculated through division of deals total quantity, concluded by this Exchange member in this

exchange market sector during this period (in units), by number of calendar days in this period, during which this organization was the Exchange member of corresponding to this exchange market sector category.

D′ unit value for any Exchange member in any exchange market sector for any period is calculated through division of the total number of effective trading days for this Exchange member in this exchange market sector during this period (in days), by number of calendar days in this period, during which this organization was the Exchange member of corresponding to this exchange market sector category.

A′ unit value for any Exchange member in any exchange market sector for any period is calculated through division of total trades accounts quantity, which were used by this Exchange member in this exchange market sector during this period (in units), by the number of calendar days in this period, during which this organization was the Exchange member of the category corresponding to this exchange market sector.

(This item was changed following the Exchange Management Board decision of January 21, 2010).

18. *(This item was supplemented and changed following the Exchange Management Board decision of February 23, 2009 and excluded following the Exchange Management Board decision of January 21, 2010)*.

18-1. The concept "indicator" is used in respect to P, V, N, D and A values only for this Methodology purposes *(this item was added following the Exchange Management Board decision of January 21, 2010)*.

Chapter 3. SPECIFIC TERMS

19. In order to avoid the affect of particularly one-time big deals on the activity indicator value of any Exchange member, it has the right to exclude at this indicator calculation concluded by this Exchange member deals, the volume of which exceeds the V_{lim} value, calculated in compliance with item 20 of this Methodology *(this item was changed following the Exchange Management Board decision of February 23, 2009)*.

20. V_{lim} value in relation to any exchange market sector for any period is calculated by formula:

$$V_{lim} = \overline{V} + 3\delta \text{, where}$$

$\overline{V}$ – arithmetic mean value of all deals volume, which were concluded in this exchange market sector for this period, in Kazakhstan tenge;

δ – mean-square deviation of any deal volume out of all deals, which were concluded in this exchange market sector for this period, from arithmetic average value of these deals volume.

(This item was changed following the Exchange Management Board decision of January 21, 2010).

21. In order to avoid the affect of certain non-market deals on of any Exchange member activity indicator value, it is entitled to exclude when calculating this indicator made by this Exchange member deals, which in the Exchange judgment:

1) in their substance (including the prices level) are not market deals;

2) were made to artificially (intentionally) overrate deals volume indicator, deals number and trading accounts number of this Exchange member;

3) were made due to obvious technical errors of this Exchange member's trader.

(This item was added following the Exchange Management Board decision of February 23, 2009).

22. The Exchange functions and authorities, set forth by this Methodology, are exercised by the Exchange's Information and Analysis Department with the knowledge and approval of the Exchange Management Board member, coordinating this Department.

The Exchange Management Board member, coordinating the Exchange's Information and Analysis Department, is entitled to convene a meeting with involvement of other Exchange Management Board members or request to convene the Exchange Management Board meeting (in compliance with its charter) with the purpose to define the most active Exchange

members for any period prior to their names announcement (considering the specifics, set forth by the third paragraph of this item).

(This paragraph was excluded following the Exchange Management Board decision of January 21, 2010).

(This item was added following the Exchange Management Board decision of February 23, 2009).

President A. Joldasbekov