

KAZAKHSTAN STOCK EXCHANGE JSC

Approved

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

(minutes No. 74
of the meeting on June 4, 2020)

Effective from

August 3, 2020

NOTICE

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

REGULATIONS

on trading and operation of the control and collateral system

Almaty

2020

LIST OF AMENDMENTS

1. Change No. 1:

- approved by a decision of the Management Board of Kazakhstan Stock Exchange JSC (meeting minutes No. 96 dated July 14, 2020);
- effective from August 3, 2020.

These Regulations determine the main parameters of the procedure for conducting trades in the trading systems ACT and NEXT and the trading and clearing system ASTS+ in financial instruments admitted to circulation in the trades conducted by Kazakhstan Stock Exchange JSC (hereinafter – the Exchange) (to circulation on the Exchange), and the operation of the control and collateral system.

Chapter 1. GENERAL PROVISIONS

Article 1. Concepts

1. For purposes of these Regulations:
 - 1) the price variance limit means the limit of an order's price's deviation from a specific value, at whose reaching or exceeding a certain event or situation emerges, specified herein and in other internal documents of the Exchange, decisions of the Exchange's Board of Directors or Management Board, trading system settings;
 - 2) a non-working day means an RK working day on which for some reasons the banks – correspondents of the Exchange do not execute settlement of respective foreign currencies and the tenge;
 - 3) a working day of the Republic of Kazakhstan means exclusively a day that is a working day in the Republic of Kazakhstan;
 - 4) firm quote means a quote that imposes an obligation on the participant of trades, who announced this quote, to make a deal based on this quote;
 - 5) financial instruments mean only those ones which are admitted to circulation on the Exchange.
2. Other concepts and terms used in these Regulations are defined in accordance with laws of the Republic of Kazakhstan and internal document of the Exchange "Rules of execution of exchange activities".

Article 2. Concept of trade regulations

1. Trade regulations mean basic trading parameters of their conduct, including:
 - 1) place of trading;
 - 2) time of trading;
 - 3) main trading method;
 - 4) size of a lot;
 - 5) unit measure of the financial instrument's price;
 - 6) trading session opening price;
 - 7) price variance limit;
 - 8) additional trading method;
 - 9) reserve trading method;
 - 10) special terms and restrictions on application of main trading parameters.
2. The place of trading is defined by article 3 hereof.
3. The time of trading is defined by articles 4 and 16 hereof, as well as by appendices 1 and 3 hereto.
4. The main trading method is defined by article 6 hereof.

5. Sizes of lots, unit measure of price of financial instruments, trading session opening price, additional and reserve trading methods are defined by chapters 2–6 hereof.

Article 3. Place of trading

1. The main place of trading is the trading system operated in the remote access mode (including the use of cryptographic software for information protection).
2. In case of impossibility to conduct trading in the trading system, the trade will be held by the open outcry method in the place defined for these purposes by the Chairman of the Exchange's Management Board or Deputy Chairman of the Exchange's Management Board supervising the trading.
3. Members of the Exchange – trading participants shall be informed on the change of the trading venue through the trading system and other methods ensuring the notification of members of the Exchange – trading participants before the opening of trading at the new place.

Article 4. Time of conducting trades

1. Trading is held each RK working day during the trading day individually specified for each group of financial instruments (except as provided in the second paragraph of this item).

A trading day for financial instruments traded by only one seller or buyer of the financial instrument (as such trading is defined in the Exchange's internal document "Regulations on Membership Fees and Exchange Dues"), may be different from the trading day determined for the group of financial instruments, to which this subject of trading is related.

2. The trading day for foreign currencies is not subdivided into separate trading sessions; trades in such foreign currencies are carried out in one trading session, which coincides in duration with the trading day, with the exception of currency swaps in relation to the US dollar, the trading day for which is subdivided into the main one and an additional session.
3. The trading day for securities is subdivided into separate trading periods:
 - 1) opening auction;
 - 2) continuous counter auction (taking into account the specifics established by item 9 of Article 6 of these Regulations);
 - 3) closing auction.
4. Trading time for a particular financial instrument or a group of financial instruments may be changed by the Chairman of the Exchange's Management Board or Deputy Chairman of the Exchange's Management Board supervising the trading, in the following cases:
 - 1) failure of software/hardware used in trading or occurrence of other unforeseen circumstances impeding trading in the usual mode;
 - 2) change of the trading venue in accordance with item 2 of article 3 hereof;
 - 3) arrival of an instruction from the National Bank of the Republic of Kazakhstan;
 - 4) arrival from the initiator of admittance of a financial instrument of a written application in free form for opening of trade in this financial instrument within indication of the preferred time of opening of trade in this financial instrument within the time of the trading day in financial instruments of this group;
 - 5) receipt from a trading participant of a written application for an extension of trading in particular financial instruments in the foreign currency market or in

the derivatives market in order to close previously open positions by this trading participant and/or fulfill obligations under previously concluded deals with these financial instruments. The application must contain information about the estimated time of the extension of the auction, a description of the reasons for the extension of the auction.

5. Trading participants– members of the Exchange shall be informed on changes in the trading schedule via the trading system or other possible methods.

Article 5. Time restrictions on conclusion of repeated deals

If the Exchange's internal documents allow conclusion of repeated (including duplicating repeated) deals in trading modes without the CCP, instead of and based on terms of previously concluded but not executed deals, then such repeated deals can be concluded also upon expiration of time of trading in respective financial instruments, but only within the operation time of the control and collateral system.

Article 6. Main method of conducting the trading

1. Except as otherwise provided in chapters 2–6 hereof and other internal documents of the Exchange for particular groups of financial instruments, the continuous counter auction method is the main method of conducting the trading.
2. Trading in the financial instrument USDKZT_TOM, conducted by the continuous counter auction method, at any time during the day, but not later than seven minutes before its end, is conducted by the Frankfurt trading method, if at:
 - 1) matching or crossing of prices of orders for sale or purchase, the price of the proposed first deal of the current trading day differs from the last deal price of the previous trading day for this instrument by 1.5 % or more; or
matching or crossing of prices of orders for sale and purchase, the price of the proposed deal differs from the price of the first deal of the current trading day for this instrument by 1.5 % or more;
 - 2) repeated matching or crossing of prices of orders for sale and purchase, the proposed deal price differs from the cut-off price fixed at the last Frankfurter auction of the current trading day in this instrument by 1.5 % or more.
3. At switching of the trading in the instrument USDKZT_TOM, conducted in the trading system by the method of continuous counter auction, to the stand-by mode:
 - 1) the minimum duration of the standby mode is six minutes, the maximum – seven minutes (taking into account to the particulars specified in sub-items 2) and 3) of this item);
 - 2) the duration of the standby mode is six minutes, if until the expiration of the sixth minute of the standby mode no single order was accepted and/or annulled;
 - 3) the duration of the standby mode is six to seven minutes and it ends within the indicated time span at a deliberate moment determined by the trading system automatically by the method of generation of random digits, if until the expiration of the sixth minute of the standby mode at least one additional order was accepted and/or any order was annulled.
4. The opening auction is conducted for securities traded in trading modes in which purchase and sale transactions are concluded by the method of continuous counter auction.
5. The opening auction begins at 11:20 o'clock, Almaty time.
6. During the opening auction:

- 1) the duration of the period for accepting orders by the Exchange is 9 minutes 30 seconds;
 - 2) the end of the period for accepting orders is determined at a random moment of time, determined by the trading system automatically by generating random numbers, not exceeding 30 seconds from the end of the period for accepting orders;
 - 3) upon the end of the random completion of the period for accepting orders, established by sub-item 2) of this item, the opening auction price is determined and deals are concluded at such price.
7. Deals concluded during the opening auction are taken into account when generating trading results for each financial instrument.
 8. Orders not executed during the opening auction are maintained in the trading system as valid ones.
 9. Trading in securities (stocks, bonds, units), conducted by the method of continuous counter auction, during the trading day can be conducted by the discrete auction method. In this case, the first discrete auction is held:
 - 1) in case of a change in the price of the last deal with shares admitted to circulation on the Exchange, relative to the price of the previous transaction with these shares by 5% or more;
 - 2) in case of a change in the price of the last deal with bonds and units admitted to circulation on the Exchange, relative to the weighted average price of the previous trading day with these bonds and units by 1% or more.
 10. A repeated discrete auction is conducted:
 - 1) in case of a change in the price of the last deal with shares admitted to circulation on the Exchange, relative to the cut-off price of the previous discrete auction of the current trading day with these shares by 5% or more; in the absence of the cut-off price of the previous discrete auction – from the price of the previous deal with shares of this denomination
 - 2) in case of a change in the price of a concluded deal with bonds and units admitted to circulation on the Exchange, relative to the cut-off price of the previous discrete auction of the current trading day with these bonds and shares of 1% or more; in the absence of the cut-off price of the previous discrete auction – from the weighted average price of the previous trading day with bonds and shares of this denomination.
 11. A discrete auction for a particular security opens no later than 10 minutes before the start of the closing auction.
 12. When conducting trades by the discrete auction method:
 - 1) the duration of the period of collection of orders by the Exchange is no longer than 10 minutes;
 - 2) only limit orders are submitted to the trading system;
 - 3) the period of acceptance by the Exchange of orders ends at a deliberate point in time determined by the trading system automatically by the method of generating random numbers, but not earlier than 9 minutes 30 seconds after the moment it started.
 13. When conducting trading using the continuous counter auction method for particular groups of financial instruments, these Regulations or the settings of the trading system may establish the transfer of trading at the end of the trading day to the closing auction in order to form a representative value of the closing price of the trading day.
 14. The closing auction is held for securities traded in trading modes in which sales and purchase deals are concluded by the method of continuous counter auction.

15. The closing auction opens 15 minutes before the end of the trading day and consists of the following consecutive periods:
 - 1) acceptance of orders by the Exchange;
 - 2) conclusion of deals at the closing auction's price.
16. When conducting the closing auction:
 - 1) the period of acceptance by the Exchange of orders begins 15 minutes before the end of the trading day and ends after 10 minutes from the moment it began;
 - 2) based on submitted orders at a random moment of time determined by the trading system automatically by the random number generation method, not exceeding 30 seconds from the end of the period of acceptance of orders by the Exchange, the closing auction price is determined and deals are concluded at such price;
 - 3) in case the closing auction price in accordance with sub-item 2) of this item is not determined, an additional period of acceptance of orders with duration of three minutes begins by the settings of the trading system;
 - 4) based on submitted orders at a random moment of time determined by the trading system automatically by the random number generation method, not exceeding 30 seconds from the end of the period of acceptance of orders by the Exchange, the closing auction price is determined and deals are concluded at such price;
 - 5) upon completion of conclusion of deals specified in sub-item 4) of this item, the trading system accepts orders at the closing auction price, based on which deals are concluded at such price;
 - 6) the end time for accepting orders and concluding deals at the closing auction price coincides with the end time of the trading day with financial instruments.

Article 7. Consequences of occurrence of force majeure circumstances

The Chairman of the Exchange's Management Board or Deputy Chairman of the Exchange's Management Board supervising the trading may set main parameters of conduct of trading other than those determined in these Regulations, in case of occurrence of force majeure circumstances impeding the normal circulation of financial instruments on the Exchange, which shall mean any emergency or unavoidable circumstances beyond reasonable controls of the Exchange, including, but not limited to, a war, military or terroristic actions, actions of government bodies, putsch, fire, natural disasters and other circumstances, which the Exchange could not foresee and which directly affected conclusion and execution of deals in the standard mode.

**Chapter 2. PARTICULAR PARAMETERS OF
FOREIGN CURRENCY TRADING**

Article 8. Trading day

The trading day on foreign currencies begins at 10:15 o'clock, Almaty time, ends at 17:00 o'clock, Almaty time, (taking into account terms specified in items 2 and 3 of article 6 of these Regulations) and is specified by appendix 1 hereto.

Article 9. Particular parameters of trading in the US dollar

1. The US dollar is traded with settlement in the tenge and settlement terms T+0¹, T+1 and T+2 (hereinafter referred to as "USDKZT_TOD", "USDKZT_TOM" and "USDKZT_SPT"², respectively).
2. USDKZT_TOD is not traded, if for some reasons USD-correspondent banks of the Exchange do not settle (hereinafter – non-working day) in USD on the trading day.
3. In case the day of execution of deals in instrument USDKZT_TOM (day T+1) or USDKZT_SPT (day T+2) for some reasons is a non-working day for banks – correspondents of the Exchange on the US dollar, then the day of execution of such deals is the RK working day, on which banks – correspondents of the Exchange execute settlement in US dollars and tenge, following the non-working day.

In case the day T+1 and day T+2 on instrument USDKZT_SPT for some reasons are non-working days for the banks – correspondents of the Exchange on the US dollar, the respective days T+1 and T+2 are moved to the next RK working days.

4. The size of a lot during the US dollar trading conducted by the continuous counter-auction method depends upon the extent of the deviation of the price of the submitted order from the last deal's price and is set by appendix 2 hereto (taking into account the specifics set in paragraph two of this item).

The size of a lot during the trading in USDKZT_TOM conducted by the Frankfurt auction method makes USD1,000.

5. During the US dollar trading its price is measured in the Kazakh tenge per US dollar with the accuracy of up to the second decimal place.
6. The opening price of the trading session on USDKZT_TOD, USDKZT_TOM or USDKZT_SPT is represented by the price of the first deal concluded in USDKZT_TOD, USDKZT_TOM or USDKZT_SPT, respectively, in this trading session.
7. When conducting trades in the US dollar, no surmountable limit of the price deviation is set.
8. There are no additional methods for trading the US dollar.

The fixing method is the reserve method for trading the US dollar (regardless of settlement terms).

Article 10. Particular parameters of the euro trading

1. The euro is traded with settlement in the tenge and the US dollar and settlement terms T+0, T+1 and T+2.

The euro with settlement in the tenge and the mentioned settlement terms is further designated as "EURKZT_TOD", "EURKZT_TOM" and "EURKZT_SPT", respectively.

The euro with settlement in the US dollar and the mentioned settlement terms will be marked as "EURUSD_TOD", "EURUSD_TOM" and "EURUSD_SPT", respectively.

¹ Generally accepted designation of terms of settlement of exchange transactions (execution of exchange transactions) in form of record "T+n", where T – the day of exchange trading, whereby the deal was concluded, and n – the duration of the break between said day of exchange trading and day of execution of settlement of that deal (in working days).

² See the instruction on the procedure of coding of members of Kazakhstan Stock Exchange JSC and their accounts, financial instruments and securities issuers, approved by a decision No. 21 of the Exchange's Management Board dated March 1, 2017.

2. EURKZT_TOD is not traded, if for some reasons the EUR-correspondent banks of the Exchange do not operate on the trading day.

EURUSD_TOD is not traded, if the day of trading for any reason is a non-working day for any or all respective banks – correspondents of the Exchange in US dollar and/or euro.

3. In case the day of execution of deals in instrument EURKZT_TOM (day T+1) for some reasons is a non-working day for banks – correspondents of the Exchange on the euro, then the day of execution of such deals is the RK working day, on which banks – correspondents of the Exchange execute settlement in euro and tenge, following the non-working day.

In case the day of execution of deals in instrument EURUSD_TOM (day T+1) for some reasons is a non-working day for banks – USD and/or EUR-correspondent banks of the Exchange, then the day of execution of such deals is the RK working day, on which banks – correspondents of the Exchange execute settlement in US dollars and/or euro, following the non-working day.

In case the day of execution of deals in instrument EURKZT_SPT (day T+2) for some reasons is a non-working day for banks – EUR-correspondent banks of the Exchange, then the day of execution of such deals is the RK working day, on which banks – correspondents of the Exchange execute settlement in euro and tenge, following the non-working day.

In case the day T+1 and day T+2 on instrument EURKZT_SPT for some reasons are non-working days for the banks – correspondents of the Exchange on the euro, the respective days T+1 and T+2 are moved to the next RK working days.

In case the day of execution of deals in instrument EURUSD_SPT (day T+2) for some reasons is a non-working day for banks – USD and/or EUR-correspondent banks of the Exchange, then the day of execution of such deals is the RK working day, on which banks – correspondents of the Exchange execute settlement in US dollars and/or euro, following the non-working day.

In case the day T+1 and day T+2 on instrument EURUSD_SPT for some reasons are non-working days for the banks – correspondents of the Exchange on the US dollar or euro, the respective days T+1 and T+2 are moved to the next RK working days.

4. The size of a lot at trading the euro makes up EUR1,000.
5. At trading the euro, it is priced in the settlement currency, per euro:
 - 1) on EURKZT_TOD, EURKZT_TOM и EURKZT_SPT – in the tenge with accuracy of up to the second decimal place;
 - 2) on EURUSD_TOD, EURUSD_TOM и EURUSD_SPT – in the US dollar with accuracy of up to the fourth decimal place.
6. The opening price for each of instruments – EURKZT_TOD, EURKZT_TOM, EURKZT_SPT, EURUSD_TOD, EURUSD_TOM and EURUSD_SPT – shall be the price of the first deal concluded at the trading session in that instrument.
7. The euro is trading at a surmountable price variance limit of 3 % of the last deal.
8. There is no additional method to trade the euro.

The fixing method is the reserve method of trading the euro.

Article 11. Particular parameters of the Russian ruble trading

1. The Russian ruble is traded and settled in the tenge with execution terms T+0, T+1 and T+2 (hereinafter respectively referred to as "RUBKZT_TOD", "RUBKZT_TOM" and "RUBKZT_SPT").

2. RUBKZT_TOD trades are not held if the trading day for any reason is a non-working day for RUB-correspondent banks of the Exchange.
3. In case the day of execution of deals in instrument RUBKZT_TOM (day T+1) for some reasons is a non-working day for banks – RUB-correspondent banks of the Exchange, then the day of execution of such deals is the RK working day, on which banks – correspondents of the Exchange execute settlement in rubles and tenges, following the non-working day.

In case the day of execution of deals in instrument RUBKZT_SPT (day T+2) for some reasons is a non-working day for banks – RUB-correspondent banks of the Exchange, then the day of execution of such deals is the RK working day, on which banks – correspondents of the Exchange execute settlement in rubles and tenges, following the non-working day.

In case the day T+1 and day T+2 on instrument RUBKZT_SPT for some reasons are non-working days for banks – correspondents of the Exchange on the ruble, the respective days T+1 and T+2 are moved to the next RK working days.

4. The size of a lot at trading the Russian ruble is RUR50,000.
5. At trading the Russian ruble, it is priced in the Kazakh tenge per ruble with accuracy of up to the fourth decimal place.
6. The opening price for the Russian ruble is the price of the first deal concluded at that trading session.
7. The Russian ruble is trading at a 3 % surmountable price variance limit of the last deal's price.
8. There is no additional method to trade the Russian ruble.

The fixing method is the reserve method of trading the Russian ruble.

Article 12. Particular parameters of trading in the yuan of the People's Republic of China

1. The yuan of the People's Republic of China (hereinafter – the yuan) is traded with settlements in the tenge and settlement terms T+0, T+1 and T+2 (hereinafter respectively referred to as "CNYKZT_TOD", "CNYKZT_TOM" and "CNYKZT_SPT").
2. CNYKZT_TOD, CNYKZT_TOM and CNYKZT_SPT are not traded, if for some reasons the trading day is a no-working day for CNY-correspondent banks of the Exchange.
3. In case the day of execution of deals in instrument CNYKZT_TOM (day T+1) for some reasons is a non-working day for banks – CNY-correspondent banks of the Exchange, then the day of execution of such deals is the RK working day, on which banks – correspondents of the Exchange execute settlement in yuan and tenge, following the non-working day.

In case the day of execution of deals in instrument CNYKZT_SPT (day T+2) for some reasons is a non-working day for banks – CNY-correspondent banks of the Exchange, then the day of execution of such deals is the RK working day, on which banks – correspondents of the Exchange execute settlement in yuan and tenge, following the non-working day.

In case the day T+1 and day T+2 on instrument CNYKZT_SPT for some reasons are non-working days for the banks – correspondents of the Exchange on the yuan, the respective days T+1 and T+2 are moved to the next RK working days.

4. The lot's size at the yuan trading makes up 5,000 yuan.
5. At the yuan trading its price is measured in the Kazakh tenge per yuan with accuracy of up to the fourth decimal place.

6. The price of the first deal during a particular trading session is used as the opening price of the trading session in yuan.
7. A surmountable price deviation limit of 3 % of the last deal's price is set for the yuan.
8. No additional trading methods have been specified for the yuan.
The fixing trading method is a reserve trading method for the yuan.

Article 13. Particular parameters of trading in foreign currencies with regard to currency swap transactions

1. Currency swaps transactions are carried out with regard to the US dollar as subject of those transactions and include the following types of deals:
 - 1) deals in USDKZT_TOD or USDKZT_TOM as deals with earlier settlement terms (deals, with which currency swap transactions begin (open)) (with account to the detail provided for in item 3 of this article);
 - 2) deals with USDKZT_TOM, USDKZT_SPT, USDKZT_01W³, USDKZT_01M, USDKZT_03M, USDKZT_06M or USDKZT_01Y as deals with later settlement terms (deals, with which currency swap transactions end (close)).
2. At the additional session:
 - 1) currency swap transactions regarding the US dollar are conducted only with National Bank of the Republic of Kazakhstan;
 - 2) one-day currency swap transactions are conducted;
 - 3) if for some reasons USD-correspondent banks of the Exchange do not settle in USD on the trading day:
USDKZT_0_001 is not traded;
currency swap transactions with a later deadline for settlement like USDKZT_1_002 are carried out;
 - 4) second-tier banks that are clearing members of the foreign exchange market may participate in the trades;
 - 5) The National Bank of the Republic of Kazakhstan announces firm quotes, and other participants of trades have the right to conclude transactions only according to the quotes announced by the National Bank of Kazakhstan.
3. Currency swaps transactions may be held in regard to the euro as subjects of these transactions and include the following types of deals:
 - 1) deals with EURKZT_TOD or EURKZT_TOM as deals with earlier deadline for settlement (deals that begin (open) currency swaps transactions) (given the specifics set in item 3 of this Article);
 - 2) deals with EURKZT_TOM or EURKZT_SPT as deals with a later deadline for settlement (transactions that end (close) currency swap transactions).
4. Deals with USDKZT_TOM and EURKZT_TOM can be used for the beginning (opening) currency swaps transactions only if there is no trading held in USDKZT_TOD and EURKZT_TOD on the day of such beginning (opening), respectively.
5. Currency swap transactions are carried out in relation to the ruble as the subject of these transactions and include the following types of deals:

³ See the Instruction on coding members of Kazakhstan Stock Exchange JSC and their accounts, financial instruments and securities issuers, approved following a decision No. 21 of the Exchange's Management Board dated March 1, 2017.

- 1) deals with RUBKZT_TOD or RUBKZT_TOM as deals with earlier deadline for settlement (transactions that begin (open) currency swaps transactions) (given the specifics set in item 5 of this Article);
- 2) deals with RUBKZT_TOM or RUBKZT_SPT as deals with a later deadline for settlement (transactions that end (close) currency swap transactions).
6. Deals with RUBKZT_TOM can be used for the beginning (opening) currency swaps transactions only if there is no trading held in RUBKZT_TOD on the day of such beginning (opening), respectively.
7. Currency swap transactions are carried out in relation to the yuan as the subject of these transactions and include the following types of deals:
 - 1) deals with CNYKZT_TOD or CNYKZT_TOM as deals with earlier deadline for settlement (transactions that begin (open) currency swaps transactions);
 - 2) deals with CNYKZT_TOM or CNYKZT_SPT as deals with later deadline for settlement (transactions that begin (open) currency swaps transactions).
8. The size of a lot when currency swap transactions are executed is 10 000 units of the currency, which is the subject of the currency swap transaction.
9. When performing currency swap transactions, the price of such transaction (which is the yield of the swap transaction) is measured in percent per annum with accuracy of up to four decimal places.
10. The price of the first currency swap transaction started (opened) at this trading session is used as the opening price of the trading session when currency swap transactions composed of any currencies are executed.
11. No additional methods for trading in currency swap transactions have been established.

The fixing method is the reserve method for trading in currency swaps.

Chapter 3. PARTICULAR PARAMETERS OF SECURITIES TRADING

Article 14. Trading day

The trading day on securities is specified in appendix 3 hereto.

Article 15. Particular parameters of conducting trading in securities

1. Opening of trades in securities or changing particular parameters of securities in accordance with the application of the initiator of admission of these securities is carried out by a decision of the member of the Exchange's Management Board in charge of the trading division, within three working days from the date of receipt of such an application or from the date specified in the application of the initiator of admission of these securities (if such date exceeds three business days).
2. Unless otherwise specified by a decision of the Exchange's Management Board in relation to a security of any particular denomination, the lot size when conducting trading in securities is established in the amount of one security with the following exceptions:
 - 1) when trading in units, the lot size is a whole unit or a share of a unit. The minimum lot size is at least one millionth of a share of a unit¹. The lot size in the order is set by the initiator of admission of such units;
 - 2) when trading in bonds denominated in foreign currency, transactions on which are calculated in the currency of issue, is set at 1,000 securities;

- 3) when conducting trades in a security of particular denomination in the "Small Lots" trading mode, the lot size cannot exceed the size of the standard lot size set for this security.
3. Unless otherwise specified by a decision of the member of the Exchange's Management Board in charge of the trading unit with regard to a security of particular denomination, during the trading:
 - 1) in shares and units, the price is measured in the Kazakh tenge or US dollars (depending on the currency specified in the application of the initiator of admission of the securities) for one share or unit with accuracy of up to the second decimal place;
 - 2) in bonds – the price is measured with accuracy of up to the fourth decimal place;
 - 3) in derivative securities – the price is measured in units of the currency of their offering for one derivative security, with accuracy of up to the second decimal place.
4. Trading in bonds included in the Exchange's official list, and bonds admitted to circulation in the sector "Non-listing securities" (hereinafter in this article – non-listing bonds) are carried in "clean" or in "dirty" prices, depending on the criterion established by the Exchange's internal document "Methodology of calculation of bonds yield and amounts of deals with bonds".
5. Prices ("clean" or "dirty") at which the bonds of particular name are traded are determined by a decision of the member of the Exchange's Management Board in charge of the trading division, taken in connection with the opening of trades in bonds of this name, taking into account the specifics established by the second paragraph of this item.

Prices ("clean" or "dirty"), at which non-listing bonds are traded, are determined in accordance with the procedure established by the Exchange's internal document.
6. As the opening price of the trading session for particular securities, the price determined at the opening auction is used, if it is not determined, then the price of the first deal in these securities concluded at the trading session upon the opening auction is used.
7. 15 minutes before the end of trading in securities, a closing auction is held.
8. If the day of execution of purchase-sale deals in securities, the settlement of which is carried out in US dollars, for some reason is a non-working day for US dollar-correspondent banks of the Exchange, then the day of execution of such transactions is the working day of the Republic of Kazakhstan, on which the Exchange's correspondent banks make settlements in US dollars following the non-working day.
9. An additional method of conducting securities trading is the method of concluding direct deals.

The reserve method of conducting securities trading is the fixing method.

Chapter 4. PARTICULAR PARAMETERS OF CONDUCTING TRADES IN STATE BLOCKS OF SHARES

1. The sizes of lots during trading in state blocks of shares are reported to the Exchange by sellers of these state blocks of shares.
2. When conducting trades in state blocks of shares, their price is measured in the Kazakh tenge per share with accuracy of up to two decimal places.

3. Methods of conducting trades in state blocks of shares are determined by sellers of these state blocks of shares upon agreement with the Exchange.

Chapter 5. PARTICULAR PARAMETERS OF TRADING IN FUTURES

Article 16. Trading day

The trading day for futures starts at 10:00 o'clock, Almaty time, and ends at 15:30 o'clock, Almaty time.

Article 17. Particular parameters of trading in futures

Particular parameters of trading in futures shall be defined by other internal documents of the Exchange and futures specifications approved by the Exchange's Management Board.

Chapter 6. PARTICULAR PARAMETERS OF TRADING ON THE REPO MARKET

Article 18. Trading day on repo transactions

1. The trading day for repo transactions is specified in appendix 3 to these Regulations.

The trading day on repo transactions carried out by the "nego" method is not subdivided into separate trading sessions; trades are held in one trading session, which coincides in duration with the trading day.

The trading day for repo transactions carried out by the "automatic" method is subdivided into the main and additional sessions.

2. Trading in repo transactions, the items of which are securities (including derivative securities, the underlying asset of which is non-government securities), denominated in US dollars are not carried out if, for some reason, the Exchange correspondent banks in US dollars do not conduct settlements in US dollars on the trading day.
3. A report on execution of a repo closing deal related to a repo transaction, for which the Exchange does not act as the central counterparty, must be sent to the trading system by the repo seller 15 minutes before the end of the trading day for such repo transaction.

Article 19. Particular Parameters of conducting trading at execution of nego transactions by the "nego" repo method

The main method of conducting trades when performing repo transactions by the "direct" method is the method of concluding nego deals; whereby:

- 1) the lot size corresponds to the size established for the security used as the subject of such repo transaction in accordance with item 2 of Article 15 of these Regulations;
- 2) a repo transaction's price is measured with accuracy of up to the fourth decimal place;
- 3) repo opening price is determined based on the market or indicative value of these securities;
- 4) repo transaction term (repo closing date) is determined by the repo transaction's participants independently upon agreement with each other;

- 5) there are no additional or reserve trading methods at execution of repo by the "nego" method.

Article 20. Particular parameters of trading when conducting repo transactions by "automatic" method

1. The size of the lot when executing repo transactions by the "automatic" method with:
 - 1) a particular name of securities is one piece of the security;
 - 2) a security basket is KZT1,000,000.
2. When conducting trading on the automatic repo market, the repo transaction's price (which is represented by the repo transaction's rate) is measured with accuracy of up to the fourth decimal place.
3. The following is used as the opening price of the trading session:
 - 1) if government securities of the Republic of Kazakhstan are used as underlying assets in these repo transactions (except for municipal securities) – the weighted average yield of all repo transactions with that term based on their opening deals concluded during the most recent resultant trading session;
 - 2) if securities other than those indicated in sub-item 1) of this item are used as underlying assets in these repo transactions – the yield of all repo transactions with this term based on the opening deal concluded during this trading session.
4. Additional trading methods for repo transactions by the "automatic" method have not been established.

The reserve method of conducting trading during execution of repo operations by the "automatic" method is the fixing method.

Chapter 7. PARAMETERS OF TRADING ON KASE PRIVATE MARKET AND KASE STARTUP MARKET PLATFORMS

Trading parameters for the platforms KASE Private Market and KASE Startup are regulated by separate internal documents "Regulations on the Procedure of concluding deals and executing settlements on KASE Private Market" and "Regulations on the procedure of concluding deals and executing settlements on the platform KASE Startup", respectively.

Chapter 8. REGULATIONS ON OPERATION OF THE CONTROL AND COLLATERAL SYSTEM

Article 21. Regulations on the operation of the control and collateral system

1. The control and collateral system operates daily on business days of the Republic of Kazakhstan in hours specified in appendix 3 hereto.
2. The operation time of the control and collateral system can be extended by the Chairman of the Management Board of the Exchange or Deputy Chairman of the Management Board of the Exchange, who supervises trading in case of malfunction of the Exchange's software and hardware used for trading and receipt of messages on confirmation of deals or occurrence of other unforeseen circumstances that prevent the control and collateral system from operating as usual.

Article 22. Peculiarities of operation of the control and collateral system

1. When conducting trades using the special trading session method, those orders of trading participants other than the only seller (buyer) of the financial instrument being offered (sold, repurchased, purchased), are subject to confirmation or refusal to confirm, upon the satisfaction of which trading accounts controlled by participants of the control and collateral system will be used.
2. When conducting trades by the special trading session method, during which direct orders are submitted to the trading system, if necessary, the Exchange should receive refusals to confirm these orders:
 - 1) during the auction for offering (sale, repurchase, acquisition) of a financial instrument – within the period of time that includes the period for receipt of these orders by the Exchange and 30 minutes thereafter;
 - 2) during the auction for additional offering of securities being offered at special trading sessions – within the period of time that includes the period for receipt of these orders by the Exchange and 15 minutes thereafter.
3. When conducting trades by the special trading session method on offering (sale, repurchase, acquisition) or additional offering of securities, during which orders other than direct orders are submitted to the trading system, the Exchange should receive confirmation or refusal to confirm these orders only during the period of receipt of these orders.
4. When conducting trading in securities, at conclusion of deals in which the Exchange does not perform functions of the central counterparty, deals are confirmed in accordance with the Exchange's internal document "Procedure of concluding deals in securities without performing functions of the central counterparty and making settlements thereon (gross settlements)".
5. When conducting trading in securities, at conclusion of deals in which the Exchange performs functions of the central counterparty, the procedure of concluding and executing deals in the interest of clients of the user of the control and collateral system is carried out in accordance with the Exchange's internal document "Procedure of concluding deals in securities with performing functions of the central counterparty".

Chapter 9. FINAL PROVISIONS

1. These Regulations are subject to publication on the Exchange's website.
2. Responsibility for the timely introduction of amendments and/or additions to these Regulations (updating) rests with the trading department.
3. These Regulations are subject to updating as necessary, but at least once every three years, counting from the date of coming into effect of these Regulations.

Chairperson of the Management Board

A. Aldambergen

Appendix 1

to the Regulations on trading and operation of the control and collateral system

SCHEDULE OF TRADING
on the currency market

Item No.	Financial instrument	Ticker of the financial instrument	Trading hours, (ALT)
1	2	3	4
1.	Foreign currencies with settlement execution term T+0	USDKZT_TOD, RUBKZT_TOD, EURKZT_TOD, EURUSD_TOD	10:15 – 15:30
2.	Chinese yuan with settlement execution term T+0	CNYKZT_TOD	10:15 – 11:00
3.	Foreign currencies with settlement execution terms T+1 and T+2	USDKZT_TOM, USDKZT_SPT, RUBKZT_TOM, RUBKZT_SPT, EURKZT_TOM, EURKZT_SPT, EURUSD_TOM, EURUSD_SPT, CNYKZT_TOM, CNYKZT_SPT	10:15 – 17:00
4.	Main session on currency swap transactions with regard to the US dollar	USDKZT_0_001, USDKZT_0_002, USDKZT_1_002, USDKZT_0_01W, USDKZT_0_01M, USDKZT_0_06M, USDKZT_0_01Y	11:30 – 15:30
5.	Additional session on currency swap transactions with regard to the US dollar	USDKZT_0_001	17:00 – 17:30
6.	Currency swap transactions with regard to the euro and ruble	EURKZT_0_001, EURKZT_0_002, EURKZT_1_002, RUBKZT_0_001, RUBKZT_0_002, RUBKZT_1_002	11:30 – 15:30

Regulations on trading and operation of the control and collateral system

Item No.	Financial instrument	Ticker of the financial instrument	Trading hours, (ALT)
1	2	3	4
7.	Currency swap transactions with regard to the Chinese yuan	CNYKZT_0_001, CNYKZT_0_002, CNYKZT_1_002	10:15 – 11.00

Appendix 2

to the Regulations on trading
and operation of the control and
collateral system

SIZE
of the lot when conducting trading in the US dollar

No.	Minimum lot size, US dollar	Deviation of the order price from the last deal price, %
1.	1,000 – 99,000	0.00–0.10
2.	100,000 – 999,000	0.11–0.20
3.	1,000,000 – 2,499,000	0.21–0.40
4.	2,500,000 – 4,999,000	0.41–0.60
5.	5,000,000 – 9,999,000	0.61–0.80
6.	From 10 000 000 and up	0.81–1.00

Appendix 3

to the Regulations on trading and operation of the control and collateral system

SCHEDULE OF TRADING
and operation of the control and collateral system on the stock market

Item	Transaction name	Trading hours, (ALT)		Hours of operation of the control and collateral system, (ALT)
		Method of continuous counter auction	Method of concluding direct deals	
1	2	3		4
1.	Purchase-sale of securities (settlement day T+n)	11:20 – 17:30	10:30 – 17:30	11:30 – 17:45
2.	Purchase-sale of securities (settlement day T0)	11:20 – 17:00	10:30 – 17:30 <i>(this cell was changed by a decision of the Exchange's Management Board dated July 14, 2020)</i>	
3.	Purchase-sale of securities, admitted to the trading mode "Small lots"	15:00 – 17:00	–	
4.	Repo transactions	11:30 – 17:00	10:30 – 17:00	
5.	Repo transactions at the additional session with NBRK basket	17:00 – 17:30	–	