

# KAZAKHSTAN STOCK EXCHANGE JSC

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## **Approved**

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

(minutes # 133  
of November 20, 2018)

## **Effective**

from February 18, 2019

### **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 trades in ACT and NEXT trading systems

*(the title was changed following a decision of the Exchange's Management Board  
dated September 5, 2019)*

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Almaty

2018

## LIST OF AMENDMENTS

**1. Changes No. 1:**

- approved by a decision of the Management Board of "Kazakhstan Stock Exchange" JSC (meeting minutes No. 31 dated February 28, 2019);
- effective as of March 4, 2019.

**2. Supplement No. 2:**

- approved by a decision of the Management Board of "Kazakhstan Stock Exchange" JSC (meeting minutes No. 41 dated March 28, 2019);
- effective from April 1, 2019.

**3. Changes and additions No. 3:**

- approved by a decision of the Management Board of "Kazakhstan Stock Exchange" JSC (meeting minutes No. 73 dated June 26, 2019);
- effective as of July 1, 2019.

**4. Change No. 4:**

- approved by a decision of the Management Board of "Kazakhstan Stock Exchange" JSC (meeting minutes No. 87 dated July 30, 2019);
- effective from August 1, 2019.

**5. Amendments No. 5:**

- approved by a decision of the Management Board of "Kazakhstan Stock Exchange" JSC (meeting minutes No. 103 dated September 5, 2019);
- will be put into effect by a separate decision of the Management Board.

**6. Changes and additions No. 6:**

- approved by a decision of the Management Board of "Kazakhstan Stock Exchange" JSC (meeting minutes No. 119 dated October 9, 2019);
- effective from October 15, 2019.

These Regulations define basic parameters of the procedure of conducting trading in financial instruments, admitted to circulation on trading operated by Kazakhstan Stock Exchange JSC (hereinafter – the Exchange) (to circulation on the Exchange), and operation of the system of control and security in ACT and NEXT trading systems (*this preamble was changed following a decision of the Exchange's Management Board dated September 5, 2019*).

## Chapter 1. GENERAL PROVISIONS

### Article 1. Terminology

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) operating day means the part of the business day, during which the Exchange carries out procedures related to operation and administration of trades, clearing and settlement of deals in financial instrument;
  - 3) financial instruments mean only those ones which are admitted to circulation on the Exchange;
  - 4) trading means the trading operated by the Exchange;
  - 5) deals mean transactions in financial instruments concluded during the trading;
  - 6) orders mean orders for conclusion of deals;
  - 7) shares of the first (or second or third) class of liquidity and not included in the list T+ in accordance with the Exchange's internal document "Procedure of inclusion of financial instruments in the List T+ and in the Collateral list T+ mean shares which are included in the current list<sup>1</sup> of securities of the first (or second or third) class of liquidity (*this sub-item was changed following a decision of the Exchange's Management Board dated September 5, 2019*);
  - 8) an RK working day means exclusively the day which is a working day in the Republic of Kazakhstan;
  - 9) a non-working day means an RK working day on which for some reasons banks – correspondents of the Exchange do not execute settlement of respective foreign currencies and the tenge (*this sub-item was changed by a decision of the Exchange's Management Board dated October 9, 2019*);
  - 10) firm quote refers to a quote that imposes an obligation on the participant of trades, who announced this quote, to make a deal based on this quote (*this sub-item was included by a decision of the Exchange's Management Board dated October 9, 2019*).
2. Other definitions 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"<sup>2</sup>.

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<sup>1</sup> Lists of securities of various classes of liquidity are formed in accordance with the Methodology of defining securities' liquidity indicators.

<sup>2</sup> Approved following a decision of the Board of Directors of Kazakhstan Stock Exchange JSC (minutes No. 30 dated December 14, 2017).

**Article 2. Definition 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 article 4 and chapters 2–8 hereof.
4. The main trading method is defined by article 7 hereof.
5. Sizes of lots (with account to the particulars specified in the second paragraph of this item), price unit measure of financial instruments, trading session opening prices, additional and reserve trading methods are defined by chapters 2–8 hereof.

At conducting trades by method of nego deals, the term "lot" is not applicable; order sizes and, accordingly, volumes of deals are determined by traders independently on mutual accord.

**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) *(this sub-item was changed by a decision of the Exchange's Management Board dated September 5, 2019).*
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 trading *(this sub-item was changed by a decision of the Exchange's Management Board dated September 5, 2019).*
3. Trading participants – Exchange members shall be informed on the change of the trading venue through the trading system or other methods ensuring the notification of Exchange members – trading participants before the opening of trading at the new place.

**Article 4. Time of Trading**

1. Trading is held each RK working day during the trading day individually specified in chapters 2–8 hereof 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 the trading instrument is related.

2. Foreign currency trading day is subdivided into separate trading sessions as determined in article 10 hereof.

Trading days in financial instruments, other than foreign currencies, are not divided into separate trading sessions; such financial instruments are trading within one session, continuing throughout the trading day.

3. 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 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) arrival from the trade participant of a written application for extension of trade in particular financial instruments in order to close by this trade participant of previously opened positions and/or execution of liabilities on previously concluded deals in these financial instruments. The application must contain details of the proposed time of extension of trade, description of reasons for extension of trade.
4. Exchange members – trading participants shall be informed on changes in trading schedule via the trading system or other possible methods.

#### **Article 5. Operating day of the Exchange**

1. An operating day of the Exchange begins at 09:00 o'clock (Almaty time) for all groups of financial instruments, taking into account particulars, specified in item 3 and sub-item 1) of item 4 of this article.
2. An operating day of the Exchange ends at 19:15 o'clock (Almaty time), taking into account particulars, specified in item 3 and sub-item 2) of item 4 of this article (*this item was changed by a decision of the Exchange's Board of Directors dated September 5, 2019*).
3. The time of the end of the operating day can be changed (the operating day of the Exchange can be extended) by the Chairman of the Exchange's Management Board or Deputy Chairman of the Exchange's Management Board supervising the trade operation in the following cases:
  - 1) malfunction of software and hardware of the Exchange used for clearing and settlement of financial instruments, or occurrence of other unforeseen circumstances impeding clearing and settlement of financial instruments by the Exchange in the usual mode;
  - 2) extension of the trading day in accordance with item 3 of article 4 of these Regulations;

- 3) arrival from a trading participant of written application in free form to the Exchange for extension of the operating day with indication of reasons and time of such extension;
  - 4) receipt by the Exchange of a message from the Central Depository by e-mail or via other possible communication types regarding the extension of its operating day;
  - 5) extension of the operating day for purposes of completing clearing in case of default.
4. The procedure of opening and closing of the Exchange's operating day for the stock market:
- 1) the Exchange's operating day is considered opened provided the following actions were performed: before 9:15 o'clock (Almaty time) the Exchange sends to the Central Depository a query about the amounts of money and securities in the trading participants' trade accounts, in reply to which the Central Depository sends the requested data to the Exchange;
  - 2) the Exchange's operating day is considered closed provided the following actions were performed: at 19:15 o'clock (Almaty time) the Exchange sends to the Central Depository a request to close the operating day, in reply to which the Central Depository sends a message with a reply regarding the possibility of closing the operating day, taking into account the particular specified in item 3 of this article (*this sub-item was changed following a decision of the Exchange's Management Board dated September 5, 2019*).

**Article 6. Time Restrictions on conclusion of repeated deals**

If the Exchange's internal documents allow conclusion of repeated (including duplicating repeated) deals, instead of and based on terms of previously concluded but not executed deals, then such repeated deals can be concluded on expiration of time of trading in respective financial instruments, but only within the operation time of the control and maintenance system (*this paragraph was changed following a decision of the Exchange's Management Board dated September 5, 2019*).

**Article 7. Main trading method**

1. Except as otherwise provided in chapters 2–8 hereof and other internal documents of the Exchange for particular groups of financial instruments, the continuous counter auction method is the main trading method.
  - 1-1. Trading in instrument USDKZT\_TOM, conducted by the continuous counter auction method at any time during the day, but not later than seven minutes to its end, is conducted by the Frankfurt trading method, in case at (*this item was supplemented by a decision of the Exchange's Management Board dated June 26, 2019*):
    - 1) matching or crossing of prices of orders for sale or purchase, the proposed transaction price differs from the last transaction price of the previous trading day by 1.5 % or more;
    - 2) repeated matching or crossing of prices of orders for sale or purchase, the proposed transaction 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;
  - 1-2. At switching of the trading in instrument USDKZT\_TOM, conducted in the trading system by the method of continuous counter auction, to the stand-by mode (*this item was supplemented by a decision of the Exchange's Management Board dated June 26, 2019*):

- 1) the minimum duration of the standby mode is six minutes, the maximum – seven minutes (with 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.
2. For trading by the method of continuous counter auction, the Exchange's internal documents or the trading system's settings may provide for submission of preliminary orders, i.e. orders accepted by the Exchange before the trading session beginning.

The Exchange accepts preliminary orders beginning from 11:05 o'clock, Almaty time (ALT) on the trading day.

Submission of a preliminary order can be made automatically through submission of such order by a trading participant with indication of the possibility of daily generation of a preliminary order.

During the term of validity of a preliminary order, daily from 11:05 o'clock ALT a preliminary order for buying and/or selling a financial instrument is automatically generated in the Exchange's trading system.

The Exchange reserves the right to discontinue the automatic generation of preliminary orders for purchase and/or selling of a particular financial instrument in cases of a change in the type of price (from "dirty" to "clean") when conducting trade in that financial instrument; changes in the characteristics and parameters of that financial instrument, if such changes are capable of significantly affecting the pricing on that financial instrument (e.g. at splitting of the security).

The Exchange must notify the trading participant, who submitted a preliminary order for purchase and/or sale of that financial instrument, of discontinuing the daily generation of preliminary orders in accordance with the third paragraph of this item by way of sending a respective message via the trading system.

In case of a checkup of trading participants' orders, set by other internal documents of the Exchange, such checkup of preliminary orders is implemented at the moment of their submission to the trading system, including by the automated method.

In case of receipt by the Exchange of an official document from the authorized body for suspension or withdrawal of the license for execution of professional activities on the securities market from a particular member of the Exchange, the Trades Department stops the automatic generation of preliminary orders for purchase and/or sale of financial instruments and/or removes current orders submitted by the member of the Exchange from the trading system.

3. Trading in bonds, executed by the continuous counter auction is switched to the standby mode, during which it is executed by the Frankfurt trades method (*this item was changed following a decision of the Exchange's Management Board dated September 5, 2019*):
  - 1) in case of matching or crossing of prices indicated in offset orders for sale or purchase of bonds, admitted to circulation on the Exchange;
  - 2) in case of matching or crossing of prices indicated in preliminary offset orders for sale or purchase.

4. At switching of trading in securities conducted in the trading system by the method of continuous counter auction into the standby mode (*this item was changed following a decision of the Exchange's Management Board dated June 26, 2019*):
  - 1) the minimum duration of the standby mode is 10 minutes, the maximum – 20 minutes (with account to the particulars specified in sub-item 3) of this item);
  - 2) the standby mode shall end not earlier than in five minutes from the moment (considering trading session duration limits, established hereby, and the maximum standby mode duration, established by sub-item 1) of this item and specifics, established by sub-item 3) of this item):

the Exchange accepts the last order submitted when trading was in the standby mode;

of the last annulment of an order submitted during the trading in the standby mode;

of the last change of terms of an order submitted at trading in the standby mode;
  - 3) if the standby mode duration determined according to sub-items 1) and 2) of this item is 11 to 18 minutes, the standby mode ends precisely in accordance with this duration;

if the standby mode duration determined according to sub-items 1) and 2) of this item is 18 to 20 minutes, the standby mode ends within the mentioned period of time in the deliberate moment of time determined by the trading system automatically based on the method of randomly generated figures.
5. (*This item was removed following a decision of the Exchange's Management Board dated September 5, 2019*).
6. (*This item was removed following a decision of the Exchange's Management Board dated September 5, 2019*).

**Article 8. Price Variance Limits**

1. Price variance limits are subdivided into:
  - 1) preventive;
  - 2) surmountable;
  - 3) strict (insurmountable).
2. Preventive price variance limits are set by the trading system to prevent trading participants from technical mistakes when forming orders and entering them into the trading system.

If parameters of an order entered into the trading system are associated with breaching any preventive price variance limit, the trading system will issue a respective preventive message, which may be ignored by the trading participant submitting that order or used by him for order adjustment purposes.
3. Surmountable price variance limits are set in the trading system based on requirements of these Regulations, decisions of the Exchange's Board of Directors or the Exchange's Management Board to prevent trading participants from technical mistakes when forming orders and entering them into the trading system.

If parameters of an order entered into the trading system are associated with breaching any surmountable price variance limit, the trading system rejects that order (denies acceptance of that order) and issues an appropriate message.



In case of deliberate necessity of excess of the indicated limit, the interested trading participant may request the Exchange's broker or the substituting person to withdraw or increase the indicated limit. The Exchange's broker does not have the right to deny such request, however he must notify other trading participants on withdrawal or increase in the indicated limit.

4. Strict (insurmountable) price variance limits are set in the trading system based on decisions of the Exchange's Board of Directors or the Exchange's Management Board in order to set up the admissible range of order prices or for other purposes.

If parameters of an order entered into the trading system are associated with breaching any strict (insurmountable) price variance limit, the trading system rejects the order (denies acceptance of the order) and issues a corresponding message.

The Exchange's broker may not withdraw or increase the indicated limit without the respective permission of the Exchange's body that made a decision underlying the indicated limit.

5. The determined surmountable and strict (insurmountable) price variance limits are described in chapters 2–5 hereof.

#### **Article 9. 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 other main parameters of conduct of trading, and operation of the Exchange's control and maintenance system, distinct from defined herein, 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, putsch, fire, natural disasters and other circumstances, which the Exchange could not foresee or which directly affected conclusion and execution of transactions in the standard mode (*this item was amended by a decision of the Exchange's Management Board of September 5, 2019*).

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

#### **Article 10. Trading day**

1. The trading day for 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 1-1 and 1-2 of article 7 of these Regulations) and is subdivided in the following trades (*this item was amended by a decision of the Exchange's Management Board of June 26, 2019*):
  - 1) in foreign currencies with the settlement execution term on the trading day (taking into account the detail specified in sub-item 2) of this item) – from 10:15 to 15:30 o'clock, Almaty time;
  - 2) in the Chinese yuan with the settlement execution term on the trading day and currency swap transactions regarding the Chinese yuan – from 10:15 to 11:00 o'clock, Almaty time;
  - 3) in foreign currencies with the settlement execution term on the next working day or on the second working day after the trading day – from 10:15 to 17:00 o'clock, Almaty time;

- 4) on currency swap transactions regarding the euro and ruble – from 11:30 to 15:30 o'clock, Almaty time (*this sub-item was changed by a decision of the Exchange's Management Board dated October 9, 2019*).
2. The trading day for currency swaps regarding the US dollar starts at 11:30 o'clock Almaty time and ends at 17:30 o'clock Almaty time and shall be divided into the following trading sessions (*this item was included by a decision of the Exchange's Management Board dated October 9, 2019*):
  - 1) main session – from 11.30 to 15.30 Almaty time;
  - 2) additional session – from 17.00 to 17.30 Almaty time.

**Article 11. Particular parameters of trading in the US dollar**

1. The US dollar is with settlement in the tenge and settlement terms T+0<sup>3</sup>, T+1 and T+2 (hereinafter referred to as "USDKZT\_TOD", "USDKZT\_TOM" and "USDKZT\_SPT"<sup>4</sup>, respectively).

*(This paragraph was removed by a decision of the Exchange's Management Board of June 26, 2019).*

2. *(This paragraph was removed by a decision of the Exchange's Management Board of June 26, 2019).*

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 (*this item was changed by a decision of the Exchange's Management Board of June 26, 2019*).

In case the day T+1 and day T+2 on instrument USDKZT\_SPT for some reasons are non-working days for 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. *(This item was removed by a decision of the Exchange's Management Board of June 26, 2019).*
5. The size of a lot during the US dollar trading depends upon the extent of deviation of the price of the submitted order from the last deal's price and is set by appendix 1 hereto.
6. During the US dollar trading its price is measured in the Kazakhstan tenge per one US dollar with the accuracy within the second decimal.
7. The opening price for the trading session for 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.

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<sup>3</sup> 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).

<sup>4</sup> 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.

8. When conducting trades in the US dollar, no surmountable limit of the price deviation is set.
9. 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 12. 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"<sup>4</sup>.

The euro with settlement in the US dollar and the mentioned settlement terms will be marked as "EURUSD\_TOD", "EURUSD\_TOM" and "EURUSD\_SPT"<sup>4</sup>.

2. *(This item was removed by a decision of the Exchange's Management Board of June 26, 2019).*

3. EURKZT\_TOD is not traded, if for some reasons EUR-correspondent banks of the Exchange do not operate on the trading day.

EURUSD\_TOD is not traded, if for some reasons any or all of the respective USD and/or EUR-correspondent banks of the Exchange do not operate on the trading day.

4. *(This paragraph was removed by a decision of the Exchange's Management Board of June 26, 2019).*

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 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 banks – correspondents of the Exchange on the US dollar or euro, the respective days T+1 and T+2 are moved to the next working days.

5. The size of a lot at trading the euro makes up EUR1,000 (*this item was amended by a decision of the Exchange's Management Board of February 28, 2019*).
6. At trading the euro, it is priced in the settlement currency, per euro:
  - 1) on EURKZT\_TOD, EURKZT\_TOM and EURKZT\_SPT – in the tenge with accuracy of up to the second decimal place;
  - 2) on EURUSD\_TOD, EURUSD\_TOM and EURUSD\_SPT – in the US dollar with accuracy of up to the fourth decimal place.
7. 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.
8. The euro is trading at a surmountable price variance limit of 3 % of the last transaction.
9. There is no additional method to trade the euro.  
The fixing method is the reserve method of trading the euro.

**Article 13. 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. (*This paragraph was removed by a decision of the Exchange's Management Board of June 26, 2019*).  
RUBKZT\_TOD is not traded, if for some reasons RUB-correspondent banks of the Exchange do not operate on the trading day.
3. (*This paragraph was removed by a decision of the Exchange's Management Board of June 26, 2019*).  
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 (*this item was amended by a decision of the Exchange's Management Board of February 28, 2019*).
5. At trading the Russian ruble, it is priced in the Kazakhstan tenge per one ruble with accuracy of up to the fourth decimal place.
6. The opening price for the Russian ruble is the price of the first transaction concluded at that trading session.
7. The Russian ruble is trading at a 3 % surmountable price variance limit of the last transaction'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 14. Particular parameters of trading in 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 CNY-correspondent banks of the Exchange do not operate on the trading day (*this item was amended by a decision of the Exchange's Management Board of June 26, 2019*).
3. (*This paragraph was removed by a decision of the Exchange's Management Board of June 26, 2019*).

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 yuans and tenges, 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 yuans and tenges, 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 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 lot's size at the yuan trading makes up 5,000 yuan (*this item was amended by a decision of the Exchange's Management Board of February 28, 2019*).
5. At the yuan trading its price is measured in Kazakhstan's 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 15. 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 transactions:
  - 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 in USDKZT\_TOM, USDKZT\_SPT, USDKZT\_01W<sup>5</sup>, USDKZT\_01M, USDKZT\_03M, USDKZT\_06M or USDKZT\_01Y as deals with later settlement terms (deals, with which currency swap transactions end (close) *(this sub-item was amended by a decision of the Exchange's Management Board of March 28, 2019)*).
- 1-1. At the additional session *(this item was included by a decision of the Exchange's Management Board dated October 9, 2019)*:
  - 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.
2. Currency swaps transactions may be held in regard to the euro with the following deals as parts of such transactions and include the following types of transactions:
  - 1) transactions with EURKZT\_TOD or EURKZT\_TOM as transactions with earlier deadline for settlement (transactions that begin (open) currency swaps transactions) (given the specifics set in item 3 of this Article);
  - 2) transactions with EURKZT\_TOM or EURKZT\_SPT as transactions with a later deadline for settlement (transactions that end (close) currency swap transactions).
3. Transactions with USDKZT\_TOM and EURKZT\_TOM may 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.
4. Currency swap transactions are carried out in relation to the ruble as the subject of these transactions and include the following types of transactions:
  - 1) transactions with RUBKZT\_TOD or RUBKZT\_TOM as transactions with earlier deadline for settlement (transactions that begin (open) currency swaps transactions) (given the specifics set in item 5 of this Article);
  - 2) transactions with RUBKZT\_TOM or RUBKZT\_SPT as transactions with a later deadline for settlement (transactions that end (close) currency swap transactions).
5. Transactions with RUBKZT\_TOM may 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.
6. Currency swap transactions are carried out in relation to the yuan as the subject of these transactions and include the following types of transactions:

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<sup>5</sup> 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) transactions with CNYKZT\_TOD or CNYKZT\_TOM as transactions with earlier deadline for settlement (transactions that begin (open) currency swaps transactions);
- 2) transactions with CNYKZT\_TOM or CNYKZT\_SPT as transactions with later deadline for settlement (transactions that begin (open) currency swaps transactions);
7. *(This sub-item has been excluded by the decision of the Management Board of Exchange of June 26, 2019).*
8. *(This sub-item has been excluded by the decision of the Management Board of Exchange of June 26, 2019).*
9. The size of a lot when currency swap transactions are executed is 10.000 units of a currency, which is a subject of currency swap transaction *(this item has been changed by the decision of the Exchange's Management Board of July 30, 2019).*
10. At execution of currency swap transactions the price of such transaction (the swap transaction's yield is used as such) is measured in annual percentage with accuracy within the fourth decimal.
11. 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.
12. 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 TRADING PARAMETERS FOR KAZAKHSTAN GOVERNMENT SECURITIES**

#### **Article 16. Trading Day**

The trading day for Kazakhstan's government securities starts at 11:30 o'clock, Almaty time and ends at 17:00 o'clock, Almaty time.

#### **Article 17. Restriction on Nego Transactions**

Trades in Kazakhstan's government securities by nego transactions method are prohibited, excluding trades in Kazakhstan's international securities.

#### **Article 18. Price deviation limits on Kazakhstan's government securities**

By the decision of the Exchange Council (meeting minutes No. 34 dated December 26, 2007), a surmountable price deviation limit of 30% of the value of the last transaction with Kazakhstan's government securities (prior to the first transaction, it will be the weighted average value of all transactions in securities of this name concluded at the last resultant trading session) has been set for Kazakhstan's government securities of any name. An interested participant of trades may contact the Exchange's broker dealer with the request to remove or increase this limit at least 15 minutes before the end of the trading session.

#### **Article 19. Particular trading parameters for Kazakhstan's international securities**

1. The size of a lot is not set when international securities of the Republic of Kazakhstan are traded (hereinafter, Eurobonds).
2. Eurobonds of any name are traded (*this item has been changed by the decision of the Exchange's Management Board of June 26, 2019*):  
in "clean" prices, if Eurobonds of this name are discount bonds or meet all criteria set in paragraph 1 of Appendix 2 to these Regulations;  
or  
in "dirty" prices, if Eurobonds of this name meet all criteria set in paragraph 2 of Appendix 2 to these Regulations;
3. The price of the first transaction with these Eurobonds concluded at this trading session will be used as the opening price of the trading session on any Eurobonds.
4. The nego method is an additional method to trade Eurobonds.  
The fixing method is the reserve method to trade Eurobonds.

**Article 20. Particular trading parameters for government securities, securities issued by the National Bank of the Republic of Kazakhstan and local executive bodies**

1. The size of a lot is not set when securities of Government, the National Bank of the Republic of Kazakhstan and local executive bodies (further in this Article – government bonds) are traded.
2. Government bonds of any name are traded (*this item has been changed by the decision of the Exchange's Management Board of June 26, 2019*):  
in "clean" prices, if government bonds of this name are discount bonds or they meet all criteria set in paragraph 1 of Appendix 2 to these Regulations;  
or  
in "dirty" prices, if government bonds of this name meet all criteria set in paragraph 2 of Appendix 2 to these Regulations;
3. The price of the first transaction with these government bonds concluded at this trading session will be used as the opening price of the trading session on any government bonds.
4. Additional methods of trading in government bonds have not been specified (based on the limit specified in Article 15 of these Regulations).  
The fixing method is the reserve method to trade government bonds.

**Chapter 4. PARTICULAR TRADING PARAMETERS  
FOR CORPORATE SECURITIES**

**Article 21. Trading Day**

Trading day for corporate securities starts at 11.30 a.m. Almaty time and ends at 5.00 p.m. Almaty time (*this item has been changed by the decision of the Management Board of Exchange of September 5, 2019*).

**Article 22. Price Deviation Limits on Corporate Securities**

By the decision of the Exchange Council (meeting minutes No. 34 dated December 26, 2007), a surmountable price deviation limit of 30% of the value of the last transaction with these type of securities (prior to the first transaction, it will be the weighted average value of all transactions with these securities concluded at the last



resultant trading session) has been set for corporate securities of any name (except for securities included in state blocks of shares sold through the Exchange). An interested participant of trades may contact the Exchange's broker dealer with the request to remove or increase this limit at least 15 minutes before the end of the trading session.

**Article 23. Particular parameters of share trading**

Unless otherwise is established by the decision of the Exchange's Management Board in respect of shares of any particular name, the shares will be used only as items of direct repo transactions (*this item has been changed by the decision of the Management Board of the Exchange dated September 5, 2019*).

**Article 24. Particular trading parameters for bonds included in the Exchange's official list**

1. The size of a lot is not set when bonds included in the Exchange's Official List (further in this Article – Listed Bonds) are traded.

2. Listed bonds of any name are traded (*this item has been changed by the decision of the Exchange's Management Board of June 26, 2019*):

in "clean" prices, if listed bonds of this name are discount bonds or they meet all criteria set in paragraph 1 of Appendix 2 to these Regulations;

or

in "dirty" prices, if listed bonds of this name meet all criteria set in paragraph 2 of Appendix 2 to these Regulations;

Prices ("clean" or "dirty"), at which listed bonds of any name are traded, are determined by the decisions of the Exchange's Management Board made due to the opening of trading of bonds of this name.

3. The price of the first transaction with these listed bonds concluded at this trading session will be used as the opening price of the trading session for any listed bonds.

3-1 Trading in U.S. dollar-denominated bonds, transactions with which are settled in this currency, are not conducted two trading days ahead of the day on which, for whatever reason, the banks - correspondents of the Exchange on the U.S. dollar do not make settlements in U.S. dollars (*this item has been amended by the decision of the Exchange's Management Board of June 26, 2019*).

4. The nego method is an additional method to trade listed bonds.

The fixing method is the reserve method to trade listed bonds.

**Article 25. Particular trading parameters for bonds admitted to trading the sector "Non-listed securities"**

1. The size of a lot is not set when bonds admitted to trading in the sector "Unlisted securities" (further in this Article, Unlisted Bonds) are traded.

2. Trades in unlisted bonds of any name are executed: in "clean" prices, if unlisted bonds of this name are discount bonds or they meet all criteria set in paragraph 1 of Appendix 2 to these Regulations (*this paragraph has been amended by the decision of the Exchange's Management Board of June 26, 2019*):

or

in "dirty" prices, if unlisted bonds of this name meet all criteria set in paragraph 2 of Appendix 2 to these Regulations;

Prices ("clean" or "dirty"), at which unlisted bonds of any name are traded, are determined by the decisions of the Exchange's Management Board made due to the admittance of bonds of this name to trading in the sector "Unlisted securities".

3. The price of the first transaction with these unlisted bonds concluded at this trading session will be used as the opening price of the trading session for any unlisted bonds.
4. The nego method is an additional method to trade unlisted bonds.  
The fixing method is the reserve method to trade unlisted bonds.

**Article 26. Particular Trading Parameters for State Blocks of Shares**

1. Sellers of state blocks of shares shall inform the Exchange about sizes of lots when state-owned blocks of shares are traded.
2. The price of state blocks of shares is measured in the Kazakhstani tenge per share with accuracy of up to the second decimal place.
3. The concepts of "opening price" and "price deviation limit" do not apply to state blocks of shares.
4. Sellers of state blocks of shares shall decide on the methods of trading in the state blocks of shares with the approval of the Exchange.

**Chapter 5. PARTICULAR TRADING PARAMETERS FOR SECURITIES OF INVESTMENT FUNDS**

*(This chapter has been excluded by the decision of the Exchange's Management Board of September 5, 2019)*

**Chapter 6. PARTICULAR TRADING PARAMETERS FOR SECURITIES OF INTERNATIONAL FINANCIAL INSTITUTIONS AND FOREIGN GOVERNMENT SECURITIES**

**Article 30. Trading Day**

Trading day for securities of international financial institutions and foreign government securities starts at 11:30 o'clock, Almaty time and ends at 5:00 o'clock, Almaty time.

**Article 31. Price Deviation Limits**

By the decision of the Exchange Council (meeting minutes No. 34 dated December 26, 2007), a surmountable price deviation limit of 30% of the value of the last transaction with this type of securities (prior to the first transaction, it will be the weighted average value of all transactions in this type of securities concluded at the last resultant trading session) has been set for securities of international financial institutions and foreign government securities of any name. An interested participant of trades may contact the Exchange's broker dealer with the request to remove or increase this limit at least 15 minutes before the end of the trading session.

**Article 32. Particular Trading Parameters for Securities of International Financial Institutions**

1. The size of a lot is not set when securities of international financial institutions (further in this Article, IFI bonds) are traded.
2. IFI bonds of any name are traded *(this item has been changed by the decision of the Exchange's Management Board of June 26, 2019):*

in "clean" prices, if IFI bonds of this name are discount bonds or meet all criteria set in paragraph 1 of Appendix 2 to these Regulations;

or

in "dirty" prices, if IFI bonds of this name meet all criteria set in paragraph 2 of Appendix 2 to these Regulations;

Prices ("clean" or "dirty"), at which IFI bonds of any name are traded, are determined by the decisions of the Exchange's Management Board made due to the admittance of bonds of this name to trading at the Exchange.

3. The price of the first transaction with these IFI bonds concluded at this trading session will be used as the opening price of the trading session on any IFI bonds.
4. The nego method is an additional method to trade IFI bonds.  
The fixing method is the reserve method to trade IFI bonds.

**Article 33. Particular trading parameters for foreign government securities**

1. The lot size is not set when foreign government securities (further in this Article, Foreign Government Bonds) are traded.
2. Foreign government bonds of any name are traded *(this item has been changed by the decision of the Exchange's Management Board of June 26, 2019)*:

in "clean" prices, if foreign government bonds of this name are discount bonds or they meet all criteria set in paragraph 1 of Appendix 2 to these Regulations;

or

in "dirty" prices, if foreign government bonds of this name meet all criteria set in paragraph 2 of Appendix 2 to these Regulations;

Prices ("clean" or "dirty"), at which foreign government bonds of any name are traded, are determined by the decisions of the Exchange's Management Board made due to the admittance of foreign government bonds of this name to trading at the Exchange.

3. The price of the first transaction with these foreign government bonds concluded at this trading session will be used as the opening price of the trading session on any foreign government bonds.
4. The nego method is an additional method to trade foreign government bonds.  
The fixing method is the reserve method to trade foreign government bonds.

**Chapter 7. PARTICULAR TRADING PARAMETERS FOR DERIVATIVE SECURITIES**

*(This chapter has been excluded by the decision of the Exchange's Management Board of September 5, 2019)*

**Chapter 8. PARTICULAR PARAMETERS OF TRADING IN FUTURES**

**Article 36. Trading Day**

The trading day for futures starts at 10:00 o'clock, Almaty time, and ends at 3:30 o'clock, Almaty time.

**Article 37. 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 9. PARTICULAR PARAMETERS OF TRADING ON REPO MARKET**

**Article 38. Trading day on repo transactions**

1. The trading day on both nego and auto repo transactions starts at 11:30 a.m. (Almaty time) and ends at 17:30 o'clock, Almaty time and is divided into the following trading sessions:

- 1) main session – from 11.30 to 17.00 o'clock Almaty time;
- 2) additional session– from 17.00 to 17.30 o'clock Almaty time.

The message of readiness to execute a closing repo transaction must be sent to the trading system by the trading participant or a user of the Confirmations System not later than:

- 1) 16:45 of the closing date if the respective repo opening transaction was concluded during main session;
- 2) 17:30 of the closing date if the respective repo opening transaction was concluded during additional session.

2. The trading day for repo transactions starts at 11:30 o'clock, Almaty time and ends at 17:15, o'clock, Almaty time.

**Article 39. Particular Parameters of trading by nego repo method**

The main trading method for nego repo transactions is the method of nego transactions;

- 1) Repo opening and closing prices are determined based on the market value of these securities;
- 2) repo transaction term (repo closing date) is determined by participants of repo transaction independently in agreement with each other;
- 3) The concepts "opening price" and "price deviation limit" do not apply to nego repo transaction;
- 4) there is no additional or reserve trading methods for nego repo transactions.

**Article 40. Particular parameters of auto repo trading at execution of auto repo transactions and repo transactions with netting**

1. The size of a lot for auto repo transactions is KZT1,000,000, except for repo transactions with netting the size of a lot for which is not specified.

2. The price of a repo transaction (which is the repo transaction's yield) is measured within the fourth decimal during trading at the market of auto repo and repo with netting.

3. The following is used as the opening price of the trading session:

- 1) on auto repo transactions with certain term, if Kazakhstan's government securities are used as underlying assets in repo transactions (except for municipal securities) – the weighted average yield of all repo transactions with that term based on opening transactions concluded during the most recent resultant trading session;

- 2) on auto repo transactions with certain term, if securities other than those indicated in sub-item 1) of this item are used as underlying assets in those repo transactions – the yield of all repo transactions with that term based on the first opening transaction concluded during that trading session;
  - 3) on repo transactions with netting – the yield of the repo transaction with netting, based on the first opening transaction concluded during that trading session.
4. Price deviation limit for auto repo transactions and for repo transactions with netting is not set.
- 4-1 No trading in repo transactions with netting in respect of the U.S. dollar-denominated bonds, where transactions are settled in this currency, is conducted *(this item is supplemented by the decision of the Exchange's Management Board of June 26, 2019)*:
- 1) if for any reason, the banks - correspondents of the Exchange on the U.S. dollar do not make settlements in U.S. dollars on the day of trading;
  - 2) one trading day prior to the day when for any reason the banks - correspondents of the Exchange on the U.S. dollar do not make settlements in U.S. dollars.
- 4-2. At the additional session, auto repo transactions are concluded only with the National Bank of the Republic of Kazakhstan taking into account peculiarities envisaged in the Exchange's internal document of Specification of the Automatic Repo Market *(this item was included by a decision of the Exchange's Management Board dated October 9, 2019)*.
5. No additional trading methods for auto repo transactions and repo transactions with netting are specified.
- The reserve trading method for auto repo transactions and repo transactions with netting is the fixing method.

#### **Chapter 10. PARTICULAR PARAMETERS OF TRADING ON KASE PRIVATE MARKET AND KASE STARTUP MARKET**

Trading parameters for KASE Private Market and KASE Startup Market are regulated by separate internal documents "Regulations on the Procedure for Concluding Transactions and Settlements on KASE Private Market" and "Regulations on the Procedure for Concluding Transactions and Settlements on KASE Startup Market".

#### **Chapter 11. OPERATING PROCEDURE FOR THE SYSTEM OF CONTROL AND SECURITY**

*(this heading was changed by the decision of the Exchange's Management Board of September 5, 2019)*

**Article 41. Operating Procedure for the System of Control and Security** *(this heading was changed by the decision of the Exchange's Management Board of September 5, 2019)*

1. The System of Control and Security operates daily on business days from 11:30 o'clock to 17:45 o'clock, Almaty time *(this item has been changed by the decisions of the Exchange's Management Board of September 5, 2019 and of October 9, 2019)*.
2. The operation time of the System of Control and Security can be extended by the Chairman of the Management Board of the Exchange or Deputy Chairman of the Management Board of the Exchange, who supervise trading in the following

cases *(this paragraph has been changed by the decision of the Exchange's Management Board of September 5, 2019)*:

- 1) malfunction of the Exchange's software and hardware used for trading and receipt of messages on confirmation of transactions or occurrence of other unforeseen circumstances that prevent the System of Control and Security from operating as usual *(this subparagraph was changed by the decision of the Exchange's Management Board of September 5, 2019)*;
- 2) receiving a written application from a participant of trades for the extension of the operation time of the System of Control and Security. This application must contain information on the proposed time of extension of the operation of the System of Control and Security, description of reasons for such extension (this sub-item has been changed by the decision of the Exchange's Management Board of September 5, 2019).

**Article 42. Peculiarities of operation of the system of control and security**

*(this heading was changed by the decision of the Exchange's Management Board of September 5, 2019)*

1. When conducting special trading sessions, the orders of other participants of trades, except for the sole seller (buyer) of a financial instrument that is being offered (sold, redeemed, purchased) financial instrument, shall be confirmed. At the acceptance of these orders, trading accounts controlled by participants of the Confirmation System will be used; at that the Exchange must receive confirmations or rejections of confirmations of such orders:
  - 1) during the auction for offering (sale, redemption, acquisition) of a financial instrument – within the period of time that includes the receipt of these orders by the Exchange and 30 minutes thereafter;
  - 2) during the auction for additional placement of securities offered at special trading sessions – within the period of time that includes the receipt of these orders by the Exchange and 30 minutes thereafter;
2. When securities are traded according the T+0 settlement scheme, the confirmation of transactions is carried out in accordance with internal document "Regulations on Conducting Settlements on Securities Transactions under T+0 Scheme with Full Backing (Gross Settlements)".
3. When government securities are traded according the T+2 settlement scheme, the confirmation of transactions is carried out in accordance with internal document "Regulations on Conducting Settlements on Transactions with Government Securities under T+2 Scheme".
4. (This sub-item has been excluded by the decision of the Management Board of Exchange of September 5, 2019);

**Chapter 12. FINAL PROVISIONS**

1. These Regulations should be published on the Exchange's website.
2. Trading Department shall be responsible for the timely update of these Regulations.
3. These Regulations should be updated as required but at least once every three years.

Chairperson of the Management Board

Alina O. Aldambergen

**Appendix 1**

to the Regulations on Trading and Operation of the System of Control and Security *(this headline has been changed by the decision of the Exchange's Management Board of September 5, 2019)*

*(This appendix has been changed by the decision of the Exchange's Board of Directors of February 28, 2019)*

**SIZE**  
**of the lot when conducting trading in the U.S. dollar**

No.	Minimum size of the lot, U.S. dollar	Deviation of an order's price from the last transaction's 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 above	0.81–1.00



## Appendix 2

to the Regulations of Trading and Operation of the System of the Control and Security *(this headline has been changed by the decision of the Exchange's Management Board of September 5, 2019)*

*(This appendix has been changed by the Exchange's Board of Directors decision of June 26, 2019)*

## CRITERIA

### **to determine type of prices ("clean" or "dirty") to trade debt securities admitted to circulation on the Exchange**

1. Debt securities are traded on the Exchange at "clean" prices if they meet all of the following criteria:
  - 1) the bonds' face value is fixed, i.e. is not subject to changes during the circulation term of these bonds *(this sub-item has been changed by the decision of the Management Board of Exchange of June 26, 2019)*;
  - 2) *(this sub-item has been excluded by the decision of the Management Board of Exchange of June 26, 2019)*;
  - 3) bonds are futures and bonds circulation term multiple of each coupon period;
  - 4) bonds have fixed maturity date;
  - 5) bonds have fixed dates of coupon payments, equal in each circulation year;
  - 6) bonds calculation time base – 30 / 360 or actual / actual;
  - 7) the amount of coupon interest on bonds, fixed or free floating (indexed), but the amount of coupon interest for the next regular coupon period should be known to the Exchange at least two working days before the start of the next coupon period;
  - 8) bonds are not amortized and the terms of the bond issue do not stipulate any schedule for their partial early repayment. The possible admission may be partial early repayment of bonds through the decrease of number of outstanding bonds, which must be clearly specified in the bond issue prospectus (or a similar document);
  - 9) coupon interest accrued on bonds is not capitalized;
  - 10) there is no accrual or payment of any other amounts on bonds, except for the coupon interest and the face value of the debt after the expiry of the term of circulation.
2. Debt securities are traded on the Exchange at "dirty" prices in quote currency if they meet all of the following criteria *(this item has been changed by the decisions of the Management Board of Exchange of June 26, 2019 and of October 9, 2019)*:
  - 1) debt securities are not discount securities;
  - 2) The face value of bonds is indexed;
  - 3) debt securities do not meet at least one of the criteria specified in item 1 of this Appendix.
- 2-1. If the nominal value of bonds is indexed, it is indexed in the same order both for the accrual of a coupon interest and for the payment of the principal at redemption *(this item is amended by the decision of the Management Board of Exchange of June 26, 2019)*:

3. When changes and/or amendments are made to an issue prospectus of bonds of any name (or a similar document) lead to the situation when these bonds cease to comply with at least one of the criteria set out in paragraph 1 of this Appendix or on the contrary, start complying with all the criteria given in paragraph 1 of this Appendix, the Exchange's Management Board makes decision to change trading regime of these bonds by transferring from trading in "clean" prices to trading in "dirty" prices and vice versa. The information of the Monitoring Unit on the submission of changes and/or additions to the issue prospectus of bond of this name by the admittance initiator of bonds of this denomination (or similar document) to the Exchange serves as the basis for such decision of the Management Board.