

# KAZAKHSTAN STOCK EXCHANGE

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**Approved**

by a decision of the Board of Directors  
of Kazakhstan Stock Exchange  
(minutes No.45  
dated September 24, 2019)

**Effective as of**

December 3, 2019

## **REGULATIONS** on carrying out of exchange activities

## LIST OF AMENDMENTS

**1. Changes No. 1:**

- Approved by a decision of the Board of Directors of Kazakhstan Stock Exchange (minutes No. 6 dated February 26, 2020)
- Effective as of February 27, 2020

**2. Changes and additions No. 2:**

- Approved by a decision of the Board of Directors of Kazakhstan Stock Exchange (minutes No. 8 dated March 17, 2020)
- Effective as of August 3, 2020

**3. Changes No. 3:**

- Approved by a decision of the Board of Directors of Kazakhstan Stock Exchange (minutes No. 9 dated March 19, 2020)
- Effective as of March 19, 2020

**4. Changes and additions No. 4:**

- Approved by a decision of the Board of Directors of Kazakhstan Stock Exchange (minutes No. 38 dated October 27, 2020)
- Effective as of October 28, 2020, with the exception of clause 10 of article 11, for which the date of putting into effect is set by a separate decision of the Exchange's Board of Directors.

**5. Changes and additions No. 5:**

- Approved by a decision of the Board of Directors of Kazakhstan Stock Exchange (minutes No. 39 dated November 11, 2020)
- Effective as of November 30, 2020

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

- Approved by a decision of the Board of Directors of Kazakhstan Stock Exchange (minutes No. 14 dated March 10, 2021)
- Effective as of March 11, 2021

These Rules have been developed in compliance with the legislation of the Republic of Kazakhstan and describe the general conditions of the main activity of Kazakhstan Stock Exchange JSC (hereinafter - the Exchange), general conditions of membership on the Exchange, general conditions for the inclusion of securities to the official list of the Exchange, peculiarities of concluding transactions with certain types of financial instruments at exchange trading.

## CHAPTER 1. GENERAL PROVISIONS

### Article 1. Main concepts and designations

1. The Exchange uses number of designations in its activities, definitions of which are absent in the current legislation of the Republic of Kazakhstan. For the purpose of their unified usage both in the internal documents and activities of the Exchange, and whenever required in the activities of the Exchange's members and its other clients, the Exchange has developed a glossary containing definitions of designations, which is Appendix 1 to these Rules.
2. The Exchange also uses other concepts and terms in its activities, defined in accordance with the regulatory legal acts of the Republic of Kazakhstan.

### Article 2. General information on activities of the Exchange

1. The Exchange is a universal market, on which the following exchange markets operate:
  - 1) "stock" market - an organized market for securities, shares of limited liability partnerships;
  - 2) "foreign exchange" market - an organized market for foreign currencies;
  - 3) "derivatives" market - an organized market for financial derivatives.
2. The Exchange maintains a list of financial instruments admitted to circulation on the Exchange (hereinafter referred to as the Exchange list), which also contains information about markets, sectors and categories on which trades are carried out. The rules for compiling the list of financial instruments admitted to circulation on the Exchange are determined by a separate internal document approved by the Exchange's Board of Directors.

The issues of including financial instruments and their presence on markets, sectors and categories of the Exchange list is determined by corresponding internal documents of the Exchange.
3. The Exchange performs the following functions:
  - 1) exploitation and maintenance of trading systems;
  - 2) requirements determination for issuers, whose securities are intended to be included or were included in the list of the Exchange, as well as to securities and other financial instruments that will be admitted (were admitted) to circulation on the Exchange;
  - 3) Provision of access to its members for trading systems in order to conclude transactions with securities and other financial instruments admitted to circulation on the Exchange;
  - 4) training of traders participating in the name of the Exchange in trading with securities and other financial instruments circulating in the AST Exchange trading system, ASTS + trading and clearing system (stock market) and ASTS + trading and clearing system (foreign exchange market) (hereinafter - trading systems) ([this sub-item was changed by a decision of the Exchange's Board of Directors dated November 11, 2020](#));
  - 5) An admission of traders to participate in trades and their removal from participation in trading in cases of violation of the requirements of the

- legislation of the Republic of Kazakhstan on the securities market and internal documents of the Exchange;
- 6) maintaining a register of Exchange traders admitted to trading, suspended from participation in trading (indicating the reason for the suspension), and posting it on the Exchange's Internet resource (sub-item was changed by a decision of the Exchange's Board of Directors dated October 27, 2020);
  - 7) organizing and conducting trades in securities and other financial instruments admitted to circulation on the Exchange;
  - 8) Implementation of monitoring and analysis of transactions with securities and other financial instruments concluded in the Exchange's trading systems;
  - 9) (this sub-item was removed by a decision of the Exchange's Board of Directors dated May 17, 2020);
  - 10) providing the authorized body with information on results of monitoring and analysis of transactions concluded in the Exchange's trading systems, as well as on violation by the Exchange members of requirements of the legislation of the Republic of Kazakhstan on the securities market, internal documents of the Exchange in accordance with the regulatory legal act established by the authorized body
  - 11) Implementation of monitoring the disclosure by issuers of securities admitted to circulation on the Exchange, information in the amount required by the legislation of the Republic of Kazakhstan and internal documents of the Exchange, and providing the authorized body with information on results of such monitoring;
  - 12) Implementation of clearing activities;
  - 13) Implementation of functions of a central counterparty;
  - 14) organization and implementation of monetary settlements for transactions for which the Exchange performs the functions of a central counterparty, or preparation of information necessary for such settlements;
  - 15) provision of consulting, information and other services within the licensed type of activity;
  - 16) conducting analytical investigation on securities market and other financial instruments;
  - 17) implementation of certain types of banking operations in accordance with procedures established by the banking legislation of the Republic of Kazakhstan
  - 18) determination of conditions and procedure for suspension and resumption of trading on the Exchange;
  - 19) monitoring the financial condition of the Exchange members;
  - 20) publication on the Internet resource of the Exchange of information about all corporate events, quarterly financial statements of issuers, whose securities are included in the official list of the Exchange, and members of the Exchange in accordance with procedures established by the rules of the Exchange (this sub-item was changed by a decision of the Exchange's Board of Directors dated October 27, 2020);
  - 21) participation in trading in securities and other financial instruments admitted to circulation on the Exchange, while settling a default and performing the functions of a central counterparty on its own behalf and (or) on behalf of trading participants;
  - 22) other functions established by the internal documents of the Exchange.

## CHAPTER 2. MEMBERS OF EXCHANGE TRADING

### Article 3. Exchange Members

1. Participants in exchange trades are exclusively Exchange members - professional participants in the securities market and other legal entities who, in accordance with the legislation of the Republic of Kazakhstan, have the right to conclude transactions with financial instruments except for securities.

Unless otherwise established by the legislation of the Republic of Kazakhstan, individuals and legal entities who are not members of the Exchange are not admitted to exchange trading.

2. An Exchange member can take part in exchange trading in accordance with the membership categories assigned to it.
3. The procedure for admission to Exchange members, admission of Exchange members to trading and the requirements for Exchange members are regulated by a separate internal document of the Exchange "Regulations on Membership".

### Article 4. Admission of traders and observers to trading

1. In the name of a trading participant, individuals authorized by him - traders who have gained access to trading systems in accordance with the Exchange internal document "Rules for Providing Access to the Exchange Trading Systems" take part in trading on financial instruments" (*this item was changed by decisions of the Exchange's Board of Directors of March 17, 2020 and October 27, 2020*).
2. Requirements for traders, conditions for admitting traders to participate in trading and suspension from trading, as well as other issues related to other actions of traders, are determined by the Exchange's internal document "Regulations on Membership" and "Rules for Providing Access to the Exchange's Trading Systems" (*this item was changed by decisions of the Exchange's Board of Directors of March 17, 2020 and October 27, 2020*).
3. Persons are admitted to trading as observers in charge of trading by a decision of the Chairperson of the Management Board and / or the Deputy Chairperson of the Management Board of the Exchange, while it's prohibited for them to interfere directly or indirectly in the process of trading.

### Article 5. Sponsored Access Clients

1. A sponsored access client is a legal entity or an individual on whose behalf a trading participant submits application to the trading and clearing system in order to conclude transactions.
2. Sponsored access client orders are submitted to a trader through the order processing subsystem.
3. Access to the client of sponsored access to the order processing subsystem is provided by the Exchange on the basis of an application by a trader in accordance with the Exchange internal document "Rules for providing access to the Exchange trading systems" (*this item was changed by decisions of the Exchange's Board of Directors of March 17, 2020 and October 27, 2020*).

### Article 6. Removal of traders from trading

A trader of trading participant may be removed from trading and deprived of admission to work with the Exchange's trading systems on the founding established by the Exchange's internal documents "Membership Regulations" and "Rules for Providing Access to the Exchange's Trading Systems" (*this item was changed by decisions of the Exchange's Board of Directors of March 17, 2020 and October 27, 2020*).

**Article 7. Clearing participants**

1. A clearing participant in a certain exchange market means a legal entity that has a current status of a clearing participant in such market.
2. Only Exchange members can be clearing participants.
3. Each clearing participant of a certain exchange market is assigned a category that determines the method of ensuring the fulfillment by a clearing participant of obligations under concluded transactions in financial instruments on the corresponding exchange market.
4. The procedure for assigning, depriving and restoring the status of a clearing participant, the procedure for determining the category of a clearing participant, as well as requirements for organizations intended to assign them the status of a clearing participant, requirements for determining the category of a clearing participant, rights and obligations of clearing participants, the responsibility of clearing participants and the Exchange are regulated by a separate internal document of the Exchange "Regulations on clearing participants".

**CHAPTER 3. ADMISSION OF FINANCIAL INSTRUMENTS TO CIRCULATION ON THE EXCHANGE**

**Article 8. Financial instruments admitted to circulation on the Exchange**

In accordance with the Rules for implementation of activities of the trading organization with securities and other financial instruments the following are allowed to circulation in the Exchange's trading systems:

- 1) non-state securities of organizations - residents of the Republic of Kazakhstan, the issue of which is registered by the authorized body in accordance with the procedure established by the legislation of the Republic of Kazakhstan;
- 2) non-government securities of organizations - non-residents of the Republic of Kazakhstan, the issue of which is registered by the authorized body or which are admitted to circulation on the Exchange;
- 3) non-government securities of organizations - residents of the Republic of Kazakhstan, the issue of which is registered in accordance with the legislation of a foreign state and which are admitted to circulation on the Exchange;
- 4) Securities of international financial organizations, the issue of which is registered by an authorized body or which are admitted to circulation on the Exchange;
- 5) debt offerings (bills) of organizations of the Republic of Kazakhstan;
- 6) government securities of the Republic of Kazakhstan, including bonds of local executive bodies of the Republic of Kazakhstan;
- 7) foreign government emission securities;
- 8) derivative financial instruments and other financial instruments admitted to circulation on the Exchange.

**Article 9. Listing and delisting of securities**

1. For inclusion of securities to the official list of the Exchange and their presence in the said list, their issuer must go through the listing procedure, including checking the issuer and its securities for compliance with the listing requirements established by the authorized body and the Exchange internal documents regulating listing activities.

2. The decision to include the issuer's securities to the official list of the Exchange is made by a special body of Listing Commission, with the exception established in clause 3 of this article.

The structure, functions, powers and responsibilities of Listing Commission are determined by the Regulations on the Listing Commission.

3. The decision on inclusion of securities in the official list of the Exchange and their presence in it according to a simplified procedure is made by the Management Board of the Exchange.
4. The Exchange establishes requirements for the disclosure of information when securities are in the official list, which the admittance initiator is obliged to provide to the Exchange within the time limit and under the terms established by the legislation of the Republic of Kazakhstan, the listing agreement and the Listing Rules.
5. The Exchange monitors information disclosure by admittance initiators of securities while presence of these securities in the official list of the Exchange in accordance with the internal document "Procedure for monitoring information disclosure by admittance initiators of securities".
6. The issue of delisting any securities is submitted for consideration by the Listing Commission or the Management Board of the Exchange on the founding established by the authorized body<sup>5</sup> and / or the Listing Rules.

**Article 10. Admission of other financial instruments to circulation on the Exchange**

Foreign currencies, derivative financial instruments and other financial instruments (except for derivative securities) are admitted to circulation in the Exchange's trading system by a decision of the Exchange Board.

**CHAPTER 4. ORGANIZATION AND IMPLEMENTATION OF TRADING**

**Article 11. General provisions for organization and implementation of trading**

1. The main trading venue is the Exchange's trading systems.
2. Working with the Exchange's trading systems is carried out in the remote access mode.
3. Main conditions for connecting to AST trading system to work with it in the remote access mode are given in the internal document of the Exchange "Rules for working with the trading system in the remote access mode" (*this paragraph was changed by a decision of the Exchange's Board of Directors dated November 11, 2020*).

The main conditions for connecting to ASTS + trading and clearing system (stock market) and ASTS + trading and clearing system (foreign exchange market) for working with them in the remote access mode are defined in the Exchange's internal document "Technical requirements for connecting to ASTS + trading and clearing system in the remote access mode" (*this paragraph was changed by a decision of the Exchange's Board of Directors dated November 11, 2020*).

4. Trading in financial instruments is held every business day during the trading day. The trading day can be subdivided into separate trading sessions.
5. The procedure for conducting trades (place, time and other basic parameters of conducting trades) is determined by the Exchange internal document "Regulations for trades and operation of the control and collateral system" (*this item was changed by decisions of the Exchange's Board of Directors of March 17, 2020 and October 27, 2020*).

6. The opening of trades in financial instruments of the stock market is carried out on the basis of an application received by the Exchange, drawn up in the form of Appendix 7 to these Rules, in the manner and within the time frame established by article 11-1 of these Rules.

The termination of trading in financial instruments of the stock market is carried out by a decision of the Exchange Management Board member in charge of the trading division, upon the occurrence of the events specified in Article 11-2 of these Rules, while in the event of redemption of any debt securities, their trading is terminated without a decision of such Exchange Management Board member.

The opening and termination of trades in foreign currencies and derivative financial instruments is carried out by a decision of the Exchange Board, considering the specifics established by the fourth paragraph of this clause.

Unless otherwise established by a decision of the Exchange Management Board, the date of termination of trading in any derivative financial instruments is set based on the relevant specification approved by the Exchange Management Board.

*(This item was changed by decisions of the Exchange's Board of Directors of March 17, 2020 and October 27, 2020, of November 11, 2020 and March 10, 2021).*

7. Trading on the Exchange is conducted in accordance with the trading methods described in the internal documents of the Exchange "Regulations on trading methods" and "Regulations on trading methods in the ASTS + trading and clearing system".
8. The main method of trading in financial instruments is the order-driven market. The fixing method is the reserve method of trading in financial instruments.
9. The standard trading method for the placement or redemption of securities is the method of specialized trading, which does not restrict the right of a trading participant, on whose initiative such trading is held, to choose another method of conducting them with the agreement of the Exchange.

If a different trading method is chosen for placement or redemption of securities, a trading participant, on whose initiative such trading is held, must notify the Exchange in writing of such placement or redemption no later than three business days before the placement or redemption of securities.

10. The Exchange receives up-to-date information from the Central Securities Depository on an ongoing basis:
- 1) about the owners of trading accounts for the accounting of declared and repurchased securities opened in the Central Securities Depository;
  - 2) about business identification numbers of securities issuers *(This item was included by a decision of the Exchange's Board of Directors dated October 27, 2020).*

#### **Article 11-1. Opening of trades**

1. Opening of trades in securities included in the official list of the Exchange, for the purpose of their initial placement, are opened in accordance with other internal documents of the Exchange.
2. Trades in the process of circulation of securities (hereinafter in this article - trades) included in the official list of the Exchange are opened by the decision of a member of the Exchange Management Board in charge of the Exchange structural unit providing trading activities, on the basis of a memo from this structural unit of the Exchange and an application by the initiator of data admission securities and their market maker (if there is a requirement for the presence of a market maker), within the terms established by these Rules:

- 1) within 3 months from the date of inclusion of securities to the official list of the Exchange - if these securities are in the "Shares" sector, in this case, if:
    - securities are shares that are included to the official list for the first time in order to conduct an IPO, then trading in these shares must be opened after the completion of the IPO, but no later than 6 months from the date of inclusion of these securities to the official list of the Exchange;
    - the issuer of shares is a subsoil user, then trading in these shares must be opened within 3 months from the date of inclusion of these securities to the official list of the Exchange or within 3 months from the date of obtaining permission from the authorized body in the field of subsoil use to participate in the trading for the sale (sale) of a share in the subsoil use right (depending on which of the terms expires later);
  - 2) within 3 months from the date of inclusion of securities to the official list of the Exchange or within 3 months from the date of the first held trades on the initial placement of these securities (depending on which of the terms expires later) - if these securities are in the "Debt securities" sector under the "Bonds" category of the "Main" or "Alternative" markets;
  - 3) within 1 month from the date of inclusion of securities to the official list of the Exchange or within 1 month from the date of the first held trades on the initial placement of these securities (depending on which of the terms expires later) - if these securities are in the "Debt securities" sector under the "Commercial bonds" category of the "Main" or "Alternative" market;
  - 4) within 6 months from the date of inclusion of securities to the official list of the Exchange - if the securities are in the sector "Derivative securities" or "Islamic securities" or "Securities of international financial organizations" or "Government securities" (for foreign government securities) of the "Mixed" market or in the "Bank certificates of deposit" sector of the "Main" market or if the securities are issued as part of the restructuring of the obligations of the issuer of these securities.
3. Trading in securities included in the "Government Securities" sector of the "Mixed" market open on the following dates:
- 1) from the business day following the day of inclusion of these securities to the official list - if the securities are issued by the Ministry of Finance of the Republic of Kazakhstan in accordance with the legislation of a foreign state or the National Bank of the Republic of Kazakhstan;
  - 2) from the business day following the day of placement of these securities in the Exchange trading system - if the securities are issued by the Ministry of Finance of the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan, or local executive bodies.

At the same time, if the securities are issued by the Ministry of Finance of the Republic of Kazakhstan and are in the official list of Astana International Exchange, then trading in these securities opens from the business day following the day these securities are included to the official list of the Exchange;
  - 3) by a decision of the Board of the Exchange for securities issued by the Exchange, without providing a corresponding application.
4. If trading in any securities was not opened within the terms specified in subparagraphs 1) –4) of paragraph 2 of this article, for consideration by the Listing Commission or the Exchange Board (depending on which of the authorities made the decision to include these securities to the official list of the Exchange) the question is raised on the delisting of these securities.

In this case, on the basis of the filed before the expiration of the terms specified in subparagraphs 1) –4) of paragraph 2 of this article, the application of the admittance initiator by the decision of the Listing Commission of the Exchange / Board of the Exchange (depending on which of the authorities made the decision to include these securities in the official list), the period for opening trades in securities may be extended for any of the following reasons:

- 1) the placement of shares as part of the IPO was not carried out within 6 months after the completion of the IPO;
- 2) the holder of these securities is one person;
- 3) there are other reasons why trading in these securities cannot be opened at time specified in it.

*(This article was included by a decision of the Exchange's Board of Directors dated March 10, 2021).*

**Article 11-2. Suspension and termination of trading**

1. Trading in securities may be suspended upon the occurrence of events stipulated by other internal documents of the Exchange, and also in cases:
  - 1) receiving information by the Exchange that materially affects the interests of investors;
  - 2) suspension of registration of operations with these securities in the system of registers of holders of these securities;
  - 3) suspension of accounting of these securities by the Central Securities Depository;
  - 4) receiving a supervisory response and /or limited enforcement action from the Authorized Body;
  - 5) restructuring of obligations by the issuer;
  - 6) making a decision by bondholders to change the terms of the bond issue related to:
    - information on emission securities, on the methods of payment and receiving income from them;
    - conditions and procedure for placement, circulation, redemption of emission securities, as well as additional conditions for the redemption of bonds, not established by Articles 15 and 18-4 of the Law on the Securities Market, if available;
    - covenant (restrictions), if available;
    - conditions, terms and procedure for converting securities (when issuing convertible securities);
    - information on the property of the bond issuer, which is full or partial security of obligations under the issued bonds, indicating the value of this property (for secured bonds);
    - on the intended purpose of using the money received from the placement of bonds;
  - 7) absence of a market maker for securities, if the requirement the presence of a market maker is established by these Rules;
  - 8) (if the securities are shares) placement of shares on the organized securities market (for the period of such placement);
  - 9) sale, redemption or acquisition of securities by the sole seller (buyer) of the sold (redeemed, acquired) securities for the period of such sale (such redemption, such acquisition).

2. The Exchange Board makes a decision to suspend trading in government securities of the Republic of Kazakhstan, based on the appeal of the issuer of government securities of the Republic of Kazakhstan on such suspension and for the period specified in this appeal.
3. The decision to suspend trading is made by a member of the Exchange Management Board in charge of the Exchange structural unit that ensures trading activities, on the basis of a memo from the Exchange structural unit that monitors issuers and their securities. The trading suspension period is determined in accordance with the Exchange's internal documents.

In the period from the date of the general meeting of bondholders on the issues of changing the information in the bond issue prospectus specified in subparagraphs 2), 3), 4), 5), 6) and 7) of paragraph 1 of Article 9 of the Law on the Securities Market, before the date following the day of publication of the decision adopted by the general meeting of bondholders on the Internet resource of the financial depository reporting, trading with these bonds is suspended.

If the bondholders make a decision to change the conditions for issuing bonds provided for in subparagraphs 2), 3), 4), 5), 6) and 7) of paragraph 1 of Article 9 of the Law on the Securities Market, the period for suspension of trading in these bonds is extended to the day, following the date of state registration of changes to the bond issue prospectus.

*(This article was included by a decision of the Exchange's Board of Directors dated March 10, 2021).*

**Article 12. Exchange transactions with financial instruments. Registration of transactions with financial instruments**

1. Exchange transactions in financial instruments are considered to be transactions of purchase and sale of financial instruments concluded between trading participants in the course of their execution in accordance with these Rules and other internal documents of the Exchange. Transactions are considered to be concluded after their registration in the Exchange's trading system.
2. Transactions in financial instruments are formalized by exchange certificates.
3. The exchange certificate is a document certifying the conclusion of transactions in financial instruments during exchange trading, as well as registration of such transactions in the Exchange's trading system.
4. The exchange certificate is provided to the trading participant based on the trading results in electronic form through the trading or transport systems of guaranteed delivery using cryptographic protection tools that ensure the confidentiality and invariability of the transmitted data.
5. At the request of a trader, the exchange certificate is drawn up on paper in two copies, one of which is issued to the trader of the trader, and the second copy remains on the Exchange.
6. Information about the parties to a transaction concluded on the Exchange, as well as the content of the exchange certificate drawn up after its conclusion, are a commercial secret and are not subject to disclosure or transfer to third parties by the Exchange without the permission of a trading participant who is a party to this transaction, considering the specifics provided for in clause 7 of this articles.
7. Information on the results of exchange trading is provided to the authorized body and / or other state bodies in accordance with the current legislation of the Republic of Kazakhstan.

**Article 13. Control and support system**

1. In order to conclude transactions in the interests of his client, the user of the control and collateral system authorizes the trading participant to conclude transactions on behalf of the client of such user (hereinafter referred to as the authorized trading participant).
2. Admission to the control and collateral system is provided:
  - 1) to trading participants in the purpose of managing collateral and setting collateral limits for trading and clearing accounts;
  - 2) to users of the control and collateral system in order to manage collateral and establish collateral limits on their trading and clearing accounts of authorized trading participants designated by them, as well as to control target placement of assets by accepting or transferring settlements for transactions for which the Exchange performs the functions of a central counterparty (hereinafter - transactions with a CCP), or by confirming transactions for which the Exchange does not perform the functions of a central counterparty (hereinafter referred to as transactions without a CCP);
  - 3) to authorized trading participants for the purpose of managing collateral and setting collateral limits for trading and clearing accounts, as well as for accepting settlements on trades with the CCP to their trading and clearing accounts transferred by users of the control and collateral system.
3. In order to implement the functions of controlling the target placement of assets and ensuring the conclusion of transactions for registration on the Exchange as a user of the control and collateral system , a clearing participant who is a custodian must provide the Exchange with an application in the form of Appendix 2 to these Rules.
4. The receive by the employee of the user of the control system and provision an access to the control and provision system is carried out in accordance with the internal document of the Exchange "Rules for providing access to the Exchange trading systems " (*this paragraph was changed by a decision of the Exchange's Board of Directors dated of March 17, 2020 and October 27, 2020*).

Upon completion of training, the user of the control and collateral system provides a list of his employees in the form of Appendix 3 to these Rules.
5. The user of the control and collateral system must submit to the Exchange an application as a clearing participant in accordance with the Exchange's internal document "Rules for Clearing Transactions in Financial Instruments" on the appointment of an authorized trading participant in relation to the clearing client's custodial account, which will be used to confirm and (or) executed trades concluded by an authorized trading participant appointed by him, containing information about the number of the clearing client's custodial account.
6. An authorized trading participant must provide the Exchange with an application in the form in accordance with Appendix 5 to these Rules on registration of a trading and clearing account of the second level, transactions from which they will be executed using the clearing client custodian account of the user of the control and collateral system, in respect of which he is appointed as an authorized trading participant. (*this item was changed by a decision of the Exchange's Board of Directors dated March 17, 2020*).
7. Logging into the control and collateral system under a personal password issued to the authorized employee of the user of the control and collateral system means unconditional acceptance by the user of the control system and ensuring obligations arising from the actions performed by his employee.
8. In order to control the target placement of assets and transfer the fulfillment of claims and obligations under transactions with the CCP and concluded in the interests of the clients of the user of the control and collateral system, the ASTS + trading and clearing system provides for the corresponding operations of transferring the fulfillment of claims and obligations carried out in transfer modes to settlements as from the account of the user of the control and collateral

system to the account of the authorized trading participant, and from the account of the trading participant to the account of the user of the control and collateral system .

An operation involving the transfer of claims and obligations must comply with the trading regime in which the transaction is concluded.

9. Information to the users of the control and collateral system based on the results of transactions on trades concluded from the second-level trading and clearing account linked to its clearing client custodian account is provided in electronic form via a guaranteed delivery transport system using cryptographic security tools that ensure the confidentiality and invariability of the transmitted data.
10. Transactions without CCP, which have not been confirmed by the user of the control and collateral system, are executed at the expense of the trades' participant's own assets in the manner and under the conditions established by the Exchange internal document "Procedure for Concluding Transactions in Securities Without Performing the Functions of Central Counterparty and making settlements on them (gross settlements) ".

Transactions with CCP, which were not accepted for settlements by the authorized trading participant, are executed on the account of the user of the control and collateral system in accordance with the Exchange's internal document "Procedure for Concluding Transactions in Securities Performing the Functions of the Central Counterparty".

*(This item was changed by a decision of the Exchange's Board of Directors dated March 17, 2020 and October 27, 2020).*

11. The user of the control and collateral system who appointed him/her is responsible for failure to fulfill obligations to the Exchange under transactions with the CCP concluded by an authorized trading participant.

Responsibility for the untimely and /or unjustified refusal of the authorized trading participant to accept for settlements transactions with the CCP, concluded by him in violation of the law or inconsistency of the parameters of the executed transaction with the parameters of the client's order, to his trading and clearing account is regulated by bilateral agreements between the user of the control and collateral system and the authorized trading participant.

#### **Article 14. Market makers**

1. In order to increase liquidity and develop financial instruments, the internal documents of the Exchange provide a possibility of obtaining a market-maker status by a trader in relation to financial instruments admitted to trading on the Exchange.
2. The market maker undertakes to declare and maintain mandatory quotations for certain financial instruments and other obligations arising from the possession of such a market maker status for financial instruments.
3. Market-maker status may be obtained by a trade participant for those financial instruments, transactions with which he has the right to conclude at trades conducted by the Exchange in accordance with the category of his membership on the Exchange.
4. The procedure for assigning and depriving the market-maker status for any financial instrument, as well as the procedure for carrying out the activities of market-makers is established by a separate internal document of the Exchange "Regulations on Market Makers".

#### **Article 15. Evaluation of securities**

1. The Exchange conducts evaluation of securities:

- 1) to determine the amount of the subject of the repo transaction, the exact amount of the opening transaction, the closing price and the amount of the closing transaction of the repo transaction when performing repo transactions using the "automatic" method;
  - 2) to determine market and indicative prices for securities;
  - 3) to determine the settlement prices for financial instruments of the stock market used in the implementation of clearing activities by the Exchange on transactions with financial instruments;
  - 4) for other purposes stipulated by the internal documents of the Exchange. *(This item was changed by a decision of the Exchange's Board of Directors dated March 17, 2020).*
2. The procedure for evaluating securities is regulated by the Exchange's internal document "Methods for evaluating securities".

**Article 16. Supervision of transactions made on the Exchange**

1. Transactions, parameters and conditions of the conclusion of which give founding to suspect these transactions as concluded for the purpose of manipulating the securities market, are sent to the authorized body within the time limits established by the regulatory legal act of the authorized body, which determines the procedure and conditions for recognizing transactions with securities and other financial instruments, concluded in the organized and unorganized securities markets as being committed for the purpose of manipulation.
2. Recognition of a transaction with securities and other financial instruments as committed for the purpose of manipulation is carried out by the authorized body based on the results of consideration of the conclusion of the expert committee created under such an authorized body.
3. The procedure and conditions for recognizing transactions in securities and other financial instruments concluded on the Exchange as made for the purpose of manipulation are established by the Rules for recognizing transactions in securities and other financial instruments concluded on the organized and unorganized securities markets as made for the purpose of manipulation, creation and operation of an expert committee, as well as its quantitative composition.
4. The Exchange takes measures to counteract the legalization (laundering) of proceeds from crime, and the financing of terrorism, provided by the Law of the Republic of Kazakhstan "On Counteracting the Legalization (Laundering) of Proceeds from Crime, and the financing of terrorism "dated August 28, 2009 No. 191-IV.
5. In order to supervise transactions made on the Exchange, the Exchange receives the following information from the Central Securities Depository:
  - 1) up-to-date information about the holders of two or more trading accounts opened with the Central Securities Depository, on an ongoing basis;
  - 2) information on transactions concluded on the unorganized securities market, at the request of the Exchange.

**CHAPTER 5. CLEARING AND SETTLEMENT OF TRANSACTIONS**

**Article 17. Clearing activities**

1. The exchange carries out clearing activities for transactions with:
  - 1) financial instruments of the stock market admitted to circulation on the Exchange, with exception of financial instruments in which transactions

were concluded in trades, conducted by the subscription method, in which the Exchange does not participate in the implementation of settlements and does not provide any services related to such settlements;

- 2) financial instruments of the foreign exchange market;
  - 3) financial instruments of the derivatives market.
2. Only clearing participants may use the Exchange's clearing services.
  3. The conditions and procedure for the Exchange's clearing activities on transactions with financial instruments (as this activity is defined by the Law of the Republic of Kazakhstan "On the Securities Market"), including the rules for organizing and functioning of the Exchange's risk management system as a clearing organization and the rules for executing functions of central counterparty by the Exchange are regulated by the Rules for Clearing Transactions with Financial Instruments.

**Article 18. Carrying out the activities of the central counterparty**

1. The Exchange carries out clearing activities, acting as a central counterparty and not acting as a central counterparty.

The exchange carries out clearing activities, acting as a central counterparty *(This paragraph was changed by a decision of the Exchange's Board of Directors dated October 27, 2020).*

- 1) on the stock market - for transactions concluded in regimes with the CCP, if for individual financial instruments is not established otherwise by a decision of the Management Board
- 2) in the foreign exchange market - for all transactions;
- 3) in the derivatives market - for all transactions.

The Exchange carries out clearing activities, without acting as a central counterparty in the stock market, for transactions concluded in modes without CC.

The open offer mechanism is applied to transactions in financial instruments concluded by clearing participants, for which the Exchange performs the functions of a central counterparty - a method of fulfilling contractual obligations on concluded transactions by automatically including the Exchange as a central counterparty in transactions.

*(This item was changed by a decision of the Exchange's Board of Directors dated March 17, 2020).*

2. After the conclusion of a transaction by the clearing participants, the parties to the concluded deal are novated, according to which the Exchange, performing the functions of the Central Counterparty, becomes the seller for the buyer and the buyer for the seller. Thus, the contractual obligations and requirements of clearing participants under the concluded transaction are automatically replaced by similar contractual obligations and requirements of each clearing participant with central counterparty.
3. The Exchange, performing the functions of the central counterparty, guarantees the fulfillment of obligations under trades arising as a result of novation to each bona fide clearing participant, regardless of the performance by other clearing participants of their obligations to the Exchange in the manner and subject to the restrictions established by the Exchange internal document "Rules for Clearing Activities on transactions with financial instruments".

**Article 19. Conducting settlement of transactions**

1. Settlements on transactions in securities and money (including repo transactions), for which the Exchange does not perform the functions of a central counterparty, are carried out by the Central Securities Depository in accordance with the agreement on servicing the trading organizer concluded with the Central Securities Depository, in accordance with the procedure established by its internal documents, and internal documents of the Exchange "Rules for Carrying Out Repo Transactions in the ASTS + Trading and Clearing System" and "Procedure for Concluding Deals in Securities Without Performing the Functions of a Central Counterparty and making settlements on them (gross settlements)" *(This item was changed by a decision of the Exchange's Board of Directors dated March 17, 2020 and October 27, 2020).*
2. Settlements on transactions with securities (including repo transactions), in which the Exchange performs the functions of a central counterparty, are carried out by the Central Securities Depository in terms of registration of ownership of securities in accordance with the agreement on servicing the trading organizer concluded with the Central Securities Depository, in the manner established by its internal documents, and the internal documents of the Exchange "Regulations for the implementation of clearing activities" and "Procedure for concluding transactions in securities with the performance of the functions of a central counterparty" *(This paragraph was changed by a decision of the Exchange's Board of Directors dated October 27, 2020).*

Settlements for transactions with securities in terms of money transfers, as well as settlements for transactions with foreign currency and derivative financial instruments, are carried out by the settlement department of the Exchange according to its internal documents:

- 1) on the stock market in accordance with the Rules for Cash Settlements on Transactions with a Central Counterparty on the Stock Market *(this sub-item was changed by a decision of the Exchange's Board of Directors dated March 17, 2020);*
- 2) in the foreign exchange market, the procedure for making settlements in Kazakhstani tenge and in foreign currencies is established by the Rules for making settlements for trading in foreign currencies;
- 3) on the derivatives market - in accordance with the Rules for Settlements for Trading on the Derivatives Market.

## CHAPTER 6. EXCHANGE INFORMATION

### Article 20. Dissemination of exchange information

1. The main approaches of the Exchange to its information policy, including the general principles of disclosing information of the Exchange, the main provisions on the procedure for disclosing information of the Exchange and its information interaction with other persons, on the use of the brand and / or trademarks of the Exchange by other persons are determined by the internal document "Information Policy".
2. The minimum composition of exchange information, the main conditions and procedure for its dissemination, as well as the measure of responsibility of the Exchange when distributing exchange information are regulated by the internal documents "Rules for the dissemination of exchange information" and "Regulation on the conditions for the commercial provision of exchange information".

### Article 21. Stock indicators

1. In accordance with the Methods for calculating stock market indicators, the Exchange calculates stock market indicators.

2. In accordance with the Methodology for Calculating Foreign Currency Market Indicators, the Exchange calculates foreign currency market indicators.
3. In accordance with the Methodology for calculating indicators of the money market, the Exchange calculates indicators of the money market.
4. In accordance with the Memorandum on the formation of the interbank deposit market indicator, the Exchange organizes the process of collecting deposit rates from the participants in the memorandum, calculates average deposit rates, sets standard deposit terms for which average indicators are calculated, and publishes information about the indicator.

## CHAPTER 7. SPECIFIC FEATURES OF TRADING ON THE STOCK MARKET

### Article 22. Conclusion of transactions with securities

1. Trading participants have the right to conclude transactions with securities on their own behalf and at their own expense (so-called dealers) and / or on behalf and at the expense of their clients (so-called brokers).

If a trading participant is a broker acting on behalf of his client, then he is obliged to conclude sale and purchase transactions or repo transactions in accordance with the client's order within the framework of the brokerage agreement, which is a commission agreement (*this paragraph was supplemented by a decision of the Exchange's Board of Directors dated March 17, 2020*);

In relation to a broker acting in the interests of its client without concluding an agreement on the provision of brokerage services (commission agreement), and in case of when his client applies to the Exchange and / or another third party, the Board of Directors of the Exchange has the right to make a decision to collect a forfeit from such a trading participant (fine) in the amount of 1,000 monthly calculation indices.

If the situation specified in paragraph three of this article in relation to the same trading participant is repeated one or more times, the Exchange Board of Directors is entitled to make a decision to exclude such a trading participant from the Exchange members in all categories.

2. On the stock market, the Exchange's trading systems provide for the possibility of concluding transactions with a CCP, as well as concluding transactions without a CCP.

In trading modes with the CCP, trading in financial instruments are held, which are divided into groups depending on the type of securities and the method of collateral when concluding transactions. For all financial instruments included in one or another group, the same set of trading modes is defined in which they can be traded.

Securities included in the T + List are admitted to trading modes with the CCP on terms of partial collateral; securities that are not included in the "T + List" are admitted on full coverage terms.

A security included in the T + List can be traded in any mode with the condition of full coverage. A security included in the T + List is traded on a full coverage basis with respect to securities obligations in all modes established for it, if the "prohibition on short sales" sign is set for it.

Securities accepted as collateral for transactions concluded on the terms of partial collateral form the "T + Collateral List".

The T + List and the T + Collateral List are approved and revised on a periodic basis by the Exchange Board in accordance with the Exchange's internal document "The Procedure for Including Financial Instruments in the T + List and in the T + Collateral List" and are published on the Exchange's Internet resource (*This paragraph was changed by a decision of the Exchange's Board of Directors dated October 27, 2020*)

3. The ASTS + trading and clearing system provides the following modes, depending on the purpose of their application:
  - 1) trading modes with the Central Committee;
  - 1-1) trading modes without CCP (*this sub-item was included by a decision of the Exchange's Board of Directors dated March 17, 2020*);
  - 2) modes "Transfers to settlements";
  - 3) "Collateral transfers" modes.
4. The modes listed in clause 3 of this article are approved by a separate internal document of the Exchange "Lists of trading modes and operations of the ASTS + trading and clearing system" published on the Exchange's Internet resource (*this item was changed by a decision of the Exchange's Board of Directors dated October 27, 2020*).
5. The conditions and procedure for concluding purchase and sale transactions, according to which the Exchange performs the functions of central counterparty, are established by the Exchange's internal document "Procedure for Concluding Transactions in Securities Performing the Functions of Central Counterparty".

The conditions and procedure for concluding purchase and sale transactions, for which the Exchange does not perform the functions of central counterparty, are established by an internal document of the Exchange "Procedure for concluding transactions in securities without performing the functions of central counterparty and making settlements on them (gross settlements)".

*(this item was changed by decisions of the Exchange's Board of Directors dated March 17, 2020 and October 27, 2020)*.
6. The Exchange's trading systems provide for the implementation of repo transactions in two ways: - by the "direct" method - at trades conducted by the method of concluding direct transaction, and by the "automatic" method - at the trades conducted by the order-driven market.
- 6-1. The operations specified in clause 6 of these Rules are concluded using the services of central counterparty and / or without using the services of central counterparty (*this item was included by a decision of the Exchange's Board of Directors dated March 17, 2020*).
7. The conditions and procedure for executing repo transactions are regulated by the Exchange's internal documents "Rules for Conducting Repo Transactions in the ASTS + trading and clearing system" and "Specification of repo transactions carried out "automatically" (*this item was changed by decisions of the Exchange's Board of Directors dated March 17, 2020 and October 27, 2020*).

**Article 23. Notification of the authorized body about critical events**

1. The exchange notifies the authorized body of the following critical events:
  - 1) change in the price of the last deal with shares of any denomination included in the official list of the Exchange in the "Premium" category, concluded at the trading session of the current day, by 15 or more percent relative to the price of the last executed deal with a share of this denomination, which was concluded during the last the previous successful trading session (that is, the trading session during which at least one deal was concluded with a share of this name);
  - 2) change in the price of the last deal with shares of any denomination included in the Exchange's official list in the "Premium" category, concluded at the trading session of the current day, by 15 or more percent relative to the price of a previously executed deal with a share of this denomination, which was concluded during the current trading session;

- 3) change in the stock market index by 5 percent or more relative to the last value of this index for the previous trading day;
- 4) change in the stock market index by 5 percent or more relative to the previously established value of this index for the current trading day.
2. Notification of the authorized body about critical events provided by paragraph 1 of this article shall be carried out before 17.50 Almaty time on the day of occurrence of such events.
3. In the event of critical events provided by paragraph 1 of this article, the broker shall perform the following actions:
  - 1) generates a notification indicating the results of the analysis of the situation on the organized securities market, which entailed the emergence of a critical event;
  - 2) sends the generated notification via e-mail and / or facsimile message to the authorized body;
  - 3) controls the receipt by the authorized body of the notification sent to its address.

**Article 24. Suspension of trading due to critical events**

1. For the purposes of this article, a change in the price of securities of any denomination is defined as a change in the price of the last transaction with securities of this denomination, concluded at the trading session of the current day, relative to the price of the last executed transaction with securities of this denomination, which was concluded during the last previous successful trading session (that is to say, that trading session during which at least one transaction with securities of this denomination was concluded).
2. The Exchange suspends trading in the following cases:
  - 1) when the price of shares in the official list of the Exchange in the "Premium" category decreases by 30 or more percent in relation to the price formed at the time of the closing of the trading day preceding such a decrease;
  - 2) if the share market index decreases by 15 percent or more in relation to the last value of this index, established on the first or second trading day, preceding such a decrease, the Exchange suspends trading in all shares in the official list of the Exchange;
  - 3) upon receipt by the Exchange of a notification by the issuer of the application to the authorized body on amendments and / or additions in the prospectus for the issue of debt securities in connection with the restructuring of the issuer's obligations, the Exchange suspends trading in these debt securities.
3. The Exchange also has the right to suspend trading in securities in the following cases:
  - 1) change in the price of securities by 50 percent or more;
  - 2) deterioration of the quality of securities to the extent that significantly threatens the interests of investors;
  - 3) in case of a technical failure in the operation of the Exchange's trading systems;
  - 4) other factors that threaten the interests of all participants in trading in securities, investors and the Exchange.
4. Suspension of trading in shares in the cases established by subparagraphs 1) and 2) of paragraph 2 of this article is carried out automatically in the trading systems of the Exchange.

Suspension of trading in debt securities in the case established by subparagraph 3) of paragraph 2 of this article is made by the Exchange on the day of receipt of the notification on the submission of the application specified in subparagraph 3) of paragraph 2 of this article.

The Exchange broker shall immediately notify the Deputy Chairperson of the Exchange Management Board who is in charge of trading on the suspension of trading specified in the first and second paragraphs of this clause.

5. Suspension of trading in securities in the cases established by subparagraph 3) of paragraph 2 and paragraph 3 of this article is carried out by a decision of the Exchange Board and for a period established by such a decision.
6. Within one hour from the moment of suspension of trading in securities in accordance with clauses 2 and 3 of this article, the Exchange notifies of such suspension:
  - 1) authorized body by e-mail and / or fax;
  - 2) Exchange members by publishing a corresponding message in the trading systems of the Exchange.
7. If, after the Exchange has consulted with the authorized body, a letter from the authorized body has not been received to extend the suspension of trading in securities, trading in securities of any denomination, suspended in accordance with subparagraphs 1) and 2) of paragraph 2 of this article, renewed with the beginning of a new trading day for securities, which include securities of this denomination.
8. The resumption of trading during the trading day in which they were suspended is allowed in the following cases:
  - 1) the suspension of trading was the result of a trader's mistake;
  - 2) the suspension of trading was the result of a technical failure in the operation of the Exchange's trading systems;
  - 3) if an order to resume trading has been received from the authorized body.
9. Trades in debt securities, suspended on the founding specified in subparagraph 3) of paragraph 1 of this article, shall be resumed by the Exchange at the beginning of the next trading session after receiving a notification from the issuer about the state registration of changes and/or additions to the prospectus for the issue of debt securities.

## **Chapter 8. SPECIFIC FEATURES OF TRADING ON THE FOREIGN EXCHANGE MARKET**

### **Article 25. Conclusion of transactions with foreign currencies**

1. Members of the Exchange have the right to conclude transactions in foreign currencies on their own behalf, at the expense of their own assets and / or at the expense of clients' assets *(this item was changed by a decision of the Exchange's Board of Directors dated February 26, 2020)*.
2. The foreign exchange market consists of two sectors, in which the following transactions with foreign currencies are carried out:
  - 1) transactions of purchase and sale of foreign currency with the timing of settlements on them, established by separate internal documents of the Exchange, and transactions with foreign currency (conventionally called "short-term currencies swap");
  - 2) transactions with derivative financial instruments, the underlying asset of which is foreign currency.

*(this item was changed by a decision of the Exchange's Board of Directors dated November 11, 2020)*.

- 2-1. An Exchange member of the "currency" category is allowed to trade in derivative financial instruments if he has a valid license of the Authorized Body or the right

to carry out broker and / or dealer activities in the securities market, as provided by the legislation of the Republic of Kazakhstan *(this item was included by a decision of the Exchange's Board of Directors dated November 11, 2020)*.

- 2-2. Trading modes in which transactions of purchase and sale of foreign currency and transactions with derivative financial instruments can be concluded are determined by the Exchange internal document "List of Trading Modes in the Currency Market", approved by the Board of the Exchange and published on the website of the Exchange *(this item was included by a decision of the Exchange's Board of Directors dated November 11, 2020)*.
3. Transactions with foreign currencies included in the T + List are concluded on the basis of partial collateral, with foreign currencies not included in the T + List - on the terms of full coverage.
4. For a foreign currency trading participant who is a participant in a currency swap or foreign currency transactions, this transaction has a "buy-sell" character if, in accordance with the foreign currency purchase and sale transaction included in this transaction with an earlier settlement date, this trading participant has sold the foreign currency and conversely, has a "buy-sell" character, if, according to the specified transaction, he acquired foreign currency. *(this item was supplemented by a decision of the Exchange's Board of Directors dated November 11, 2020)*
6. The difference between the closing and opening prices is used as the price of a currency swap transaction and a foreign currency transaction.  
  
Opening and closing prices for currency swap transactions and transactions with foreign currency are determined in accordance with the internal document of the Exchange "Specification of currency swap transactions and transactions with foreign currency ", approved by the Board of the Exchange.  
  
*(This item was changed by a decision of the Exchange's Board of Directors dated November 11, 2020)*.
7. Standard conditions and parameters of trading in derivative financial instruments are determined by the specifications approved by the Board of the Exchange.  
  
*(this item was included by a decision of the Exchange's Board of Directors dated November 11, 2020)*.

**Article 26. Suspension of trading in foreign currencies**

1. Trading on the Exchange currency market in all or individual financial instruments by a decision of the Board member who is responsible for coordination and control of the Exchange subdivision that provides trading activities may be suspended in the event of a technical failure to resolve it in accordance with the Exchange internal document "Rules for resolving issues in case of technical failures in the operation of the Exchange software and hardware complex".
2. The Exchange Board suspends trading in all or individual financial instruments of the foreign exchange market by written order of the National Bank of the Republic of Kazakhstan for the period specified in such order. *(This article was changed by a decision of the Exchange's Board of Directors dated March 17, 2020 and March 19, 2020)*;

**CHAPTER 9. SPECIFIC FEATURES OF TRADING ON THE MARKET OF DERIVATIVES**

**Article 27. Types of derivative financial instruments**

1. There are two sectors of derivative financial instruments in the Exchange's trading system:

- 1) currency derivative financial instruments, that is, derivative financial instruments, the underlying assets of which are national and / or foreign currencies;
  - 2) stock derivative financial instruments, that is, derivative financial instruments, the underlying assets of which are stocks, bonds or stock market indicators.
2. Standard conditions and parameters of a derivative financial instrument used as the subject of trading, as well as the theoretical price used as the opening price of trading for a derivative financial instrument, are determined by its specification approved by the Board of the Exchange.

**Article 28. Conclusion of transactions with derivative financial instruments**

1. Trading participants have the right to conclude transactions with derivative financial instruments on their own behalf and at their own expense, and / or on behalf and at the expense of their clients.
2. Taking into account the rights of trading participants specified in paragraph 1 of this article, in order to register their clients intending to participate in trading in derivative financial instruments, a trading participant must send to the Exchange an application for registration of a trading participant's client, drawn up in the form of Appendix 6 to these Rules (hereinafter for the purposes of this article statement).
3. Upon receipt of the application, the Exchange assigns the specified clients in the application, the code of the trading account for accounting for transactions with derivative financial instruments made on behalf of these clients.  

To cancel the registration of his client, the trading participant sends the last application in a free form indicating the code of his client's trading account.

Cancellation of the client's registration is carried out only in case of complete closure of previously open positions in his name.
4. Conclusion of transactions with derivative financial instruments means the acquisition by its parties of rights and / or obligations on derivative financial instruments in accordance with its specification.

**Article 29. Suspension of trading in derivative financial instruments**

1. The Exchange suspends trading in a derivative financial instrument if a combination of the following factors occurs:
  - 1) the price of any order reaches 95% of the price change limit for a derivative financial instrument;
  - 2) the specified order is continuously in the Exchange's trading system within 30 minutes from the moment of its submission;
  - 3) the volume of open positions in a derivative financial instrument is at least 50% of the volume of open positions in derivative financial instruments with one underlying asset.
2. Suspension of trading in derivative financial instruments in accordance with clause 1 of this article is made automatically by the Exchange's trading system.
3. The Exchange has the right to suspend trading in all derivative financial instruments in the following cases:
  - 1) in case of insolvency of one trading participant or several trading participants, which poses a significant threat to the functioning of the derivatives market;
  - 2) in the absence of trading in derivative financial instruments within 30 consecutive trading days;
  - 3) in case of a technical failure in the operation of the Exchange's trading system.
4. Suspension of trading in derivative financial instruments upon the occurrence of any of the cases stipulated by subparagraphs 1) and 2) of paragraph 3 of this article may be made only by decision of the Exchange Board. The decision of the Exchange Board to suspend trading in derivative financial instruments must contain information about reasons and duration of such suspension.
5. In case of suspension of trading in a certain derivative financial instrument, all orders for the purchase or sale of this derivative financial instrument valid at the time of such suspension are automatically canceled by the Exchange's trading system.

## CHAPTER 10. FEES AND CHARGES PAYABLE TO THE EXCHANGE

1. The composition and amount (rate) of membership fees, exchange and clearing fees payable by members of the Exchange, including those with the status of clearing participants, and other consumers of the public Exchange services, terms and procedure for payment of such fees and fees, as well as responsibility for their non-payment, incomplete or untimely payment, are established by the Exchange internal document "Regulations on membership fees, exchange and clearing fees " *(this paragraph was changed by a decision of the Exchange's Board of Directors dated March 17, 2020)*.

Internal documents of the Exchange may establish other, in addition to those specified in the Regulations on Membership Fees, Exchange and Clearing Fees, types of fees payable in its favor; in this case, the amount (rate) of such fees, the terms and procedure for their payment, as well as responsibility for their failure to pay, incomplete or untimely payment, are determined by other internal documents of the Exchange *(this paragraph was changed by a decision of the Exchange's Board of Directors dated October 27, 2020)*.

2. The rates of listing fees, the procedure for calculating their amount, as well as the timing and procedure for their payment are determined by the Rules for determining the amount, timing and procedure for paying listing fees.
3. The Exchange collects from persons receiving and / or distributing information products of the Exchange or parts of information products of the Exchange, as well as information based on information products of the Exchange, including derivative information, the appropriate fees approved by the Board of Directors of the Exchange.

## CHAPTER 11. LIABILITY OF THE EXCHANGE AND ITS MEMBERS, DISPUTE RESOLUTION PROCEDURE

### Article 30. Liability of the Exchange

For non-fulfillment and / or improper fulfillment of its duties, the Exchange is liable in accordance with the internal documents of the Exchange and the legislation of the Republic of Kazakhstan:

- 1) the responsibility of the Exchange as a clearing organization and as a central counterparty is determined by the Exchange's internal document "Rules for Clearing Transactions in Financial Instruments";
- 2) the responsibility of the Exchange as a settlement organization is determined by the Regulations on Responsibility for Violation of the Terms of Settlement Based on the Results of Trading in Foreign Currencies;
- 3) the responsibility of the Exchange is also determined by the following documents:

"Regulations on Membership";

"Rules for resolving issues in case of technical failures in the operation of the Exchange software and hardware complex" *(this paragraph was changed by a decision of the Exchange's Board of Directors dated March 17, 2020)*.

"Rules for the dissemination of exchange information";

"Information Policy";

"Rules for Working with the Trading System in Remote Access Mode";

"Procedure for monitoring the Exchange members";

"Listing Rules".

### Article 31. Liability of Exchange Members and Clearing Members

1. Exchange members must comply with requirements of the legislation of the Republic of Kazakhstan and all internal documents of the Exchange, which are mandatory. In case of non-compliance with requirements of internal documents, the Exchange applies sanctions.
2. An Exchange member bears obligations and responsibility for transactions concluded by him at the trades held by the Exchange, regardless of who, on whose behalf, at whose expense and in whose interests this transaction was concluded.
3. The internal documents of the Exchange, regulating its activities as an organizer of trades, determine the cases in which the trades' participants, clearing participants may be sanctioned in the form of payment of fines / forfeits to the Exchange.
4. For non-fulfillment or improper fulfillment by clearing participants of their obligations, the Exchange sends to clearing participants demands for payment of a forfeit calculated in accordance with the Rules for clearing transactions with financial instruments.

**Article 32. Procedure for considering disputes related to exchange transactions**

Disputes and disagreements between trading participants, as well as between trading participants and the Exchange on the conclusion and execution of exchange transactions are subject to settlement in the manner prescribed by a separate internal document of the Exchange "Procedure for resolving disputes and conflicts arising in the process of executing transactions with financial instruments" and in accordance with the legislation of the Republic of Kazakhstan.

**Article 33. Procedure for considering other disputes**

Disputes between members of the Exchange, as well as disputes between the Exchange and its members, with the exception of disputes specified in article 32 of these Rules, are considered in court.

**CHAPTER 12. FINAL PROVISIONS**

1. These Rules are subject to publication on the Internet resource of the Exchange (*This item was changed by a decision of the Exchange's Board of Directors dated October 27, 2020*)
2. Ensuring the fulfillment of the requirements of these Rules, responsibility for the timely introduction of amendments and / or additions to these Rules (updating) are laid upon the Management Board.
3. These Rules are subject to updating as necessary or as other internal documents of the Exchange specified in these Rules are updated, but at least once every three years, calculated from the date of entry into force of these Rules. (*This item was changed by a decision of the Exchange's Board of Directors dated October 27, 2020*)

Chairperson of the Board

A.Aldambergen

**Appendix 1**

To the rules for the implementation of exchange activities

**GLOSSARY  
OF MAIN DESIGNATIONS**

1. For the purposes of this Glossary, designation is understood to mean a designation of an object, phenomenon or event that is absent in the current legislation, abbreviated for ease of writing, reading, perception and understanding of the verbal name of a given object (phenomenon, event) and having limited use (for example, for the purposes of only one document or only a group of similar documents).
2. The main designations given in this Glossary are used both in the internal documents of the Exchange and in its official documentation and correspondence.

Additional symbols are disclosed in those internal documents of the Exchange, in its service documentation and correspondence where these additional symbols are used.

In the internal documents of the Exchange, abbreviations are used only in tabular and graphic (illustrative) parts, with the exception of some generally accepted abbreviations (for example, "No.", "%", "JSC", "g." (Meaning "city"), "kaz .", "million", "billion", "district", "see", "thousand", "language"), which can also be used in the text parts of the Exchange's internal documents.

3. The Exchange does not provide in its internal documents intended to use primarily by the Exchange members, the definitions of the main conventions that are used in these documents and are given in this Glossary.
4. Clause 5 of this Glossary contains a list of the main designations used by the Exchange in its activities as a trading organizer.
5. The Exchange uses the following main designations in its activities, meaning the following:

- 1) **"is2in"** or **"is2in"** system - (in Eng. From Issuers to Investors, "from issuers to investors") a specialized electronic document management system between admittance initiators of securities and the Exchange and its members, which allows admittance initiators and Exchange members to transfer documents to the Exchange and information messages in electronic form (without the need to provide them on paper) with the subsequent placement of such documents and messages in automatic mode on the Exchange's Internet resource (*this sub-item was changed by a decision of the Exchange's Board of Directors dated October 27, 2020*);
- 2) **"investment fund assets"** (in relation to foreign investment funds) - a set of assets that belong to a legal entity considered by the Exchange as a foreign joint-stock investment fund, or which is considered by the Exchange as a foreign mutual investment fund;
- 3) **"joint-stock investment fund"** (in relation to foreign legal entities) - a legal entity, in accordance with the legislation of the state of its registration, functioning in the legal form of a joint-stock company and recognized as an investment fund;
- 4) **"declared shares"** (in relation to shares issued in accordance with the legislation of states other than the Republic of Kazakhstan) - shares, the issue of which is registered in accordance with the legislation of the state of registration of the joint-stock company that issued these shares;
- 5) **"placed shares"** (in relation to shares issued in accordance with the legislation of states other than the Republic of Kazakhstan) – shares from among announced shares sold on the primary securities market;
- 6) **"share"** (in relation to securities issued in accordance with the legislation of states other than the Republic of Kazakhstan) - a security issued by a joint-stock company and, in accordance with the legislation of the state of registration of this joint-stock company, certifying the rights of the holder of this paper to participate in the management of this joint-stock company the company, to receive a dividend on it and a part of the property of

- this joint-stock company during its liquidation, as well as other rights provided by the specified legislation;
- 7) **"preferred share"** (in relation to shares issued in accordance with the legislation of states other than the Republic of Kazakhstan) - a share that, under normal circumstances, does not consider the holder's right of this share to participate in the management of the joint-stock company that issued it, but instead considers for the holder's prerogative right of this share in front of the owners of ordinary shares of this joint-stock company to receive a dividend on this share in a predetermined guaranteed amount and to receive part of the property of this joint-stock company upon its liquidation;
  - 8) **"ordinary share"** (in relation to shares issued in accordance with the legislation of states other than the Republic of Kazakhstan) - a share that provides for the unconditional right of the holder of this share to participate in the management of the joint-stock company that issued it;
  - 9) **"underwriter"** (in relation to foreign legal entities) - a legal entity that, in accordance with the legislation of the state of its registration, has the right to carry out brokerage and / or dealer activities on the securities market and provides the issuer with services for the placement of issued securities;
  - 10) **"Assistant to the Exchange broker"** or **"Assistant to the broker"** (in relation to the employees of the Exchange) - other, apart from the broker, an employee of the Exchange who performs the functions of organizing and conducting trades in financial instruments;
  - 11) **"broker"** (in relation to foreign legal entities) - a legal entity that, in accordance with the legislation of the state of its registration, has the right to carry out brokerage activities in the securities market, that is, activities to perform transactions with securities and other admissible financial instruments on behalf of, for account and in the interests of its clients;
  - 12) **"time base"** - a condition for determining the number of days between any dates for the purpose of calculating the amount of interest on a debt security (bond), expressed as the ratio "conditional or actual duration of a period in days / conditional or actual number of days in a year ";
  - 13) **"redemption of a financial instrument"** - the acquisition of a financial instrument by the issuer that issued it or by a broker acting on behalf of, at the expense and in the interests of this issuer;
  - 14) **"repo closing date"** or **"closing date"** (in relation to a repo transaction) - the day set by the participants in the repo transaction or by the trading system for the execution of the repo closing transaction;
  - 15) **"repo opening date"** or **"opening date"** (in relation to a repo transaction) - the day of concluding a repo opening deal;
  - 16) **"unit holder"** (in relation to foreign mutual investment funds) - a person who is the owner of a unit;
  - 17) **"dealer"** (in relation to foreign legal entities) - a legal entity that, in accordance with the legislation of the state of its registration, has the right to carry out dealer activities on the securities market, that is, to carry out transactions with securities and other acceptable financial instruments at its own expense and in their own interests on the unorganized securities market and on the organized securities market with the right of direct access to it;
  - 18) **"discount debt security"** or **"discount bond"** is a debt security (bond) placed at a price below its par value, the reward for which is a discount and certifying, in accordance with the terms of issue, the right of the owner of this security (bond) to receive its issuer of the par value of this security (bond) upon the expiration of the established period of its circulation;
  - 19) **"indexed debt security"** or **"indexed bond"** is a debt security (bond), the par value of which and / or the interest on which, according to the terms of the issue, is subject to (subject) to change in accordance with a change in any indicator (indexation by any indicator);

- 20) **"coupon debt security" or "coupon bond"** - a debt security (bond) certifying, in accordance with the terms of the issue, the right of the owner of this security (bond) to receive from its issuer the par value of this security (bond) upon the expiration of a specified period its appeal, as well as to receive remuneration for it in the form of a coupon (coupons);
- 21) **"floating coupon debt security" or "floating coupon bond"** is a coupon indexed debt security (bond), the coupon rate of which, according to the terms of the issue, is subject to change during the circulation period, is initially set only for a limited number of coupon periods and, accordingly, not known for the rest of the coupon periods;
- 22) **"additional placement of securities"** - placement of securities of any denomination that were not offered for placement or were not placed during the previous iterations of specialized trades for the placement of securities of this denomination;
- 23) **"yield on a debt security" or "yield on a bond"** is an indicator of the expected yield on a debt security (bond) expressed as a percentage per annum for its acquirer upon redemption (expiration of the circulation period) of this security (bond), excluding the possibility of reinvesting the amounts received as a reward for it;
- 24) **"order"** - an order to conclude a deal submitted by any trading participant; announcement of any trading participant about the wish to conclude a deal on the terms of this announcement or on the conditions under which the filing of this announcement is allowed;
- 25) **offsetting order**  
(in relation to a valid order for the sale of financial instruments of any denomination) - an order for the purchase of financial instruments of this denomination;  
(in relation to a valid order for the purchase of financial instruments of any denomination) - an order for the sale of financial instruments of this denomination;
- 26) **"valid order"** - an order accepted by the Exchange, not satisfied fully and not canceled by the trades' participant who submitted this order, or by the Exchange;
- 27) **"competitive order"** - the same as "limited order";
- 28) **"limited order"** - an order that contains an indication of the price of financial instruments of any denomination, intended to sell or buy;
- 29) **"invalid order"** -  
application not accepted by the Exchange; or  
application satisfied in full; or  
application accepted by the Exchange, not satisfied in full, but canceled by the trading participant who submitted this application, or by the Exchange;
- 30) **"non-competitive order"** - the same as "market order";
- 31) **"unlimited order"** - the same as "market order";
- 32) **"direct order"** (when using the method of making direct deals) - an order addressed to any trading participant and intended for review only by this trading participant;
- 33) **"market order"** - an order that does not contain an indication of the price of financial instruments of any denomination, desired for sale or purchase, and it means that the trading participant who submitted this order wishes to conclude transactions at any prices at which the satisfaction of this application is possible;
- 34) **"investment fund"** (in relation to foreign legal entities or to aggregates of assets established in accordance with the legislation of states other than the Republic of Kazakhstan) - a legal entity considered by the Exchange as a foreign joint-stock investment fund, or a set of assets considered by the Exchange as a foreign share investment fund;
- 35) **"investor"** - a person who has acquired or intends to acquire financial instruments;
- 36) **"indexed par value of a debt security" or "indexed par value of a bond"** - the par value of an indexed debt security (bond), indexed by some indicator;

- 37) **"foreign legal entity"** - a legal entity that does not fall under the definition of the term "legal entity of the Republic of Kazakhstan";
- 38) **"client of sponsored access"** or **"SMA-client"** - a person who has entered into an agreement with a trading participant for the latter to conclude transactions in the ASTS + trading and clearing system at the expense and in the interests of this person on the basis of his instructions transmitted to the specified trading participant through the order processing subsystem;
- 39) **"iteration of trades"** or **"iteration"** (in relation to discrete trades) - an independent stage of discrete trades;
- 40) **"settlement code"** - a code that determines the method of collateral and the term for making settlements;
- 41) **"custodian"** - a legal entity, in accordance with the legislation of the state of its registration, which has the right to carry out custodian activities in the securities market, namely activities for:
- accounting or custody of financial instruments and money belonging to other persons;
  - confirmation of rights for these financial instruments and money, with the assumption of obligations for the safety of these financial instruments and money;
  - acceptance for settlements of transactions concluded by a trading participant in the interests of a custodian's client.
- 42) **"clearing account"** - a concept defined by the Exchange internal document "Rules for clearing activities".
- 43) **"confidentiality of information"** or **"confidentiality"** is a sign of information, the presence of which stipulates protection from disclosure during its receipt, storage, processing or transmission and providing access to such information only to a limited number of persons;
- 44) **"corporate event"** (as applied to foreign issuers) - an event in the issuer's activity that has a significant impact on this activity and affects the interests of the holders of the financial instruments issued by it;
- 45) **Correspondent account of the Exchange in the Central Securities Depository** - a correspondent multicurrency account of the Exchange in JSC "Central Securities Depository", designed exclusively for providing clearing participants of the stock market with clearing services with the performance of the functions of a central counterparty;
- 46) **"quotation"** (in relation to financial instruments other than securities) - the same as a "limited order";
- 47) **"indicative quotation"** - an order that does not impose an obligation on the trading participant who submitted it to conclude a deal on the terms of this order;
- 48) **"mandatory quotation"** - an order for the purchase or sale of financial instruments of any denomination, submitted by the market maker as part of the performance of his duties for financial instruments of this denomination, and meaning the unconditional consent of the market maker to conclude a deal on the terms of this order;
- 49) **"mandatory best quotation"** - a mandatory quotation announced by the market maker, indicated in which the purchase (sale) price of financial instruments of any denomination is the most favorable for sellers (buyers) of financial instruments of this denomination relative to the prices indicated by the market maker in all the rest its current mandatory quotations for the purchase (sale) of financial instruments of this denomination;
- 50) **"direct quotation"** - the same as "indicative quotation";
- 50-1) **"cross-deals"** - deals concluded on the basis of orders of the opposite direction in the interests of the same client of the trading participant (*this sub-item was included by a decision of the Exchange's Board of Directors dated November 11, 2020*);
- 51) **"coupon period"** - a period for which one coupon is paid on a coupon debt security (bond);

- 52) **"Exchange broker" or "broker"** (in relation to the Exchange employees) - an Exchange employee performing the functions of organizing and conducting trades in financial instruments and having the highest powers among other Exchange employees performing such functions;
- 53) **"international financial organization" or "IFI"** - an organization created on the basis of an international treaty in the field of international finance;
- 54) **"observer"** (in relation to the Exchange's trading systems) - an individual or legal entity that has the right to view the course and results of trades in the Exchange's trading systems;
- 55) **"name of financial instruments"** - a closed set of financial instruments of the same type, united by the same terms of issue, placement, circulation and redemption (if the type of these financial instruments provides for their redemption), as well as the same features and details;
- 56) **"par value of a unit"** (in relation to foreign mutual investment funds) - the monetary value of a unit at the initial placement of units of a mutual investment fund;
- 57) **"circulation on a trading floor of the Exchange" or "circulation on a trading floor"** (in relation to the Exchange) - the possibility of using financial instruments of any name as subjects of transactions concluded on this trading market of the Exchange;
- 58) **"automatic repo operation"** - a repo operation carried out by the "automatic" method (at trades conducted by the order-driven market);
- 59) **"currency swap transaction"** - the conclusion by trading participants of an agreement that is a derivative financial instrument, in accordance with which the parties agree to fulfill obligations on the underlying assets in the future on agreed terms, while one of the conditions of such an agreement is that the fulfillment of obligations within the framework of it with a later settlement date does not occur earlier than the third business day from the date of fulfillment of obligations with an earlier settlement date *(this sub-item was changed by a decision of the Exchange's Board of Directors dated November 11, 2020)*;
- 60) **"reverse repo operation"** (as applied to a separate participant in a repo operation) - a repo operation in which its participant acts as a repo buyer;
- 61) **"direct repo operation"** - a repo operation carried out by the "direct" method (at trades conducted by the direct deals method);
- 61-1) **"operation with foreign currency" (conventionally called "short-term currency swap")** - a set of two purchase and sale transactions, simultaneously concluded between two same participants in exchange trading in foreign currencies and opposite to each other, with the same amount of the same foreign currency, which differ among themselves in the timing of settlements on them, as long as the execution of a transaction with a later settlement date occurs no later than the second business day from the date of execution of the transaction with an earlier settlement date *(this sub-item was included by a decision of the Exchange's Board of Directors dated November 11, 2020)*;
- 62) **"observer organization"** (in relation to the Exchange's trading systems) is a legal entity that has the right to view the course and results of trades in the Exchange's trading systems;
- 63) **organization of trades** - performance by the Exchange of the functions of the organizer of trades, determined in accordance with the Law of the Republic of Kazakhstan "On the Securities Market" and internal documents of the Exchange, with the exception of the functions performed by the Exchange as a clearing organization, central counterparty and an organization performing certain types of banking operations;
- 64) **"unit"** (in relation to foreign mutual investment funds) - an equity security confirming the share of its owner in the aggregate of assets, which is considered by the Exchange as a foreign mutual investment fund, and the right of the owner of this security to receive part of the property upon termination of the existence of this aggregate;

- 65) **"the first head of the organization" ( chief executive officer)** - the head of the executive body of the organization or a person authorized to solely act as the executive body of the organization;
- 66) **"repo buyer"** - a participant in a repo transaction who buys the subject of a repo transaction when making an opening deal and sells it when making a closing transaction;
- 67) **"user"** (in relation to any Exchange information system) - a person who has the right to access the Exchange information system;
- 68) **"user of the control and collateral system"** - a clearing participant of the stock market, who is a custodian, who is granted access to the control and collateral system in order to ensure the execution of transactions concluded by an authorized trading participant on behalf of the client of such a clearing participant;
- 69) **"user of the trading system"** - an individual who has the right to perform actions in the Exchange's trading system;
- 70) **"subject of a repo transaction"** - securities of the same denomination, bought and sold in the same quantity when performing a repo transaction;
- 71) **"repo seller"** - a repo transaction participant who sells the subject of a repo transaction when making an opening transaction and buys it when making a closing transaction;
- 72) **"professional participant of the securities market"** (in relation to foreign legal entities) - a legal entity that, in accordance with the legislation of the state of its registration, has the right to carry out licensed activities in the securities market;
- 73) **"business day"** - a day that is a working day in the Republic of Kazakhstan;
- 74) **"application size"** - application volume in physical term (in financial instruments);
- 75) **section of KASE** is a sub-account of the personal account of a clearing member of the stock market (client or own) in the accounting system of the Central Depository, which is intended for recording the securities used to securing and executing transactions with CCP on the relevant trading and clearing account (client or own); the securities from that account can be written off only after a positive check by the Exchange for the adequacy of the requirements to the collateral carried out in accordance with these Rules;
- 76) **"deal size"** - the volume of a deal in physical terms (in units of measurement of financial instruments);
- 77) **"remote access mode"**- a method of working with the Exchange's trading system, which does not require the physical presence of its user on the Exchange;
- 77-1) **"modes without CCP"** - modes of trading and operations on the stock market established by the Exchange's internal regulatory document "Lists of trading modes and operations of the ASTS + trading and clearing system", in which the Exchange does not perform the functions of a central counterparty (*this sub-item was included by a decision of the Exchange's Board of Directors dated March 17, 2020*);
- 78) **"modes with CCP"** - modes of trading and operations on the stock market established by the Exchange's internal regulatory document "Lists of trading modes and operations of the ASTS + trading and clearing system", in which the Exchange performs the functions of a central counterparty;
- 79) **"Collateral transfers" modes** - modes in the ASTS + trading and clearing system used to carry out transactions of collateral transfers in cash or securities or to set limits for collateral in cash or securities to trading and clearing accounts (segregation / aggregation of financial instruments);
- 80) **"Transfer to Settlement" modes** - modes in the ASTS + trading and clearing system used to control the target placement of assets and transfer the fulfillment of requirements and obligations under transactions concluded in trading modes with the CCP, in the interests of the client's user of the control and collateral system;
- 81) **"successful trading session"** - a trading session for financial instruments of any name or type, during which at least one deal was concluded with financial instruments of this name (type);

- 82) **"rating"** (depending on the context): the same as "rating score"; or a process the purpose of which is to assign an alphabetic, numeric, alphanumeric or ordinal indicator that reflects the importance or significance of an object, phenomenon or event;
- 83) **"rating score"** - an alphabetic, numerical, alphanumeric or ordinal indicator that reflects the importance or significance of an object, phenomenon or event;
- 83-1) **"transactions without a CCP"** - transactions in financial instruments for which the Exchange carries out clearing activities without performing the functions of a central counterparty (*this sub-item was included by a decision of the Exchange's Board of Directors dated March 17, 2020*);
- 83-2) **"transactions with CCP"** - transactions with financial instruments for which the Exchange carries out clearing activities, acting as a central counterparty (*this sub-item was included by a decision of the Exchange's Board of Directors dated March 17, 2020*);
- 84) (*this sub-item was removed by a decision of the Exchange's Board of Directors dated November 17, 2020*);
- 85) **"a transaction concluded by any method of conducting trades" or "a transaction concluded by any method of conducting trades"** - a deal that was concluded at trades conducted by this method of conducting trades;
- 86) **"repo closing deal" or "repo closing deal"** (in relation to a repo transaction) - the second in the order of execution a deal out of two, which together makes up a repo transaction; a transaction for the sale and purchase of securities of the same name as in the case of a repo opening transaction, which implies the transfer of money in the amount of this transaction from the second of the participants in the repo transaction to the first of them and the return of the same number of securities as in the repo opening transaction this name is the first of the participants in the repo transaction to the second of them;
- 87) **"repo opening deal" or "opening deal"** (in relation to a repo transaction) - the first in the order of execution a deal out of two that together make up a repo transaction; a transaction for the purchase and sale of securities of any denomination, involving the transfer of money in the amount of this transaction from one of the participants in the repo transaction to the second of them and the transfer of a certain number of securities of this denomination to the second of the participants in the repo transaction to the first of them;
- 88) **"direct deal"** - a deal that was concluded at the trades conducted by the direct deals method;
- 89) **"control and collateral system"** - a system of control over the target placement of assets and ensuring the execution of transactions, which is part of the ASTS + trading and clearing system, which allows (*this paragraph was changed by a decision of the Exchange's Board of Directors dated March 17, 2020*);
- manage collateral or determine collateral limits for trading and clearing accounts;
  - confirm transactions without a CCP concluded by an authorized trading participant on behalf of the client of the user of the control and collateral system
  - accept / transfer for settlements transactions concluded in the interests of the client of the user of the control and collateral system in trading modes with the CCP;
- 90) **"order processing subsystem"** - a set of software and hardware, which is a subsystem of the stock exchange trading system, designed for clients to submit orders for sponsored access to a trading participant in order to conclude transactions on the stock market;
- 91) **"spread"** - the difference between the prices indicated in the best mandatory quotes of the same market maker for buying and selling financial instruments of the same denomination;
- 92) **"average weighted US dollar rate"** - average weighted price of all transactions in the US dollar, concluded on the last successful day with this foreign currency, which are settled on the next business day after the trading day;
- 93) **"repo transaction term"** - the time interval measured in days between the dates of repo closing and opening;
- 94) **"order amount"** - the amount of the order in monetary terms;

- 95) **"transaction amount"** - the amount of the transaction in monetary terms;
- 96) **"time-out"** - a period of time within a trading session (trading day) that is provided to the market maker to announce new mandatory quotes for financial instruments of any name and during which the market maker is allowed not to perform his duties with respect to financial instruments of this names;
- 97) **"terminal of the trading system"** or **"terminal of the trading and clearing system"**, or **"terminal"** - the client part of the trading or trading and clearing system of the Exchange; a personal computer on which the software of the Exchange's trading or trading and clearing system is installed, which is connected to the Exchange's trading or trading and clearing system and is designed to work with the Exchange's trading or trading and clearing system (for performing actions in the Exchange's trading system) *(this sub-item was changed by a decision of the Exchange's Board of Directors dated November 11, 2020)*;
- 98) **"technical failure"** or **"failure"** (in relation to failures in the operation of the Exchange's information systems) - a temporary failure of any information system of the Exchange or its separate component, which resulted in the impossibility of participation in the trading held by the Exchange for one, several or all trading participants ;
- 99) **"trades"** - trades carried out on the Exchange;
- 100) **"English trades"** - trades conducted by the method of English trades, as this method is described by the Exchange's internal document "Regulations on the methods of conducting trades";
- 101) **"anonymous trades"** - trades during which any trading participant (with the exceptions established by the legislation of the Republic of Kazakhstan and internal documents of the Exchange) is not provided with information about which other trading participants submitted orders and which other trading participants are parties to transactions concluded on the basis of the application of this bidder;
- 102) **"Dutch trades"** - trades carried out by the Dutch trades method, as this method is described by the Exchange internal document "Regulations on the methods of trades";
- 103) **"discrete trades"** - trades that can be conducted in several stages (iterations) with the determination of transaction prices based on the results of each such stage;
- 104) **"open trades"** - bidding in which the satisfaction or dissatisfaction of the bid, all other things being equal, does not depend on which bidder submitted it, and presumably there is competition between a potentially unlimited number of bidders (in contrast to bidding conducted by the method of concluding direct transactions in which the satisfaction or dissatisfaction of the order depends on which particular trader submitted it, and the transactions are purely contractual);
- 105) **"specialized trades"** - trades conducted by the method of specialized trades in the ASTS + trading and clearing system, as this method is described by the Exchange's internal document "Regulations on methods of conducting trades in the ASTS + trading and clearing system" *(this sub-item was supplemented by a decision of the Exchange's Board of Directors dated November 11, 2020)*;
- 106) *(this sub-item was removed by a decision of the Exchange's Board of Directors dated November 11, 2020)*;
- 107) **"trade information"** - information on the course and / or results of trades in financial instruments conducted (were conducted) by the Exchange;
- 108) **"trading system of the Exchange"** or **"trading system"** - a complex of material and technical means, internal documents of the Exchange and other necessary assets and the procedures using which transactions with securities and other financial instruments are concluded between trading participants;
- 109) **"ASTS + trading and clearing system (foreign exchange market)"** - the Exchange's trading and clearing system intended for trading participants in the "currency" category, in which trades in foreign currencies are held *(this sub-item was changed by a decision of the Exchange's Board of Directors dated November 11, 2020)*;

- 110) **"AST Exchange trading system"**-the Exchange's trading system intended for participants in trading in the "derivatives" category participating in trading in derivative financial instruments, and for participants in trading in the "stock" category participating in trading conducted by the subscription method (*this sub-item was changed by a decision of the Exchange's Board of Directors dated November 11, 2020*);
- 111) **"ASTS + trading and clearing system (stock market)"** - the Exchange's trading and clearing system, intended for participants in trades in the "stock" category, in which securities are traded (*this sub-item was changed by a decision of the Exchange's Board of Directors dated November 11, 2020*);
- 112) **"trading day"** - a period established by the Exchange within a calendar day, during which transactions with securities can be concluded in the Exchange's trading system;
- 113) **"trading account"** - an account of a trading participant or user of a control system and the collateral used by him to conclude transactions and (or) implement control functions over the targeted placement of assets and / or ensure the execution of transactions in the trading / trading and clearing system of the Exchange;
- 114) **"trading and clearing account"** - an account assigned to a trading participant or a user of a control and collateral system, which is an aggregate of a trading account and a clearing account that coincides with it in terms of the number of a clearing account, which ensures the execution, accounting and control of transactions and (or) operations performed using such trading account in the trading / trading and clearing system of the Exchange
- 115) **"order satisfaction"** - the conclusion of transactions based on an order in full or in part of it at the expense of existing counter orders;
- 116) **"management company"** (in relation to foreign legal entities) - a legal entity that, in accordance with the legislation of the state of its registration, has the right to carry out activities for investment management of assets considered and managed as a single set;
- 117) **"participant in a repo transaction"** - a person who is a party to two transactions that together constitute a repo transaction;
- 118) **"trading participant"** - a member of the Exchange admitted to participation in trading and taking part in them;
- 119) **"authorized trading participant"** - a trading participant authorized by the user of the control and collateral system to conclude transactions on behalf of his client;
- 120) **"integrity of information"** - the state of information in which there is no any change in it, or the change is carried out only deliberately by subjects who have the appropriate right;
- 121) **"favorable price"**:  
(for a seller of financial instruments of any denomination) - the price of financial instruments of this denomination, not less than the price at which he is ready to sell financial instruments of this denomination;  
(for a buyer of financial instruments of any denomination) - the price of financial instruments of this denomination is not greater than the price at which he is ready to buy financial instruments of this denomination;
- 122) **"dirty price"** (in relation to a debt security (bond) - the price of a coupon debt security (bond), which includes the accumulated (accrued, but not paid) interest on it;
- 123) **"repo transaction closing price"** or **"closing price"** (in relation to a repo transaction) - the price of the subject of a repo transaction at which a repo closing transaction is concluded;
- 124) **"order price"** - the price of sale or purchase of financial instruments of any denomination specified in the order, wished to be sold or bought;
- 125) **"declared price"** - the same as "order price";

- 126) **"repo transaction opening price"** or **"opening price"** (in relation to repo transactions) - the price of the subject of the repo transaction, at which the repo opening transaction is concluded;
- 127) **"opening price of a trading session"** - one of the characteristics of a trading session, used for illustrative purposes, for making any decisions or performing any actions, or for other purposes;
- 128) **"transaction price"** - the price of financial instruments of any denomination at which the transaction was concluded;
- 129) **"net price"** (in relation to a debt security (bond) - the price of a coupon debt security (bond), which does not include the accumulated (accrued but not paid) interest on it;
- 130) **"declared securities"** (in relation to foreign securities) - securities, the issue of which is registered in accordance with applicable law;
- 131) **Central Securities Depository** - Central Securities Depository JSC;
- 132) **"trading system gateway"**, **"gateway"**, or **"Exchange trading system gateway"** is a software and hardware tool designed to ensure interaction of the broker's system and / or his client with the Exchange trading system;
- 133) **"issuer"**:  
(in relation to the issued securities) - the person who issued the securities;  
(in relation to financial instruments other than securities) - a person who carries out or has carried out the issue of financial instruments.

**Appendix 2**

To the regulations on carrying out of exchange activities

**APPLICATION**  
**for registration as a user of the control and collateral system**

We hereby ask Kazakhstan Stock Exchange JSC to register *[full name of the clearing participant of the stock market]* as a user of the control and collateral system.

We confirm that we are familiar with the rules of operation of the control and collateral system, set out in these Rules and in other internal documents of the Exchange, regulating the activities of the user of the control and collateral system. *(this paragraph was changed by a decision of the Exchange's Board of Directors dated March 17, 2020);*

[Chief executive's position]

[signature]

[Surname, initials]

**Appendix 3**

To the regulations on carrying out of exchange activities

**THE LIST**  
**of employees of the user of the control and collateral system**

Control and collateral system user

(full name of the organization)

Date of issue:

- In addition to the previously submitted  
 Instead of the previously submitted

No. p/p	Position, work phone number and email address	Surname, name, patronymic (if any)	Signature example
1.			
2.			
3.			

On behalf of *[full name of the organization]*, the above persons are authorized to perform actions to confirm/refuse to confirm transactions concluded on accounts provided by *[full name of the organization]*, and are also authorized to carry out operations to manage collateral and receive / transfer claims and obligations under transactions concluded using these accounts. We accept full responsibility for the actions of the above persons arising from the powers granted by this document.

[Chief executive's position]

[signature]

[Surname, initials]

[Chief Accountant Position]

[signature]

[Surname, initials]

**Appendix 4**

To the regulations on carrying  
out of exchange activities

*(This appendix was removed following a decision of the Exchange's Board of Directors dated March  
17, 2020)*

**Appendix 5**

To the regulations on carrying out of exchange activities

**APPLICATION  
OF TRADING PARTICIPANT FOR OPENING  
TRADING AND CLEARING ACCOUNT OF THE SECOND  
LEVEL**

The authorized trading participant [*full name of the authorized trading participant*] asks Kazakhstan Stock Exchange JSC to open a second level trading and clearing account in the ASTS + trading and clearing system, trades from which will be executed using the clearing account [*No. of its clearing account*] / [*name user of the control and collateral system*].

We confirm that we are familiar with the rules of operation of the control and collateral system, set out in the internal documents of the Exchange (*This paragraph was changed by a decision of the Exchange's Board of Directors dated March 17, 2020*)

[Chief executive's position]

[signature]

[surname, initials]

**Appendix 6**

To the regulations on carrying out of exchange activities

**Application  
for registration of the trading participant's client**

Based on the commission agreement as of "\_\_\_" \_\_\_\_\_ 20\_\_ year  
\_\_\_\_\_ (наименование организации - члена Биржи)

provides trade and settlement services

\_\_\_\_\_  
(Full name of an individual or the name of a legal entity to which trade and settlement services are provided)

Considering the above, please register a client in the trading system of the Exchange with the following details:

\_\_\_\_\_  
(name of the Exchange member organization)

No p/p	Requisites		
1	Client status:	Legal entity <input type="checkbox"/>	physical party <input type="checkbox"/>
2	Organizational and legal form	Joint-stock company <input type="checkbox"/>	Limited Liability Partnership <input type="checkbox"/>
3	Type of activity <sup>12</sup>	Banking activities <input type="checkbox"/>	Insurance activity <input type="checkbox"/>
		Pension savings fund assets management <input type="checkbox"/>	Brokerage and dealer activities <input type="checkbox"/>
		Production activity <input type="checkbox"/>	Other activities <input type="checkbox"/>
4	Residence sign	Resident <input type="checkbox"/>	Non-resident <input type="checkbox"/>

Exchange member name

(full name of the applicant in accordance with the Certificate of State Registration (State Re-registration))

Exchange member Representative:

\_\_\_\_\_  
(position)

\_\_\_\_\_  
(surname, initials)

**Appendix 7**

To the regulations on carrying out of exchange activities

*(This appendix was included by a decision of the Exchange's Board of Directors dated November 11, 2020)*

**APPLICATION  
FOR OPENING OF TRADING IN SECURITIES**

[Full name of the admittance initiator of securities] hereby asks Kazakhstan Stock Exchange JSC (hereinafter - the Exchange) to include [indicate the code and ISIN of the security] in the List of financial instruments admitted to transactions with the central counterparty on the terms [indicate partial or full collateral], and open trading [indicate the date from which it is necessary to open trades] in the corresponding trading modes established by the Exchange internal document "Lists of trading modes and operations of the ASTS + trading and clearing system".

*In case of filing an application for opening an auction, the following shall additionally be indicated:*

- 1) *for securities - the currency in which trades are held and the indicative price of the security, which can be used as the price that, in the opinion of the admittance initiator of securities, is fair as of the date of the start of trades;*
- 2) *by shares - lot size.*

[Chief executive's position]

[signature]

[surname, initials]