

KAZAKHSTAN STOCK EXCHANGE JSC

Agreed on

with the National Bank
of the Republic of Kazakhstan
on October 27, 2014

Deputy Chairman of the
National Bank of the
Republic of Kazakhstan

Approved

by Kazakhstan Stock Exchange
Board of Directors decision
(meeting minutes
No. 37 of October 9, 2014)

Effective

as of October 31, 2014

K. KOZHAKHMETOV

Agreed upon

with Central Securities
Depository JSC
on October 14, 2014

President

B. KAPYSHEV

NOTICE

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

RULES

of Conducting Subscription to Securities

LIST OF AMENDMENTS

1. Changes and additions No.1:

- approved by a decision of the Board of Directors of Kazakhstan Stock Exchange JSC (minutes No. 43 of the meeting on December 11, 2014);
- effective as of December 18, 2014.

These Rules have been developed in accordance with the legislation of the Republic of Kazakhstan and internal documents of Kazakhstan Stock Exchange JSC (hereinafter – the Exchange) and determine main terms and procedure of conducting subscription to securities through the Exchange (hereinafter – Subscription).

Article 1. Main definitions, terms and designations

1. Definitions used in these Rules are identical to definitions and terms defined by the legislation of the Republic of Kazakhstan and other internal documents of the Exchange.
2. For purposes of these Rules:
 - 1) an order means an order for purchase of securities submitted by a buyer;
 - 2) an investor means an individual or a legal entity intending to avail of services of an Exchange member to purchase securities during a Subscription;
 - 3) a buyer is an Exchange member of the "stock" category participating in a Subscription as a buyer of securities, including on behalf of his clients (*this sub-item was changed by a decision of the Exchange's Board of Directors of December 11, 2014*);
 - 4) a seller is an Exchange member of the "stock" category participating in a Subscription as a seller of securities, including on behalf of his clients (*this sub-item was changed by a decision of the Exchange's Board of Directors of December 11, 2014*);
 - 5) distribution of securities between buyers means defining by the seller of maximum amounts (the price and quantity of securities) of buyers' orders according to which those orders are subject to acceptance;
 - 6) a register of orders accepted means the list of orders which were accepted by the Exchange during a Subscription and were included in the summary list of orders forwarded to the seller;
 - 7) a register of orders accepted means the list of orders subject to acceptance received by the Exchange from the seller during a Subscription;
 - 8) the trading system "Subscription" means the special version of the trading system

Article 2. General parameters of conducting a subscription

1. A Subscription is carried out at availability of single seller and only at sale of securities included in the Exchange's official list or with regard to which consent was received from the Exchange to include them in the official list.
2. A Subscription is carried out by means of the trading system "Subscription" the procedure of access to which is similar to the procedure of access to the trading system specified by internal documents of the Exchange.
3. The procedure of exchange of electronic documents between the Exchange and Central Securities Depository JSC (hereinafter – the Central Depository), as well as communication channels used for transmission of such documents are established in accordance with the service agreement concluded between the Exchange and Central Depository.
4. In the course of a Subscription, the Exchange does not participate in the process of distribution of shares amongst buyers, nor does it carry responsibility for such distribution.
5. Settlements on transactions concluded based on subscription results can be carried out through:

- 1) the Central Depository conducting settlements in accordance with the appropriate agreement between the Exchange and Central Depository, or
 - 2) an organization other than the Exchange. In this case the Exchange shall neither participate in the process of settlements on transactions, nor provide any services related to such settlements.
6. When conducting a Subscription to shares under the program "The People's s IPO"¹ the Exchange's Management Board at the seller's request may specify subscription terms other than those provided for in these Rules. In case settlements on transactions concluded based on results of a Subscription are carried out through the Central Depository, other subscription terms related to exchange of information with the Central Depository are specified upon agreement with the Central Depository (*this item was supplemented by a decision of the Exchange's Board of Directors of December 11, 2014*).
7. The Exchange's Management Board upon the seller's written request may change the terms of Subscription, if such change does not contradict these Rules.
8. The Exchange shall immediately notify the Central Depository and Exchange "stock market" members of a change in the subscription terms (*this item was changed by a decision of the Exchange's Board of Directors of December 11, 2014*).

Article 3. Application for conducting a subscription

1. In order to conduct a subscription to shares, the seller should submit to the Exchange an application according to the form indicated in Appendix 1 to these Rules (hereinafter – the application) not later than five days before the beginning date of orders collection, mentioned in the application (with the exception specified by item 7 of this article) (*this item was supplemented by a decision of the Exchange's Board of Directors of December 11, 2014*).
2. Upon receipt of an application the Exchange shall check parameters and terms of subscription to securities mentioned therein, for compliance with these Rules and technical capabilities of the Exchange, and later than the working day following the receipt day of the application, take a decision on conducting a subscription or refusal to conduct it taking into account details specified in items 3–5 of this article.
3. In case the Central Depository is the organization conducting settlements, the Exchange shall submit an application to the Central Depository to receive its consent for:
 - 1) checking compliance with criteria specified by the seller, if the application provides for such checks, and
 - 2) provision of additional information on sub-account details of investors², if the seller's application provides for provision of such information.
4. The Central Depository not later than the working day following the day of receipt of application from the Exchange, shall notify it of the decision taken.
5. The Exchange shall not later than the working day following the day of receipt of the application from the Exchange according to item 4 of this article take a decision on conducting a subscription or refusal to do so.

In case a decision was taken on conducting a subscription, the Exchange shall assign a unique number to the subscription and notify thereof the Central Depository.

¹ Hereinafter "The People's s IPO" program means the Program of bringing equity stakes in subsidiaries and affiliates of joint-stock company "Sovereign Wealth Fund "Samruk-Kazyna" onto the regulated securities market, approved by Resolution No. 1027 of the government of Republic of Kazakhstan dated September 8, 2011.

² The Exchange provides to the seller only sub-account details without its identifying number.

6. When taking a decision on conducting a Subscription, the Exchange shall not later than the working following the day of taking such decision notify in written the seller and Central Depository of such decision (in case the organization carrying out settlements is the Central Securities Depository), as well as publish on the Exchange's website an information statement on conducting a subscription, its parameters and terms for *(this item was supplemented by a decision of the Exchange's Board of Directors of December 11, 2014)*.
7. In case a Subscription is supposed to be conducted simultaneously on Kazakhstan's regulated securities market and on the territory of a country other than the Republic of Kazakhstan, the seller must provide to the Exchange a notice of conducting meetings with investors under the proposed Subscription simultaneously with the publishing of information on conducting such meetings on the territory of a country other than the Republic of Kazakhstan.

In case of conducting such Subscription and when carrying out settlements upon results of the subscription an organization other than the Central Securities Depository, the seller must provide to the Exchange an application not later than 30 minutes before the order collection period's beginning specified in the application.

(This item was included by a decision of the Exchange's Board of Directors of December 11, 2014).

8. After receiving a notice in accordance with paragraph one of item 7 of this article the Exchange shall publish on its website a respective information statement.

After receiving an application in accordance with paragraph one of item 7 of this article the Exchange shall publish on its website an information statement on conducting the Subscription, its parameters and conditions and with the order collection period beginning it shall open the Subscription in the trading system "Subscription".

(This item was included by a decision of the Exchange's Board of Directors of December 11, 2014).

Article 4. Order acceptance

1. Upon the beginning of the order collection period buyers obtain the right to submit orders in accordance with terms in the seller's application.
2. Orders submitted to the trading system "Subscription" with the use of trading accounts controlled by participants of the Confirmation System, are subject to confirmation (or refusal to confirm) by those participants within the timespan including the order collection period³ and 30 minutes following the end of this period.

If some order was not confirmed by a Confirmation System participant (for some reason a refusal to confirm was received from a Confirmation System participant), then such order shall not be included in the register of accepted orders and is not subject to execution.

3. Buyers may delete their orders from the trading system "Subscription" during the order acceptance period.
4. The Exchange shall on a daily basis during the order acceptance period provide to the seller information on all orders submitted by buyers to the trading system "Subscription".
5. A Subscription is acknowledged and declared failed, if buyers have not submitted a single order.

³ Order collection period includes collection periods for orders from buyers and investors

Article 5. Checking of orders

The Exchange conducts checking of orders only if terms of subscription to securities provide for execution of settlements on transactions concluded based on subscription results, through the Central Depository. In doing so:

- 1) orders after their registration in the trading system "Subscription" are sent to the Central Depository for necessary checking;
- 2) if an order fails to meet criteria specified by the seller, it shall be rejected by the trading system "Subscription";
- 3) in case of removal by the buyer of an order approved by the Central Depository as compliant with criteria specified by the seller, the Exchange shall notify thereof the Central Depository.

Article 6. Disclosure of information about persons that submitted orders

1. The Exchange provides additional information on details of investors' sub-accounts⁴, only if subscription terms provide for execution of settlements on transactions concluded based on results of the subscription, through the Central Depository. In doing so:

- 1) the buyer, submitting an order, thereby expresses his unconditional consent to disclosure of additional information on details of investors' subaccounts, as well as confirms that he received necessary consents of investors to disclosure of such information;
- 2) buyers' orders after their registration in the trading system "Subscription" shall be sent to the Central Depository;
- 3) based on the buyer's order received from the Exchange the Central Depository shall disclose to the Exchange, and the Exchange – to the seller and issuer of securities additional information on details on investors' sub-accounts.

2. If terms of the subscription provide for settlements on transactions concluded based on results of the subscription, through an organization, other the Central Depository, and provision of additional information on the investor, then the buyer, when submitting an order, provides to the Exchange such information, as well as confirms that he received necessary consents from investors to disclosure of such information.

Based on additional information received from the buyer the Exchange shall disclose such information to the seller and issuer of securities.

Article 7. Registry of accepted orders

1. Not later than the working day following the final day of the order acceptance period, the exchange shall compose a registry of accepted orders according to form of Appendix 2 to these Rules and transfer it to the seller.

2. The registry of accepted orders does not include:

- 1) orders which failed to pass the check for compliance with criteria specified by the seller, if such check was provided for in the subscription terms;
- 2) not confirmed orders;
- 3) orders which were removed during the order collection period.

3. The registry of accepted orders is handed over to the seller in electronic format .xml, or .xls, or .mdb by using the guaranteed information delivery transport system with cryptographic means of protection ensuring the confidentiality and integrity of data being transmitted.

⁴ The list of necessary additional information on details of investors' sub-accounts is indicated in the sellers' application.

4. Information mentioned in the registry of accepted orders and handed over to the seller is confidential and is meant for bringing together the seller and the issuer who independently carry responsibility for disclosure of such information and any possible consequences of such disclosure.

Article 8. Registry of executed orders

1. The registry of executed orders is composed by the seller from the registry of accepted orders received from the Exchange, in which the seller indicates the price of each order and the number of securities which he intends to sell to the buyer on particular order.
2. The seller may not execute all or some orders from buyers, as well as execute any of the orders not to full extent.
3. The seller within the time indicated in the order, but not later than five working days from the day of receipt of the registry of executed orders, shall by means of the guaranteed information delivery transport system deliver to the Exchange the registry of orders executed in the .xml, or .xls, or .mdb format with cryptographic means of protection ensuring the confidentiality and integrity of data being transmitted

In case of the seller's refusal to conduct subscription (the seller declaring the subscriptions failed) he shall notify the Exchange in written within the time determined by paragraph one of this item, with indication of the reason for the refusal to conduct the subscription (declaring the subscriptions failed).

4. Receipt by the Exchange of the registry of executed orders means the seller's complete consent to conclusion of transactions in accordance with parameters indicated in the registry of executed orders.
5. The registry of orders executed is checked by the Exchange for changes made to parameters and/or number of orders accepted.

If the Exchange discovers inconsistencies as a result of the checking indicated in paragraph one of this item, or if the file received has been damaged (impossibility of correct processing of the file), it shall notify thereof the seller.

6. The seller must correct the errors or faults detected not later than the next working day after receiving the notice from the Exchange according to paragraph two of item 5 of this article and deliver to the Exchange the corrected file with the registry of orders executed.

In case the Exchange has not received the corrected file with the registry of orders executed on specific time, the Exchange shall announce the subscription failed.

Article 9. Execution of settlements through Central Depository

1. For execution of settlements before their execution;
 - 1) the seller must ensure the required quantity of securities in an appropriate sub-account at the Central Depository;
 - 2) the buyer should ensure the availability of money at his bank accounts with Central Depository or the Inter-bank Money Transfer System of Republican state enterprise "Kazakhstan Center for Inter-bank Settlements" (IMTS).
2. The settlement period on transactions is set by the seller and cannot exceed three working days.
3. The Exchange in accordance with the registry of orders executed defines transactions in the "Subscription" trading system, draws up a summary of instructions for registration of these transactions and submits it to the Central Depository for conducting settlements on transactions.

4. In case of absence or insufficiency of money required for settlement of a transaction in the bank account of the buyer set up in Central Depository or ISMT the buyer may postpone execution of settlements on such transaction until the last day of execution of settlements thereupon by way of setting a special mark in the "Subscription" trading system;
5. The Central Depository shall reject execution of settlements on all transactions of that buyer except for transactions settlements on which were deferred according to item 4 of this article, in the following cases:
 - 1) absence of money in the bank account of the buyer set up in Central Depository or ISMT to the amount required for settlement of all transactions of such buyer;
 - 2) the settlement day does not correspond with the settlement period specified by the Subscription terms
 - 3) the Exchange has not received consent from the Central Depository to execution of checks according to criteria specified by the seller and provision of additional information on details of sub-accounts of investors stipulated by item 3 of article 3 of these Rules;
 - 4) in other cases defined by the set of rules of the Central Depository.
6. Instructions for conducting repeated settlements on transactions denied by the Central Depository and deferred by the buyer can be sent by the Exchange to the Central Depository during the period of settlement on transactions.

At the last day of the period of settlement on transactions the Exchange shall send settlement instructions on all unsettled transactions of the buyer to the Central Depository.
7. The Exchange not later than the working day following the end of period of settlement on transactions shall draw up and forward to the seller and buyers exchange certificates on transactions, as well as publish on its website a notice on results of executing the Subscription.

Article 10. Peculiarities of execution of settlements through an organization other than the Central Depository

1. When executing settlements through an organization other than the Central Depository, the Exchange shall neither participate in carrying out settlements or provide any services related to such settlements, nor draw up or hand over to the seller and buyers exchange certificates on transactions.
2. In case of non-fulfillment by the seller or buyer of their liabilities on a transaction which was concluded during the subscription and settlements upon which are conducted through an organization other than the Central Depository, the parties' damage recovery claims to each other are executed without the Exchange's participation.
3. Based on the registry of executed orders the exchange by means of the "Subscription" trading system shall notify buyers of a full or partial execution of their orders or refusal to do so.
4. The seller not later than the working day following the day of execution of settlements on transactions, shall provide to the Exchange a notice on results of subscription according to the form of Appendix 3 to these Rules.
5. The Exchange after receiving from the seller a notice according to item 3 of this article shall publish on its website a notice of results of the subscription.

Article 11. Responsibility for failure to fulfil liabilities on transactions concluded

1. In case of failure to fulfil by the buyer or seller of their liabilities on a transaction concluded during the subscription, such transaction shall be acknowledged as terminated, taking into account the peculiarity specified in item 2 of article 10 of these Rules. The suffering party to this transaction shall within five working days following the day of acknowledgement of this transaction as terminated send to the Exchange a notice of their claims to the guilty party of the transaction on payment of fine (penalty).

Absence of such notice by on specific time the Exchange shall consider as absence of claims of the suffering party of the transaction regarding payment of fine (penalty).

At availability of claims regarding payment of fine (penalty) on the part of the suffering party against the guilty party, the guilty party is assigned a liability to pay to the counterparty of the transaction a fine (penalty) to the amount of 0.1 % of the failed transaction.

2. Not later than the second working day following the day of receipt of the notice mentioned in paragraph first of item 1 of this article, the Exchange shall send to the guilty party of the transaction a notice of need to pay a fine (penalty).
3. The guilty party of the transaction shall transfer to the Exchange's correspondent account in the National Bank of Republic of Kazakhstan the amount of fine (penalty) not later than the fifth working day following the day of receipt of the notice mentioned in item 2 of this article.
4. The Exchange shall within two working days following the day of arrival of the amount of fine (penalty) to the Exchange's correspondent account according to item 3 of this article, transfer this amount of fine (penalty) to the suffering party of the transaction.
5. If the parties of the failed transaction have discrepancies regarding payment of the fine (penalty), each party of the trades may within five working days from the day of conclusion of this transaction turn to the Commission on solving of disputes and conflicts with an application for settlement of discrepancies regarding the payment of fine (penalty).

President

M. Kabashev

Appendix 1

to Rules of Conducting
Subscription to Securities

APPLICATION
for conducting subscription to securities

(full name of the member of the Exchange's stock market)

requests you to organize a subscription to [title of securities], with parameters indicated and on the following terms *(this preamble was changed by a decision of the Exchange's Board of Directors of December 11, 2014)*:

| SUBSCRIPTION PARAMETERS | | |
|-------------------------|--|---|
| 1. | Full name of the issuer of securities | |
| 2. | Type of securities | |
| 3. | NIN of securities (when available) | |
| | <i>(This line was added by a decision of the Exchange's Board of Directors of December 11, 2014)</i> | |
| 4. | ISIN of securities (if available) | |
| 5. | Quantity of securities being offered/sold by subscription (for debt securities – the total face value of the debt securities being offered/sold by subscription in the issue currency) | |
| | <i>(This line was added by a decision of the Exchange's Board of Directors of December 11, 2014)</i> | |
| 6. | Price per security ⁵ | |
| 7. | Type of the seller's sub-account | |
| 8. | No. of the seller's sub-account | |
| SUBSCRIPTION TERMS | | |
| 1. | Date of beginning of orders acceptance period | |
| 2. | Date of end of period of acceptance of orders from investors ⁶ | |
| 3. | Date of end of period of acceptance of orders from buyers | |
| 4. | Orders acceptance time | _____ <input type="checkbox"/> preliminary ⁷ |

⁵ Price per security is indicated at discretion of the seller or issuer of shares being offered/sold by subscription.

⁶ The end date of the period of acceptance of orders from investors is indicated at the seller's discretion only during a subscription to shares within implementation of the People's IPO Program.

⁷ In case of indicating the time in this box as preliminary the seller must provide to the Exchange the final time of orders acceptance not later than one hour before the beginning of the period of acceptance of orders.

Rules of Conducting Subscription to Securities

| | | |
|------|--|--|
| 5. | Orders submission method | <input type="checkbox"/> open <input type="checkbox"/> closed |
| 6. | Rate of execution of market orders ⁸ | |
| 7. | The need to check orders for compliance with criteria specified by the seller | <input type="checkbox"/> yes <input type="checkbox"/> no |
| 7.1. | Criterion 1 of orders checking | |
| 7.2. | Criterion 1 of orders checking | |
| ... | ... | |
| 7.n. | Criterion n of orders checking | |
| 8. | Request for provision of additional information on details of sub-accounts of investors in the registry of accepted orders | <input type="checkbox"/> yes <input type="checkbox"/> no |
| 8.1. | Additional information 1: surname, name, patronymic (if available) of the investor – individual or name of the investor – legal entity | <input type="checkbox"/> yes <input type="checkbox"/> no |
| 8.2. | Additional information 2: individual identification number (IIN) of the investor – individual or the business identification number (BIN) of the investor – legal entity | <input type="checkbox"/> yes <input type="checkbox"/> no |
| 8.3. | Additional information 3: citizenship of the investor – individual or the state where the investor – legal entity was duly incorporated | <input type="checkbox"/> yes <input type="checkbox"/> no |
| 8.4. | Additional information 4: name and details (No., issuing date, issuing authority) of the ID document of the investor – individual or document confirming registration of the investor – legal entity as a legal entity | <input type="checkbox"/> yes <input type="checkbox"/> no |
| 8.5. | Additional information 5: residence (with indication of the administrative entity) of the investor – individual or address ⁹ of the investor – legal entity | <input type="checkbox"/> yes <input type="checkbox"/> no |
| 8.6. | Additional information 6: other information about the investor available in the accounting system of the Central Depository, not representing a commercial secret on the securities market | <input type="checkbox"/> yes <input type="checkbox"/> no |
| 9. | Date of provision of the registry of accepted orders | <input type="checkbox"/> yes <input type="checkbox"/> no |
| 10. | Date of provision of the registry of executed orders | <input type="checkbox"/> yes <input type="checkbox"/> no |
| 11. | Organization executing settlements on transactions upon the procedure of executing buyer's orders | <input type="checkbox"/> yes <input type="checkbox"/> no |

⁸ The rate of execution of market orders means the ratio of the total amount of market orders subject to execution, to the total amount of orders subject to execution.

⁹ The address of the investor – legal entity may be its location or the actual address (if it is other than the location of this entity), or postal address (if it is other than the actual address of this entity).

Rules of Conducting Subscription to Securities

| | | |
|-----|-----------------------------|--|
| 12. | Settlements period | |
| 13. | Other terms of subscription | |

[Position of head of

executive body of the seller]

[signature]

[surname, initials]

stamp

Appendix 2

to Rules of Conducting
Subscription to Securities

**REGISTRY
of accepted/executed orders**

(This appendix was changed by a decision of the Exchange's Board of Directors of December 11, 2014)

- Notes:**
- 1) columns 9–15 are filled in in case, this information is requested by the seller in his application for conducting a subscription to securities;
 - 2) removal of unnecessary columns or addition of new columns is permitted when additional information on securities buyers is needed.

| No. | No. of order | Date and time of order submission | Parameters of order accepted | | | Parameters of order executed ¹⁰ | | | Buyer* | Date of birth* | Document details* | Address* | Country* | Identifying number* | Additional information |
|--------------|--------------|-----------------------------------|------------------------------|----------|--------|--|----------|--------|----------|----------------|-------------------|----------|----------|---------------------|------------------------|
| | | | Price* | Quantity | Volume | Price* | Quantity | Volume | | | | | | | |
| A | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |
| TOTAL | | X | X | | | X | | | X | X | X | X | X | X | X |

¹⁰ The column is filled in by the seller at execution of the order.

*** Instruction on filling in.**

1. Columns 3 and 6. When conducting a subscription to debt securities the price is indicated in accordance with parameters, indicated in the application for conducting a subscription to these securities.
2. Column 9. Surname, name, patronymic (when available).
3. Column 10. Date of birth of the buyer – individual. The column is not filled in, if the buyer is a legal entity.
4. Column 11. Title of the document confirming the identity of the buyer – individual or confirming the state or similar in purpose registration of the buyer – legal; entity, issue date, series and number of this document, authority that issued this document, the place of issue.
5. Column 12. Physical address of the seller – individual or location of the buyer – legal entity.
6. Column 13. Country of residence of the buyer – individual or the country of state or similar in purpose registration of the buyer – legal entity.
7. Column 14. For citizens and legal entities of the Republic of Kazakhstan: IIN of the buyer – individual or BIN of the buyer – legal entity. For foreign citizens and legal entities – identifying numbers, analogous or similar in purpose with IIN and BIN of citizens and legal entities of the Republic of Kazakhstan.

Rules of Conducting Subscription to Securities

Appendix 3

to Rules of Conducting
Subscription to Securities

Results of conducting the subscription to
_____,
(title of securities)

which took place on:

- 1) "___"___20___, or
- 2) "___"___20___ to "___"___20___.

| Item No. | Parameter | Value of parameter |
|----------|---|--------------------|
| 1. | Settlement date | |
| 2. | Price per security | |
| 3. | Total volume of accepted orders (in case the subscription was concurrently conducted on the Exchange and in the territory of a foreign state) | |
| 4. | Total volume of orders accepted through the Exchange | |
| 5. | Total volume of executed orders (in case the subscription was concurrently conducted on the Exchange and in the territory of a foreign state) | |
| 6. | Total volume of executed orders submitted through the Exchange | |
| | | |

[Position of head of

executive body of the seller]

[signature]

[surname, initials]

stamp