

KAZAKHSTAN STOCK EXCHANGE

Appendix L2

to Rules of Exchange
Securities Trading

Agreed on

with the National Bank
of the Republic of Kazakhstan

on April 10, 2014

Acting Chairman of the Committee on Control
and Supervision of Financial Market and
Financial Organizations of the
National Bank of the
Republic of Kazakhstan

Approved

by the decision of Kazakhstan
Stock Exchange Council

(protocol No. 12 of March 11, 2014)

Effective

from April 18, 2014

K. KOZHAKHMETOV

NOTICE

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

RULES

of Securities Admittance to Circulation in Unlisted Securities Sector

Almaty

2014

LIST OF AMENDMENTS

1. Changes No. 1:

- agreed on with the National Bank of Republic of Kazakhstan on June 26, 2015;
- approved by a decision of the Board of Directors of Kazakhstan Stock Exchange JSC (minutes No. 13 of a meeting on June 10, 2015);
- effective as of July 15, 2015.

These Rules have been drawn up in accordance with the internal document of Kazakhstan Stock Exchange JSC (hereinafter – the Exchange) "Rules of Exchange Securities Trading"¹ and define terms and the order of corporate serial securities' admittance to circulation on trades executed by the Exchange (to circulation on the Exchange) in the Unlisted Securities Sector², whose main purpose is provision to Exchange members of opportunities to carry out on the regulated securities market deals in securities not quoted in the Exchange official list.

1. In these Rules concepts are used defined by the legislation of the Republic of Kazakhstan and internal documents of the Exchange.
2. For purposes of these Rules:
 - 1) unlisted securities mean corporate serial securities not quoted in the Exchange official list;
 - 2) admittance of securities to circulation on the Exchange means their admittance to circulation in the Unlisted Securities sector.
3. Unlisted securities issued by any persons in accordance with the legislation of the Republic of Kazakhstan and states other than the Republic of Kazakhstan can be admitted to circulation on the Exchange (*this item was changed by a decision of the Exchange's Board of Directors of June 10, 2015*).
4. An Exchange member by category "stock market" holding a license to carry out brokerage and/or dealing activities on the securities market with the right to maintain client accounts as a nominal holder, may act as an initiator of admittance of unlisted securities to circulation on the Exchange (*this item was changed by a decision of the Exchange's Board of Directors of June 10, 2015*).
5. Unlisted securities are admitted circulation on the Exchange following a decision of its Management Board.
6. The Exchange does not charge any fees for admittance of unlisted securities to circulation on the Exchange.
7. The Exchange Management Board shall take a decision on admittance of any title to circulation on the Exchange provided that:
 - 1) securities of that title exist as subjects of civil rights;
 - 2) securities of that title possess the national identification number (NIN) or international identification number (ISIN);
 - 3) the absence of legislative or any other possible restrictions or limitations for circulation of securities on the regulated securities market of the Republic of Kazakhstan.
8. For consideration by the Exchange Management Board of the issue of any securities admittance to circulation on the Exchange, the admittance initiator must submit to the Exchange the following documents (taking into account particulars specified in items 9–10 of these Rules):
 - 1) application of the admittance initiator, compliant with requirements set in item 9 of these Rules;
 - 2) a copy of the document confirming the fact of existence of these securities as subjects of civil rights (certificate of the government registration of these securities issue or other document similar to the mentioned certificate);
 - 3) a copy of the document according to which these securities were assigned the national identification number (NIN) and/or international identification number (ISIN) (if only such document is not the document confirming the existence of these securities as subjects of civil rights).
9. The application for admittance of unlisted securities of any title to circulation on the Exchange is drawn up in free form and must meet the following requirements:

¹ Approved by a decision of the meeting of members of Kazakhstan Stock Exchange JSC of categories "K", "P", "H" (minutes No. 7 of October 14, 1999).

² Sector "Unlisted Securities" of the Exchange official list.

- 1) it must indicate data on these recruiters allowing the Exchange to identify them unambiguously;
 - 2) it must describe main characteristics of these securities, including their issue structure;
 - 3) it must contain the assurance of these securities' admittance initiator in absence of legal and other possible prohibitions and limitations preventing these securities' circulation on the regulated market of the Republic of Kazakhstan;
 - 4) it must be signed by the person having the right of the first signature on behalf of the securities admittance initiator in accordance with the document (e.g. card) held by the Exchange with signature samples (authenticated by the notary public) and stamp of that admittance initiator's seal.
10. For duly preparation by the Exchange Management Board of a decision on admittance of unlisted securities to circulation on the Exchange, their admittance initiator should provide to the Exchange (apart from documents mentioned in item 8 of these Rules) a copy of the issue prospectus of these securities or other document related to them, similar in its purpose to a securities issue prospectus.
11. The application for admittance of unlisted securities of any title to circulation on the Exchange is considered by the Exchange within five business day after receipt of the last of the documents mentioned in item 8 of these Rules. By the expiration of the mentioned term the Exchange Management Board shall take a decision on admittance of these securities to circulation on the Exchange, or send to these securities' admittance initiator a letter with motivated refusal of such admittance.
12. The Exchange shall refuse to admit unlisted securities of any title to circulation on the Exchange in case of non-compliance with any of conditions or requirements specified by items 7–9 of these Rules.

When checking unlisted securities of a particular title, supposed for admittance to circulation on the Exchange, for their compliance with criteria mentioned in item 7 of these Rules, the Exchange shall use all available information (including information of government bodies accessible to the Exchange), but shall not bear responsibility for incompliance of securities with such criteria not detected by itself, or for any consequences occurred as a result of this incompliance.

13. The Exchange Management Board has the right to suspend circulation of unlisted securities of particular title on the Exchange in the following cases:
- 1) if circulation of these securities on the regulated securities market of the Republic of Kazakhstan was suspended due to legislative or other possible prohibitions and restrictions;
 - 2) if the Exchange has detected incompliance of these securities with conditions specified in item 7 of these Rules.
14. Unlisted securities of a particular title admitted to circulation on the Exchange are excluded from those admitted to such circulation without the Exchange Management Board taking any decision, by way of putting necessary settings of the trading system, at occurrence of any of the following grounds:
- 1) no deals in those securities have been concluded on the Exchange operated trades within 90 consecutive calendar days;
 - 2) (if those securities are debt securities) the circulation term of those securities has expired.
15. In case of detection by the Exchange of confirmed incompliance with any of conditions specified by item 7 of these Rules, with regard to unlisted securities of particular title, the Exchange Management Board may take a decision on exclusion of those securities from those admitted to circulation on the Exchange.
16. During circulation of unlisted securities on the Exchange it shall control compliance with conditions specified by item 7 of these Rules using all information available (including information of government bodies accessible to the Exchange), but shall carry no responsibility for incompliance with those conditions it detected, and for any consequences turned up following that incompliance.

17. The Exchange Management Board will independently determine the order of actions carried out by its structural units and employees for purposes of implementing procedures following from items 11-16 of these Rules.

President

M. Kabashev