

KAZAKHSTAN STOCK EXCHANGE

Approved

by the decision of Kazakhstan
Stock Exchange Board
of September 17, 2007 No. 135/1

Effective from

January 1, 2008,
excluding norms concerning the shares
market capitalization and the shares
market index effective from
October 1, 2007

NOTICE

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

METHODOLOGY of Stock Market Indices Calculation

Almaty

2007

LIST OF AMENDMENTS

- 1. Changes and additions No. 1 (revised Methodology of Stock Market Indices Calculation):**
 - approved by the decision of Kazakhstan Stock Exchange Board of August 14, 2008 No.107/0;
 - effective from September 1, 2008.

This Methodology defines the list of stock market indices, calculated by Kazakhstan Stock Exchange (hereinafter – the Exchange) and the order of these indices calculation.

Chapter 1. GENERAL PROVISIONS

Article 1. General Provisions

1. In this Methodology are used concepts defined by other Exchange internal documents, including the Methodology of Bonds Yield and Amounts of Deals in Bonds, approved by the Exchange Board of November 28, 2002 No. 127/1 (hereinafter – the Methodology of Yield Calculation).
2. For this Methodology purposes:
 - 1) corporate bonds mean any debt securities, excluding government securities (including foreign) and securities (bonds) of international financial organizations;
 - 2) deals mean deals concluded on the Exchange trades;
 - 3) orders mean orders for conclusion of deals.
3. The Exchange calculates the following stock market indices (hereinafter – indices):
 - 1) the shares market capitalization;
 - 2) the corporate bonds market capitalization;
 - 3) the shares market index¹ (KASE index).
 - 4) the corporate bonds market indices:
 - corporate bonds yield (KASE_BY² index);
 - corporate bonds prices, calculated at their flat prices (with no account of accrued but unpaid interest) ("clean" prices) (KASE_BC index);
 - corporate bonds prices, calculated inclusive the entire accrued interest, including unpaid interest (KASE_BP index);
4. Used in this Methodology terms may also be used in other Exchange internal documents, official documents and the Exchange correspondence and exchange information.
5. Changes and/or additions into this Methodology are liable to publishing on the Exchange Internet site (www.kase.kz) not less than 15 days prior to the date of putting these changes and/or additions into effect.

Article 2. General Terms of Indices Calculation

1. For calculation of one or another index the Exchange forms the list of securities, parameters of which are used for such calculation (hereinafter – the representative list).

Representative lists development order is described in articles 3–6 of this Methodology.
2. The impact of securities of one denomination on the shares or corporate bonds markets index value is limited by using the restrictive coefficient (in compliance with item 1 of article 8 of this Methodology) when calculating this index.
3. Indices (except the KASE index) are calculated daily upon completion of the trading day on shares (corporate bonds)³.

¹ The same as the stock index.

² For designation of the corporate bonds market indices are used the following abbreviations of English words: "B" – "bond", "Y" – "yield", "P" – "performance", "C" – "clear".

³ Hereinafter the trading day on shares (corporate bonds) means the trading day on shares (corporate bonds) of those denominations, included into the representative list for calculation of the corresponding index.

The KASE index is calculated during the trading day on shares as concluded deals in shares of those denominations, present in the representative list for the KASE index calculation (regardless of these deals performance).

4. Indices value are published by the Exchange accurate within two decimal digits after comma rounded according to the mathematic rounding rules (digits to five are dropped to zero, and digits from five are increased to ten).
5. When calculating indices:
 - 1) repo transactions related deals parameters and parameters of deals for such deals conclusions are not used;
 - 2) parameters of only those deals are used, which were concluded by open trades methods, and only of those orders, submitted during trades, executed by open trades methods;
 - 3) parameters of securities, deals and orders, expressed in US dollars (USD) are converted into Kazakhstan tenge (KZT) only at the weighted average USD rate, formed on the Exchange morning trading session of the index calculation day;
 - 4) parameters of securities, deals and orders, expressed in another, other than USD, foreign currency are converted into KZT at the official rate of the National Bank of the Republic of Kazakhstan, fixed for accounting purposes, customs and tax payments on the index calculation date;
 - 5) indexed parameters of indexed corporate bonds, deals in such bonds and orders for conclusion of deals in such bonds are used;
 - 6) the number of placed securities of any denomination and the number of free floating securities of any denomination are determined by the Exchange based on the information received by it from these securities (shares) admittance initiator within his obligations to the Exchange on the information disclosure or from another source, trustworthy from the Exchange Risk Committee standpoint.
6. In case of absence during the trading day on shares (corporate bonds) of deals or orders, parameters of which are necessary for calculation one or another indicator, for such calculation purposes are used results of that trading day on shares (corporate bonds) based on which it is possible to determine parameters (excluding the exception, established by item 7 of article 6 of this Methodology).
7. In order to ensure the adequacy of indicators value to the stock market fair characteristics these data may be adjusted by the Exchange Risk Committee.

The order and terms of such adjustment are described in article 9 of this Methodology.

Chapter 2. INDICATORS CALCULATION

Article 3. Shares Market Capitalization Calculation

1. The representative list for the shares market capitalization calculation is formed by the Exchange without making any decisions by its bodies and officials out of shares of all denominations present in the Exchange official list, as the following terms are performed in relation to shares of each denomination (considering specifics, established by item 2 of this article):
 - 1) the receipt by the Exchange of the information on the number of placed shares of this denomination;
 - 2) opening by the Exchange of regular trades in shares of this denomination;
 - 3) conclusion in shares of this denomination of at least one deal by any open trades methods.

2. Preferred shares of any issuer can not be included into the representative list for calculation of the shares market capitalization, if common shares of this issuer are not present in it.
3. Shares of any denomination are excluded from the representative list for calculation of the shares market capitalization without making any decisions of the Exchange bodies and officials in the following cases:
 - 1) exclusion of shares of this denomination from the Exchange representative list;
 - 2) (if shares of this denomination are preferred) exclusion of common shares of this denomination from the Exchange representative list.
4. The shares market capitalization is calculated by formula:

$$CAP_s = \sum_{i=1}^n (Q_i \times \bar{P}_i), \text{ where}$$

- CAP_s – the shares market capitalization, in KZT;
- n – the number of shares denominations, present in the representative list for calculation of the shares market capitalization;
- Q_i – the number of placed shares of i denomination (minus repurchased by the issuer), in units;
- \bar{P}_i – the weighted average price of one share of i denomination on deals concluded during the last completed trading day on shares, in KZT.

5. For information purposes the Exchange can publish the shares market capitalization values in a foreign currency; given this:
 - 1) if the shares market capitalization is expressed in USD, then the weighted average USD rate, formed on the Exchange morning trading session of the shares market capitalization calculation date, is used;
 - 2) if the shares market capitalization is expressed in another, other than USD, foreign currency, then the official rate of the National Bank of the Republic of Kazakhstan, fixed for accounting purposes, customs and tax payments on shares market capitalization calculation date, is used.

Article 4. Corporate Bonds Market Capitalization Calculation

1. The representative list for the corporate bonds market capitalization calculation is formed by the Exchange without making any decisions by its bodies and officials out of shares of all denominations present in the Exchange official list, as the Exchange receives the information on placement of corporate bonds of one or another denomination.
2. Corporate bonds of any denomination are excluded from the representative list for the corporate bonds market capitalization calculation without making decisions of any Exchange bodies and officials when excluding corporate bonds of this denomination from the Exchange official list.
3. The corporate bonds market capitalization is calculated by formula (considering specifics, established by item 4 of this article):

$$CAP_b = \sum_{i=1}^n (Q_i \times N_i), \text{ where}$$

- CAP_b – the corporate bonds market capitalization, in KZT;
- n – the number of corporate bonds denominations, present in the representative list for calculation of the corporate bonds market capitalization;

- Q_i – the number of placed corporate bonds of i denomination, in units;
- N_i – the face value of one corporate bond of i denomination, in KZT.
4. If corporate bonds of any denomination do not have the face value (as the concept "bond face value" is interpreted and used in the legislation of the Republic of Kazakhstan), the total debt value in the face value, certified by this denomination corporate bonds issue prospectus (the document similar to this denomination corporate bonds issue prospectus) is used as the value of product of the number of this denomination corporate bonds to the face value of one corporate bond of this denomination.
 5. For information purposes the Exchange can publish the corporate bonds capitalization values in a foreign currency; given this:
 - 1) if the corporate bonds market capitalization is expressed in USD, then the weighted average USD rate, formed on the Exchange morning trading session of the corporate bonds market capitalization calculation date, is used;
 - 2) if the corporate bonds market capitalization is expressed in another, other than USD, foreign currency, then the official rate of the National Bank of the Republic of Kazakhstan, fixed for accounting purposes, customs and tax payments on corporate bonds market capitalization calculation date, is used.

Article 5. KASE Index Calculation

1. The representative list for calculation of 5th KASE index (hereinafter in this article – the representative list) is formed by the Exchange Risk Committee out of shares present in the Exchange official list based on the following principles:
 - 1) the total number of shares denominations, present in the representative list, must make up not less than seven;
 - 2) shares of any denomination can be included into the representative list upon receipt by the Exchange of the information on the number of placed shares of this denomination, necessary to determine the number of free floating this denomination shares;
 - 3) in the representative list may be present shares of any denomination given that during the last six calendar months in shares of this denomination were monthly concluded not less than 10 deals by open trades methods to the total amount of not less than KZT50 m., given this during these months deals in shares of this denomination were concluded by not less than 10 Exchange members (excluding exceptions, established by sub-items 4) and 7) of this item);
 - 4) The Exchange Risk Committee has the right to make the decision on inclusion into the representative list of shares of any denomination, violating terms, established by sub-item 3) of this item, given existence of other factors indicative, in the Exchange Risk Committee judgment, of sufficient liquidity of this denomination shares, for example, in case of the large stake of free floating shares of this denomination;
 - 5) after the representative list initial forming it may change (shares of any denominations may be included and excluded from it) once a calendar quarter – from February 1, May 1, August 1, November 1; given this the Exchange Risk Committee decision on such change in the representative list must be published on the Exchange Internet site before January 16, April 16, July 16, October 16 accordingly (excluding the exception, established by sub-item 8) of this item);
 - 6) shares of any denomination are excluded from the representative list by the Exchange Risk Committee decision due to termination of circulation of this

denomination shares on the Exchange, due to non-observance in relation to them of terms, established by sub-item 3) of this item or due to any other reason, which the Exchange Risk Committee considers sufficient for making such decision to ensure the KASE index representativeness (excluding the exception, established by sub-item 7) of this item);

- 7) The Exchange Risk Committee is entitled not to make the decision on exclusion of shares of any denomination from the representative list due to non-observance in relation to them of terms, established by sub-item 3) of this item. In case of existence of factors indicative, in the Exchange Risk Committee judgment, of sufficient liquidity of this denomination shares, for example, in case of the large stake of free floating shares of this denomination;
- 8) The Exchange Risk Committee has the right to make the decision on inclusion into the representative list of shares of any denomination, violating terms, established by sub-item 5) of this item, if such exclusion, in the Exchange Risk Committee judgment, is necessary due to exclusion of shares of this denomination from the Exchange official list, suspension by the Exchange of trades in shares of this denomination or other factors indicative of the sharp decline of this denomination shares liquidity or sharp aggravation or disappearance of circumstances, ensuring fair pricing on shares of this denomination.

2. The KASE index is calculated by formula:

$$KASE = K \times KASE_b \times \frac{MV_t}{MV_b}, \text{ where}$$

KASE – the KASE index, in points;

K – the adjustment coefficient, calculated in compliance with article 7 of this Methodology;

KASE_b – the initial KASE index value, indicated in item 3 of this article, in points;

MV_t – the total market value of shares, included into the representative list, at the KASE index calculation moment, calculated in compliance with item 4 of this article, in KZT;

MV_b – the total market value of shares, included into the representative list, at the KASE index initial calculation moment, calculated in compliance with item 3 of this article, in KZT.

3. The initial KASE index value is fixed in the size of 2,545.79 points as of 18.00 Almaty time (ALT) of September 28, 2007⁴.

The total market value of shares, included into the representative list, at the KASE index initial calculation moment is fixed in the amount of KZT868,132,912,362.78 as of 18.00 ALT of September 28, 2007.

4. The total market value of shares, included into the representative list is calculated by formula:

$$MV_t = \sum_{i=1}^n (P_i \times FF_i \times \bar{R}_i), \text{ where}$$

⁴ This KASE index value is the last KASE_Shares value, which is was calculated from July 12, 2000 to September 28, 2007 in compliance with Methodology of Stock Market Indices Calculation, approved by the Exchange Board decision of February 21, 2001 No. 15/1 (the initial KASE_Shares index value was fixed in the size of 100.00 points as of July 12, 2000). Accordingly, the numerical series of the KASE index values continue the numerical series of the KASE_Shares index values.

- n – the number of shares denominations, present in the representative list;
- P_i – the price of the last deal in shares of i denomination, concluded at the moment of calculation of the total market value of shares, included into the representative list, in KZT;
- FF_i – the number of free floating shares of i denomination, determined in compliance with item 5 of this article, in units;
- \bar{R}_i – the restrictive coefficient for shares of i denomination, calculated in compliance with article 8 of this Methodology;
5. The number of free floating shares of any denomination is determined by the Exchange Risk Committee at inclusion of shares of this denomination into the representative list and then simultaneously with calculation of the restrictive coefficient for shares of this denomination:
- 1) as the number of placed shares of this denomination not belonging to:
the Republic of Kazakhstan (not the state property of the Republic of Kazakhstan);
officials of these shares issuer;
persons, each of whom owns common shares issued by these shares issuer in the quantity of 5 and more percent from the total number of placed shares of this issuer (excluding persons. Who were not recognized by the Exchange Risk Committee as these shares issuer's strategic partners, for example, excluding institutional investors); or
 - 2) (in case of insufficient information for determination of the number of this denomination free floating shares in compliance with sub-item 1) of this item) based on the expertise.
6. For information purposes the Exchange calculates in compliance with item 7 of this article on shares of those denominations, which are present in the representative list, stakes of free floating shares of these denominations.
7. The stake of free floating shares of any denomination is calculated by formula:

$$F_i = \frac{FF_i}{Q_i} \times 100, \text{ where}$$

- F_i – the stake of free floating shares of i denomination, in percentage;
- FF_i – the number of free floating shares of i denomination, determined in compliance with item 5 of this article, in units;
- Q_i – the number of placed shares of i denomination (excluding re-purchased by the issuer), in units.

Article 6. Corporate Bonds Market Indices Calculation

1. The representative list for the corporate bonds market indices calculation (hereinafter in this article – the representative list) is formed by the Exchange Risk Committee out of corporate bonds of all denominations, issued in compliance with the legislation of the Republic of Kazakhstan and present in the Exchange official list, as the following terms in relation to corporate bonds of each denomination are met:
- 1) the receipt by the Exchange of the information on the number of placed corporate bonds of this denomination;
 - 2) appearance of a market-maker on corporate bonds of this denomination;
 - 3) opening by the Exchange of regular trades in corporate bonds of this denomination;

- 4) conclusion in corporate bonds of this denomination of at least one deal by any of open trades methods.
2. After the representative list initial forming it may change (corporate bonds of any denomination may be included and excluded from it) once a calendar month – from the fifteenth date of this month; given this the Exchange Risk Committee decision on such change in the representative list must be published on the Exchange Internet site not later than the fifteenth date of this month (excluding the exception, established by the third paragraph of this item)

Corporate bonds of this denomination of are excluded from the representative list by the Exchange Risk Committee decision due to termination of circulation of this denomination corporate bonds on the Exchange or due to any other reason, which the Exchange Risk Committee considers sufficient for making such decision to ensure the corporate bonds market index representativeness.

The Exchange Risk Committee has the right to make the decision on exclusion from the representative list of corporate bonds of any denomination, violating terms, established by the first paragraph of this item, if such exclusion, in the Exchange Risk Committee judgment, is necessary due to exclusion of corporate bonds of this denomination from the Exchange official list, suspension by the Exchange of trades in corporate bonds of this denomination or other factors indicative of the sharp decline of this denomination shares liquidity or sharp aggravation or disappearance of circumstances, ensuring fair pricing on corporate bonds of this denomination

3. The KASE_BY index is calculated by formula:

$$K_{BY} = \left[K \times \prod_{i=1}^n (1 + Y_i)^{S_i} - 1 \right] \times 100, \text{ where}$$

- K_{BY} – the KASE_BY index, in percentage APR;
- K – the adjustment coefficient calculated in compliance with article 7 of this Methodology;
- n – the number of corporate bonds, present in the representative list.
- Y_i – the weighted average yield of corporate bonds of i denomination on deals, concluded during the last trading day in corporate bonds, in percentage APR;
- S_i – the unit coefficient for corporate bonds of i denomination, calculated in compliance with item 4 of this article (considering specifics, established by item 10 of this article).

4. The unit coefficient for corporate bonds of i denomination is calculated by formula:

$$S_i = \frac{V_i \times T_i}{\sum_{i=1}^n (V_i \times T_i)}, \text{ where}$$

- V_i – the total market value of corporate bonds of i denomination, calculated in compliance with item 5 of this article, in KZT;
- T_i – the number of days between the last trading day on corporate bonds and the maturity date (termination of the circulation period) of bonds of i denomination;
- n – the number of corporate bonds denominations, present in the representative list.

5. The total market value of corporate bonds of i denomination is calculated by formula:

$$V_i = (Q_i \times \bar{P}_i), \text{ where}$$

- Q_i – the number of placed corporate bonds of i denomination, in units;
- \bar{P}_i – the weighted average "clean" price of one corporate bond of i denomination on deals, concluded during the last trading day in corporate bonds, in KZT.

6. KASE_BC and KASE_BP indices are calculated by formulas:

$$K_{BC} = K \times K_{BCp} \times \prod_{i=1}^n \left(\frac{\tilde{P}_i}{\tilde{P}_{ip}} \right)^{G_i} \times 100 \text{ and}$$

$$K_{BP} = K \times K_{BPp} \times \prod_{i=1}^n \left(\frac{\tilde{P}_i + C_i + IA_i}{\tilde{P}_{ip} + C_{ip} + IA_{ip}} \right)^{G_i} \times 100, \text{ where}$$

- K_{BC} – the KASE_BC index, in points;
- K_{BP} – the KASE_BP index, in points;
- K – the adjustment coefficient, calculated in compliance with article 7 of this Methodology;
- K_{BCp} – the previous KASE_BC index value, in points;
- K_{BPp} – the previous KASE_BP index value, in points;
- n – the number of corporate bonds denominations, present in the representative list;
- \tilde{P}_i – the quoting price of one corporate bond i denomination by results of the last trading day on corporate bonds, determined in compliance with item 7 of this article, in percentage from the face value of one corporate bond;
- \tilde{P}_{ip} – the quoting price of one corporate bond i denomination by results of the next to last trading day on corporate bonds, determined in compliance with item 7 of this article, in percentage from the face value of one corporate bond;
- C_i – (only for coupon bonds) the total amount of accrued coupons for the last coupon periods on one corporate bonds of i denomination for the period, which includes the last trading day on corporate bonds, in percentage from the face value of one corporate bond;
- C_{ip} – (only for coupon bonds) the total amount of accrued coupons for the last coupon periods on one corporate bonds of i denomination for the period, which does not include the last trading day on corporate bonds, in percentage from the face value of one corporate bond;
- IA_i – (only for coupon bonds) the amount of accrued interest per corporate bonds for the current coupon period, which includes the last trading day on corporate bonds, in percentage from the face value of one corporate bond (calculated in compliance with item 8 of this article);
- IA_{ip} – (only for coupon bonds) the amount of accrued interest per corporate bonds for the current coupon period, which does not include the last trading day on corporate bonds, in percentage from the face value of one corporate bond (calculated in compliance with item 8 of this article);

G_i – capitalization coefficient for corporate bonds of i denomination, calculated in compliance with item 9 of this article (considering specifics, established by item 10 of this article).

7. As the quoting price of one corporate bond of i denomination is used:
 - 1) the weighted average "clean" price of one corporate bonds of this denomination on deals, concluded during any trading day in corporate bonds; or
 - 2) (in case of no deals in corporate bonds of this denomination on the mentioned trading day) the arithmetical mean value between the highest "clean" price of orders for purchasing of corporate bonds of this denomination and the lowest "clean" price of orders for their selling, submitted during the mentioned trading day); or
 - 3) (in case of no orders for purchasing or selling of corporate bonds of this denomination, submitted during the mentioned trading day) the previous quoting price of one corporate bond of this denomination.
8. The accrued interest amount on one corporate bond of i denomination for the current coupon period, including or not including the last trading day on corporate bonds, is calculated by formula:

$$IA_{i/ip} = I \times \frac{T_{k/kp}}{T_0}, \text{ where}$$

- I – the coupon rate on the corporate bonds of i denomination for the current coupon period, in percentage APR;
- $T_{k/kp}$ – the number of days between the expiry date of last coupon period on corporate bonds of i denomination and the last or the next to last expired trading day on corporate bonds;
- T_0 – the duration of the settlement year for corporate bonds of i denomination, in days;

9. The capitalization coefficient for corporate bonds of i denomination is calculated by formula (considering specifics, established by item 10 of this article):

$$G_i = \frac{Q_i \times \tilde{P}_i}{\sum_{i=1}^n (Q_i \times \tilde{P}_i)}, \text{ where}$$

- Q_i – the number of placed corporate bonds of i denomination, in units;
- \tilde{P}_i – the quoted price of one corporate bond of i denomination by results of the last expired trading day on corporate bonds, determined in compliance with item 7 of this article, in percentage from one corporate bond face value;
- n – the number of corporate bonds, present in the representative list.

10. If for corporate bonds of any denomination as a result of calculation of the unit coefficient S_i in compliance with item 4 of this article or the capitalization coefficient G_i in compliance with item 9 of this article its value exceeds 0.15, then for calculation of the KASE_BY index or KASE_BC and KASE_BP indices instead of this value is used determined in compliance with article 8 of this Methodology final value of the stake of total market cost of corporate bonds of this denomination in the total market cost of corporate bonds of all denominations, present in the representative list.
11. The initial value of KASE_BC and KASE_BP indices is fixed in the size of 100.00 points as of July 12, 2000.

Article 7. Calculation of Adjustment Coefficients

1. The adjustment coefficient is used at calculation of the KASE index to ensure comparability of this index values in case of the change in:
 - 1) the representative list for the KASE index calculation;
 - 2) the number of placed shares of any denomination⁵, including resulted from occurrence of any corporate events, entailing the change in the number of placed shares (considering specifics, established by item 2 of this article);
 - 3) the number of free floating shares of any denomination;
 - 4) the restricting coefficient for shares of any denomination.
2. The adjustment coefficient at calculation of the KASE index is not calculated in case of such corporate event as split or consolidation of shares of any denomination⁶.
3. The adjustment coefficient is used at calculation of the corporate bonds market indices to ensure comparability of this index values in case of the change in:
 - 1) the representative list for the corporate bonds market indices calculation;
 - 2) the number of placed corporate bonds of any denomination.
4. The adjustment coefficient is calculated by formula:

$$K_{\text{new}} = K_{\text{old}} \times \frac{IND_{\text{old}}}{IND_{\text{new}}}, \text{ where}$$

- K_{new} – the new adjustment coefficient;
- K_{old} – the previous adjustment coefficient;
- IND_{old} – the index value, calculated based on the previous values of changed parameters, indicated in items 1 or 3 of this article;
- IND_{new} – the index value, calculated based on the new values of changed parameters, indicated in items 1 or 3 of this article.

Article 8. Calculation of Restrictive Coefficient

1. The restrictive coefficient, calculated in compliance with this article is used:
 - 1) at the KASE index calculation – as the restrictive coefficient \bar{R}_i for shares of any denomination (in compliance with item 4 of article 5 of this Methodology);
 - 2) at the KASE_BY index calculation – as the S_i unit coefficient substitute (in the case, established by item 10 of article 6 of this Methodology);
 - 3) at KASE_BC and KASE_BP indices calculation – as the G_i capitalization coefficient substitute (in the case, established by item 10 of article 6 of this Methodology).
2. The restrictive coefficient for securities of any denomination is calculated in one or several phases as follows:
 - 1) at the first phase:

is calculated the stake of total market cost of securities of this denomination in the total market cost of securities of all denominations, present in the corresponding representative list (in compliance with item 3 of this article),

⁵ Hereinafter in this item shares (corporate bonds) of any denomination mean shares (corporate bonds) of that denomination, included into the representative list for the corresponding index calculation.

⁶ Considering that at the split announced shares number increase scales down their price, and at consolidation announced shares number decrease scales up their price.

given this the interim coefficient for securities of this denomination equals to one;

if received stake of total market cost of securities of this denomination in the total market cost of securities of all denominations, present in the corresponding representative list, exceeds 0,15, then implemented transition to the second calculation phase of the restrictive coefficient for securities of this denomination

2) at the second phase:

is calculated the interim coefficient for securities of this denomination (in compliance with item 5 of this article);

3) at the third phase:

based on calculated at the second phase the interim coefficient value for securities of this denomination is again calculated the stake of their total market cost in the total market cost of securities of all denominations, present in the corresponding representative list (in compliance with item 3 of this article);

if received stake of total market cost of securities of this denomination in the total market cost of securities of all denominations, present in the corresponding representative list, exceeds 0,15, then implemented transition to the second calculation phase of the restrictive coefficient for securities of this denomination;

4) the second and the third phases of calculation of the restrictive coefficient for securities of this denomination is repeated until the stake of total market cost of securities of this denomination in the total market cost of securities of all denominations, present in the corresponding representative list, discontinues exceeding 0,15;

5) the restrictive coefficient for shares of any denomination is the product of all interim coefficients for shares of this denomination;

6) the restrictive coefficient for corporate bonds of any denomination is the final value of the stake of total market cost of corporate bonds of this denomination in the total market cost of securities of all denominations, present in the representative list for calculation of the corporate bonds market indices.

3. The stake of total market cost of securities of any denomination in the total market cost of securities of all denominations, present in the corresponding representative list, is calculated by formula:

$$Z_i = \frac{A_i}{\sum_{i=1}^n A_i}, \text{ where}$$

Z_i – the stake of total market cost of securities of i denomination in the total market cost of securities of all denominations, present in the corresponding representative list;

A_i – the total market cost of securities of i denomination, determined in compliance with item 4 of this article, in KZT;

n – the number of securities denomination, present in the corresponding representative list.

4. The total market cost of securities of i denomination is determined:

1) for calculation of the KASE index as $P_i \times FF_i \times R_i$, where:

- P_i, FF_i – indicators, determined in item 4 of article 5 of this Methodology;
- R_i – the interim coefficient for shares of i denomination, calculated in compliance with item 5 of this article (is accepted equal to one at the first phase of calculation of the restrictive coefficient for shares of this denomination);
- 2) for calculation of the KASE_BY index as $V_i \times T_i \times R_i$, where:
- V_i, T_i – indicators, determined in item 4 of article 6 of this Methodology;
- R_i – the interim coefficient for corporate bonds of i denomination, calculated in compliance with item 5 of this article (is accepted equal to one at the first phase of calculation of the restrictive coefficient for corporate bonds of this denomination);
- 3) for calculation of KASE_BC and KASE_BP indices as $Q_i \times \tilde{P}_i \times R_i$, where:
- Q_i, \tilde{P}_i – indicators, determined in item 9 of article 6 of this Methodology;
- R_i – the interim coefficient for corporate bonds of i denomination, calculated in compliance with item 5 of this article (is accepted equal to one at the first phase of calculation of the restrictive coefficient for corporate bonds of this denomination).
5. The interim coefficient for securities of i denomination is calculated by formula:
- $$R_i = \frac{0,15}{0,85A_i} \times \left(\sum_{i=1}^n A_i - A_i \right), \text{ where}$$
- n – the number of securities denominations, present in the corresponding representative list;
- A_i – the total market cost of securities of i denomination, determined in compliance with item 4 of this article using the previous interim coefficient for securities of this denomination, in KZT
6. Restrictive coefficients for shares are calculated once a calendar quarter as of February 1, May 1, August 1, November 1, for corporate bonds – once a calendar month as of the fifteenth date of this month, and beyond the mentioned periodicity given the change in the number of placed securities of any denomination and/or the number of free floating shares of any denomination.

Chapter 3. SPECIFIC AUTHORITIES OF THE EXCHANGE RISK COMMITTEE REGARDING INDICATORS

Article 9. Specific Authorities of the Exchange Risk Committee Regarding Indicators

1. In addition to authorities, established by items 1 and 5 of article 5, items 1 and 2 of article 6 of this Methodology, the Exchange Risk Committee is entitled to correct indicators values, excluding from their calculations parameters of those deals and/or orders, which, in the Risk Committee opinion, unrepresentatively influence (influenced) on these values (for example, unexecuted deals, deals, at conclusion of which were made technical mistakes, deals or orders, prices of which evidently discord with the market status and/or market dynamics of corresponding securities prices).

If the Risk Committee decides to exclude from calculation of one or another indicator parameters of any deal or order (any deals and/or orders) the

corresponding re-calculation of this indicator is implemented not later than the business day, following the day, when was received unrepresentative value of this indicator.

2. When the Exchange Risk Committee exercises its specific authorities in compliance with item 1 of this article, minutes of its meeting must describe the reason of these authorities exercising and actions, undertook by it in compliance with these authorities.

President

A. Joldasbekov