

# KAZAKHSTAN STOCK EXCHANGE

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**Appendix P1**  
to Rules of Exchange  
Securities Trading

**Approved**

Resolution No. 462 of the Directorate  
of the National Securities Commission  
of the Republic of Kazakhstan

October 26, 1999

**Accepted**

Meeting of category "K", "P", "H"  
members of Kazakhstan  
Stock Exchange

(minutes No. 7 of October 14, 1999)

**Effective**

from November 1, 1999

**NOTICE**

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

## REGULATIONS ON MEMBERSHIP

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Almaty  
1999

## LIST OF AMENDMENTS

### 1. Addition No. 1:

- adopted by the decision of Kazakhstan Stock Exchange category "K", "P", "H" member meeting (minutes No. 1 of March 23, 2000);
- approved by resolution No. 586 of the Directorate of the National Securities Commission of the Republic of Kazakhstan of April 6, 2000;
- effective from April 17, 2000.

### 2. Change No. 2:

- agreed on with the National Bank of the Republic of Kazakhstan on March 14, 2002;
- approved by the decision of Kazakhstan Stock Exchange category "K", "P", "H" member meeting (minutes No. 2 of April 11, 2002);
- effective from May 2, 2002.

### 3. Changes and Additions No. 3:

- agreed on with the National Bank of the Republic of Kazakhstan on April 29, 2003;
- approved by the decision of Kazakhstan Stock Exchange general meeting (minutes No. 1 of April 11, 2003);
- effective from April 30, 2003.

### 4. Following a decision of the Board of Directors of Kazakhstan Stock Exchange (minutes No. 1 (3) of January 15, 2004), the words "closed joint-stock company "Kazakhstan Stock Exchange"" have been replaced with the words "joint-stock company "Kazakhstan Stock Exchange"" in respective cases and the words CJSC "Kazakhstan Stock Exchange" – with the words JSC "Kazakhstan Stock Exchange" in all internal documents of the exchange.

### 5. Change No. 4:

- agreed on with the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on September 1, 2004;
- approved by Kazakhstan Stock Exchange Board of Directors decision (minutes No. 29 (3) of September 10, 2004);
- effective from September 10, 2004.

### 6. Change No. 5:

- agreed on with the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on December 21, 2004;
- approved by Kazakhstan Stock Exchange Board of Directors decision (minutes No. 37 of October 20, 2004);
- effective from October 21, 2004.

### 7. Change No. 6:

- agreed on with the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on December 12, 2005;
- approved by Kazakhstan Stock Exchange Board of Directors decision (minutes No. 38 of November 11, 2005);
- effective from December 13, 2005.

### 8. Changes No. 7:

- agreed on with the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on December 21, 2005;

- approved by Kazakhstan Stock Exchange Board of Directors decision (minutes No. 39 of December 2, 2005);
- effective from December 22, 2005.

### **9. Additions No. 8:**

- agreed on with the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on October 2, 2007;
- approved by Kazakhstan Stock Exchange Board of Directors decision (minutes No. 26 of August 17, 2007);
- effective from October 3, 2007.

### **10. Changes and additions No. 9:**

- agreed on with the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on December 29, 2007;
- approved by Kazakhstan Stock Exchange Board of Directors decision (minutes No. 4 (3) of January 15, 2008);
- effective from January 15, 2008.

### **11. Changes and additions No. 10:**

- agreed on with the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on October 29, 2008;
- approved by Kazakhstan Stock Exchange Board of Directors decision (minutes No. 24 of August 28, 2008);
- effective from October 10, 2008.

### **12. Addition No. 11:**

- agreed on with the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on July 20, 2009;
- approved by Kazakhstan Stock Exchange Board of Directors decision (minutes No. 17 of June 18, 2009);
- effective from July 21, 2009.

### **13. Changes and additions No. 12:**

- agreed on with the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on September 3, 2009;
- approved by Kazakhstan Stock Exchange Board of Directors decision (minutes No. 20 of July 30, 2009);
- effective from September 4, 2009.

### **14. Changes No. 13:**

- agreed on with the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on January 12, 2010;
- approved by Kazakhstan Stock Exchange Board of Directors decision (minutes No. 30 (3) of November 23, 2009);
- effective from January 13, 2010.

### **15. Change and addition No. 14:**

- agreed on with the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on August 26, 2010;
- approved by Kazakhstan Stock Exchange Board of Directors decision (minutes No. 17 of July 29, 2010);
- effective from September 2, 2010.

**16. Changes and addition No. 15:**

- agreed on with the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on November 2, 2010;
- approved by Kazakhstan Stock Exchange Board of Directors decision (minutes No. 22 of October 4, 2010);
- effective from November 8, 2010.

**17. Additions No. 16:**

- agreed on with the Committee on Regulation and Supervision of Financial Market and Financial Organizations of the National Bank of the Republic of Kazakhstan on June 17, 2011;
- approved by Kazakhstan Stock Exchange Board of Directors decision (minutes No. 03 of February 24, 2011);
- effective from June 24, 2011.

**18. Addition No. 17:**

- agreed on with the Committee on Regulation and Supervision of Financial Market and Financial Organizations of the National Bank of the Republic of Kazakhstan on December 2, 2011;
- approved by Kazakhstan Stock Exchange Board of Directors decision (minutes No. 28 of October 27, 2011);
- effective from December 28, 2011.

## Chapter I. INTRODUCTION

1. These Regulations were developed in compliance with the legislation of the Republic of Kazakhstan and the rule of Kazakhstan Stock Exchange (**the Exchange**) and determine categories of Exchange membership, requirements, imposed on Exchange members and companies applying for membership, admission order, suspension and termination of the Exchange membership, and rights and responsibilities of Exchange members.
2. The concepts used herein mean the following:
  - 1) **"Exchange internal documents"** or **"internal documents"** – Exchange foundation and internal documents as an entity operating on the securities market, the Exchange's rules as a trade organizer (as defined in the Law of the Republic of Kazakhstan "On Securities Market" of July 2, 2003) decisions of bodies, officials, units and employees of the Exchange made within their competence (*this sub-item was changed by the Exchange member meeting April 11, 2003 and the Exchange Board of Directors December 2, 2005*);
  - 2) (*this sub-item was excluded by the Exchange member meeting of April 11, 2003*);
  - 3) (*this sub-item was changed by the Exchange member meeting April 11, 2003 and the Exchange Board of Directors December 2, 2005, and excluded by the Exchange Board of Directors January 15, 2008*);
  - 4) **"official list of the Exchange"** – a part of the list of the Exchange as of a trade organizer (as defined in Law of the Republic of Kazakhstan "On Securities Market" of July 2, 2003), for inclusion and listing therein, securities and issuers must comply with defined (listing) requirements (*this sub-item was changed by the Exchange member meeting April 11, 2003 and the Exchange Board of Directors December 2, 2005*);
  - 5) **"Exchange Trading system"** – a complex of facilities, Exchange internal documents and other assets and procedures by means of which Exchange members trade in securities and financial instruments (*this sub-item was changed by the Exchange member meeting April 11, 2003 and the Exchange Board of Directors December 2, 2005*);
  - 6) **"trader"** – an exchange member employee authorized to conclude and settle deals in the Exchange trading system, and carry out other actions within their competence in accordance herewith and other exchange internal documents (*this sub-item was changed by the Exchange member meetings April 11, 2003 and the Exchange Board of Directors July 30, 2009*).

## Chapter II. GENERAL PROVISIONS

3. Exchange members may be professional securities market participants and other legal entities that are not professional securities market participants legally entitled to trade other financial instruments apart from securities. Exchange members may be foreign legal entities in accordance with the Kazakhstan laws (*this item was changed by the Exchange member meeting April 11, 2002 and the Exchange Board of Directors November 11, 2005*).
4. Exchange members belong to different categories depending on financial instruments they may trade on the Exchange:
  - 1) "stock market member" – eligible to trade securities circulating (trading) on the Exchange;
  - 2) "currency market member" – eligible to trade currencies;
  - 3) "futures market member" – eligible to trade derivative financial instruments.

(*This item was changed by the Exchange member meeting April 11, 2003 and the Exchange Board of Directors August 17, 2007 and November 23, 2009*).
5. One organization may be a member in several categories.
6. (*this item was deleted by the Exchange member meeting April 11, 2003, included by the Exchange Board of Directors August 17, 2007 and deleted by the Exchange Board of Directors November 23, 2009*).

### Chapter III. EXCHANGE INTERNAL DOCUMENTS

7. Exchange internal documents are applicable, provided there is no contradiction with the current legislation.
8. Internal documents of the Exchange are provided to its members in hard or soft (electronic files) form.

For to cover the expenses on processing (printing, duplicating) of internal documents the Exchange may collect payment from the Exchange members that are provided with the internal documents on paper media. Internal documents on electronic media are provided to the Exchange members free of charge.

9. The Exchange is not entitled to require from its members adherence to the internal documents, which were not brought to their notice.

This norm does not apply in case the Exchange member duly notified on the necessity to receive the internal documents did not appear to receive such documents.

10. Internal documents of the Exchange are the subject of its intellectual property and provided to the Exchange members exclusively for purposes of management in their relations with the Exchange. Copying (duplicating) of internal documents of the Exchange is allowed insofar as this is necessary for achievement of the mentioned objectives. Any other use of the Exchange internal documents not authorized thereby is prohibited.

### Chapter IV. ADMISSION TO EXCHANGE MEMBERSHIP

11. For admission to the Exchange membership, the applicant (hereinafter referred to as – "the Applicant") must provide the Exchange Board with an application in the form of Appendix 1 hereto attaching the following documents:

- 1) notarially certified copies of the Applicant's state (re)registration certificate as a legal entity, and the revised charter of the Applicant;
- 2) notarially certified signatures and stamp print specimen form of the Applicant;
- 3) application forms in accordance with Appendix 2 hereto;
- 4) an Applicant's balance sheet as of the last reporting date, and subject to the current legislation appendices thereto, signed by the authorized employees of the Applicant and verified by their stamp print;
- 5) *(this item was deleted by the Exchange Board of Directors July 30, 2009);*
- 6) a document indicating details of the Applicant's current banking KZT account to be used for settlement with the Exchange on deals concluded at the Exchange trade;

6–1) a list of persons having a 5 % share (or larger) in the authorized capital of the Applicant;

- 7) for admission to stock market membership an Applicant must provide *(this sub-item was changed by the Exchange Board of Directors November 23, 2009):*

- an original and a copy of a license for carrying out brokerage and dealer activities on the securities market, or another document conferring the Applicant the right to carry out brokerage and/or dealer activities on the securities market of the Republic of Kazakhstan (after a copy validation check, the original shall be returned to the Applicant) *(this paragraph was changed by the Exchange member meeting April 11, 2003 and supplemented by the Exchange Board of Directors December 2, 2005);*
- *(this paragraph was changed by the Exchange member meeting April 11, 2003, and excluded by the Exchange Board of Directors January 15, 2008);*

- 8) for admission to currency market membership an Applicant must provide a notary verified copy of a license for banking transactions in the national and foreign currency *(this sub-item was changed by the Exchange Board of Directors December 2, 2005 and November 23, 2009);*

## Regulations on Membership

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- 9) for admission to stock market membership, non-banking organizations engaged in banking and/or dealer activities on the securities market must provide calculations of criteria (norms) of financial stability as on the last reporting date *(this sub-item was included by the Exchange member meeting March 23, 2000 and the Exchange Board of Directors December 2, 2005 and November 23, 2009)*;
- 10) *(this sub-item was included by the Exchange member meeting March 23, 2000, changed by the Exchange member meeting April 11, 2003, and deleted by the Exchange Board of Directors July 30, 2009)*.
12. Membership applications shall not be considered by the Exchange Board without the documents specified in item 11 hereof.
13. At consideration of a membership application, the Exchange Board may request that additional documents be submitted, as the Board may consider, for purposes of a reasoned opinion on a possibility the Applicant may be admitted to the membership.
14. *(this item was changed by the Exchange member meeting April 11, 2003, and deleted by the Exchange Board of Directors July 30, 2009)*.
15. The Exchange Board shall consider the documents received from the Applicant in accordance with items 11 and 13 hereof and within five business days after such receipt prepare an opinion on a possibility the Applicant be admitted to the membership; the opinion will then be considered by the Exchange Board of Directors *(this item was changed by the Exchange member meeting April 11, 2003 and the Exchange Board of Directors July 30, 2009)*.
16. Provided the Exchange Board is positive the Applicant may be admitted to the membership, the Exchange Board of Directors shall at its nearest meeting consider the Applicant's membership application *(this item was changed by the Exchange member meeting April 11, 2003 and the Exchange Board of Directors July 30, 2009)*.
17. At consideration of a membership application, the Exchange Board of Directors may decide that additional documents be provided, as the Exchange Board of Directors may consider, making decision on a possibility the Applicant may be admitted to the membership *(this paragraph was changed by the decision of the Exchange member meeting of April 11, 2003)*.  
Besides, the Exchange Board of Directors may make a decision on necessity to receive additional information on the Applicant from the state bodies and other organizations *(this paragraph was changed by the decision of the Exchange members meeting of April 11, 2003)*.
18. The application on admission to the Exchange members shall be reconsidered by the Exchange Board of Directors at the nearest Exchange Board of Directors meeting after receipt of the documents to be provided by the Applicant subject to item 17 hereof *(this item was changed by the Exchange member meeting of April 11, 2003)*.
19. Simultaneously with making a decision on admission to the membership, the Exchange Board of Directors shall assign the Applicant a membership category (categories) *(this item was changed by the decision of the Exchange members meeting of April 11, 2003)*.
20. The Applicant must pay an admission fee within two weeks after the receipt of the notification on admission to the Exchange members. After that, he is assigned a registration number and issued a certificate on admission to the Exchange members signed by one of the Exchange Board members and certified with the Exchange stamp print.
21. In case of payment default (incomplete payment) of the admission membership fees within two weeks after the receipt of the notification on admission to the Exchange members, the Exchange Board of Directors decision on admission of the Applicant to the Exchange membership becomes inoperative *(this paragraph was changed by the decision of the Exchange members meeting of April 11, 2003)*.  
Reconsideration of the Applicant's request on admission to the Exchange membership is carried out subject to the terms of items 11–20 hereof and part one of this item.
22. The Exchange member may be assigned additional membership categories subject to items 11–21 hereof. With that this organization is released from the obligation to present the documents specified in item 11 hereof, provided the Exchange has these documents.

**Chapter V. ADMISSION TO TRADING.  
DISQUALIFICATION FROM TRADING**

23. An Exchange member shall be admitted to trade financial instruments by the Exchange Board corresponding to their member category (except as specified in item 23-2 hereof) provided the exchange member:
- 1) paid admission membership fees;
  - 2) submitted required financial reports;
  - 3) submitted a list of exchange member traders in accordance with Appendix 3 hereto. The list of traders shall be verified with an exchange member letter of trustee issued thereby on its employees and confirming their trader authorities. At that, at least one trader on the list must have completed trading system user certification in accordance with Exchange internal documents.
  - 4) payment of the mandatory commission fee for the corresponding type of futures contracts (applicable to derivatives market members only) *(this sub-item was changed by the Exchange Board of Directors on November 23, 2009 and October 4, 2010).*

*(This item was changed by the Exchange member meeting April 11, 2003 and the Exchange Board of Directors July 30, 2009).*

- 23-1. Apart from carrying out actions specified in item 23 hereof, for admission to trade an Exchange member must comply with the following requirements on financial standings of Exchange members:

- 1) for currency market members, carrying out transactions in accordance with Exchange internal documents on the currency market on the basis of immediate delivery of selling currency and/or payment of purchasing currency, and for stock market members – banking organizations *(this paragraph was changed by the Exchange Board of Directors November 23, 2009)*:
  - compliance with prudential norms set by an authorized regulating agency;
  - no losses as for the last reporting date.

This sub-item is not applicable to currency market members carrying out transactions in accordance with Exchange internal documents on the currency market on the basis of preliminary delivery of selling currency and/or payment of purchasing foreign currency *(this paragraph was changed by the Exchange Board of Directors November 23, 2009)*;

- 2) for stock market members– non-banking organizations *(this paragraph was changed by the Exchange Board of Directors November 23, 2009)*:
  - compliance with capital adequacy calculated in accordance with the order set by the authorized regulating agency for professional participants of securities market carrying out corresponding activities;
  - no losses as for the last reporting date *(this paragraph was changed by the Exchange Board of Directors decision of October 4, 2010)*;
- 3) for derivatives market members observance of sufficient own capital in compliance with Rules of Exchange Futures Contracts Trading *(this sub-item was included by the Exchange Board of Directors decision of October 4, 2010)*.

*(This item was included by the Exchange Board of Directors July 30, 2009).*

- 23-2. A decision on admission of a stock market member to repo transactions shall be made by the Exchange Board of Directors on the basis of a corresponding application of this Exchange member formalized in accordance with Appendix 4 hereto *(this paragraph was changed by the Exchange Board of Directors on November 23, 2009)*.

An Exchange member may be admitted to repo transactions not earlier than in three months from the moment of admission to trade in financial instruments corresponding to assigned membership categories, except as provided in the third paragraph of this item.

When making a decision on admission of an Exchange member to repo transactions the Exchange Board of Directors shall take into account an obligation compliance history of such Exchange member on the concluded deals on the Exchange and other reputation-related information and may change for such Exchange member the term specified in the second passage of this item.

*(This item was included by the Exchange Board of Directors decision July 30, 2009).*

23-3. After having been admitted to financial instruments trading, an Exchange member shall pay to the Exchange monthly membership fees, beginning from the month of admission to trading in respective financial instruments, to the amount set for this membership category (categories) *(This item was included by the Exchange Board of Directors decision February 24, 2011).*

24. For admission of Exchange member traders to trading, Exchange member employees included in the trader list formalized in accordance with Appendix 3 hereto must get certified as trader system users in accordance with Exchange internal documents.

Certified Exchange member traders shall be granted identity documents formalized as may be approved by the Exchange Board, which will be evidence of admission of such traders to trade in financial instruments corresponding to assigned membership category.

*(This item was changed by the Exchange Board of Directors July 30, 2009).*

24.1 Any actions and any failure of a trader to carry out actions concerned with the Exchange trading in financial instruments and implementation of possible pre-trading and post-trading procedures (relating to the competence of traders) are equated with actions (failure to execute actions) of the Exchange member represented by this trader *(this item was changed by the Exchange Board of Directors decision of August 28, 2008).*

24-2. The Exchange member is responsible for deals entered by him on the Exchange trades regardless of the fact by whose order, at whose expense and in whose interest this deal was concluded *(this item was included by the Exchange Board of Directors decision of August 28, 2008).*

24-3. In case of participation in trades by order and/or at the expense and/or in interest of the third person, the Exchange member acts only based on the appropriate commission agreement, concluded by this Exchange member and this person.

With the participation of the Exchange member in its trades, the Exchange and other its members under any circumstances consider the order for deals conclusion, submitted by this Exchange member by order and/or at the expense and/or in interest of a third person, and deals concluded by this member by order and/or at the expense and/or in interest of a third person, as submitted (concluded) based on the appropriate commission agreement, concluded by this Exchange member with this person.

*(This item was included by the Exchange Board of Directors decision of August 28, 2008).*

25. An Exchange member's trader may be disqualified from trading subject to the Exchange Board decision on the following grounds:

1) *(this sub-item was changed by the Exchange member meeting April 11, 2003; the item was excluded by the Exchange Board of Directors January 15, 2008);*

2) failure to comply with requirements of the current legislation, the Exchange charter, these Regulations and other Exchange internal documents regulating activities of Exchange members and their respective traders;

3) *(this sub-item was deleted by the Exchange Board of Directors July 30, 2009);*

3-1) a trader's error that resulted in the Exchange suspending trading in financial instruments *(this sub-item was included by the Exchange Board of Directors June 18, 2009);*

4) failure to comply with the Exchange Arbitration commission decision regarding this trader;

5) unauthorized distribution or transfer to third parties of secret trade information (in accordance with Exchange internal documents) received by an Exchange member thanks to Exchange membership.

- 25-1. Apart from the cases specified in item 25 hereof, an Exchange member trader shall be sidelined from trading after expiration of their authorities, as specified in the Exchange member trader list, or in connection with termination of authorities in accordance with a new trader list as provided by the Exchange member in substitution of the one submitted prior *(this item was included by the Exchange Board of Directors July 30, 2009)*.
26. Dismissal of all traders of an Exchange member from trading in certain financial instruments shall mean automatic dismissal of the Exchange member from trading in these instruments *(this item was changed by the Exchange Board of Directors August 28, 2008)*.
27. Apart from specified in item 26 hereof the Exchange member may in accordance with the Exchange Board decision be temporarily disqualified from trading on the Exchange on the following grounds:
- 1) suspension or termination of the license for carrying out brokerage and dealer activities on the securities market, issued to the Exchange member, or another document authorizing the Exchange member to carry out brokerage and/or dealer activities on the securities market of the Republic of Kazakhstan. This item is exclusively applicable to stock market members *(this sub-item was changed by the Exchange member meeting April 11, 2003 and the Exchange Board of Directors December 2, 2005 and November 23, 2009)*;
  - 2) failure to comply with the current legislation, the Exchange rule, these Regulations and other Exchange internal documents regulating Exchange member activities;
  - 3) default on payment (untimely or incomplete payment) of membership and exchange fees;
  - 4) default and/or improper compliance on exchange deals and/or failure to pay in full a forfeit calculated in accordance with exchange internal documents due to default and/or improper compliance with obligations on exchange deals *(this sub-item was changed by the Exchange Board of Directors July 30, 2009)*;
  - 5) failure to comply with the Exchange Arbitration Commission decision regarding this Exchange member;
  - 6) unauthorized distribution or transfer to third parties of secret trade information (in accordance with Exchange internal documents) received by an Exchange member thanks to Exchange membership *(this sub-item was changed by the Exchange Board of Directors July 30, 2009)*;
  - 7) Exchange member failure to comply with requirements imposed on Exchange member financial standings set in item 23-1 hereof *(this sub-item was included by the Exchange Board of Directors July 30, 2009)*

According to the Exchange Board decision on the grounds specified in sub-items 2) – 6) of this item, an Exchange member may be disqualified from trading in all/specified financial instruments and/or transactions *(this paragraph was included by the Exchange Board of Directors July 30, 2009)*

- 27-1. In case an Exchange member fails to comply with requirements imposed on Exchange member financial standings set in 23-1 hereof, this Exchange member may be disqualified by the Exchange Board of Directors from trading in all/specified financial instruments and/or transactions.

*(This item was included by the Exchange Board of Directors July 30, 2009)*.

28. The Exchange member's disqualification from trading in all financial instruments corresponding to assigned membership category (categories) shall mean automatic suspension of their Exchange membership *(this item was changed by the Exchange Board of Directors August 28, 2008)*
- 28-1. In case of a ban on an Exchange members' participation in financial instruments trading, that Exchange member, beginning from the month following the month of his disqualification regarding particular financial instruments, he shall be exempt from paying monthly membership fees set for that particular membership category (categories) *(this item was changed by the Exchange Board of Directors February 24, 2011)*.

29. The Exchange Board decision on disqualification of the Exchange member or its traders from trading may be appealed in the Exchange Board of Directors *(this paragraph was changed by the Exchange member meeting April 11, 2003)*.

An appeal of the Exchange Board decision in the Exchange Board of Directors on disqualification of the Exchange member or its traders from trading does not suspend the decision effect *(this paragraph was changed by the Exchange member meeting April 11, 2003)*.

The appeal shall be considered by the Exchange Board of Directors at its nearest meeting *(this paragraph was changed by the Exchange member meeting April 11, 2003)*.

30. The Exchange member or its trader may be admitted to trading by the Exchange Board on elimination of conditions that entailed temporary disqualification from trading.

#### **Chapter VI. MEMBERSHIP FEES AND EXCHANGE CHARGES**

31. The Exchange members pay admission and periodical membership fees, exchange charges, composed of, in the amounts, in the terms and in the order, specified by Exchange internal documents, in accordance with their membership categories *(this item was changed by the Exchange Board of Directors September 10, 2004)*.
32. In case of the Exchange membership termination, the membership fees paid earlier and exchange charges are not returned.
33. In case of voluntary withdrawal from the Exchange membership the organization may pass the admission membership fee paid earlier to the account of the organization admitted to the Exchange membership.

#### **Chapter VII. RIGHTS AND RESPONSIBILITIES OF EXCHANGE MEMBERS**

34. Exchange members may:
- 1) trade on the Exchange in financial instruments in corresponding membership categories provided compliant herewith *(this sub-item was changed by the Exchange Board of Directors 28, 2008 and complimented by the Exchange Board of Directors July 30, 2009)*;
  - 2) receive from the Exchange the information required for carrying out its activities on the Exchange consisting of, on the conditions and in the order specified by Exchange internal documents *(this sub-item was changed by the Exchange Board of Directors October 20, 2004)*;
  - 3) introduce to the Exchange Board of Directors, the Exchange General meeting and its sections suggestions on trading, settlement and informational activities of the Exchange and other issues *(this sub-item was changed by the Exchange member meeting April 11, 2003; the item was changed by the Exchange Board of Directors January 15, 2008)*;
  - 4) *(this item was removed following the Exchange Board of Directors January 15, 2008)*.
35. Exchange members must:
- 1) comply with the current legislation, the Exchange rule, these Regulations and other Exchange internal documents regulating activities of Exchange members and traders;
  - 2) pay membership fees and exchange charges, composed of, in the amounts, in the terms, and in the order specified by the Exchange in compliance with the membership category (categories) assigned to the Exchange member;
  - 3) trade on the Exchange on a bona fide basis without infringing interests of other Exchange members, financial instrument issuers and investors (Exchange member clients) *(this sub-item was changed by the Exchange Board of Directors July 30, 2009)*;
  - 4) in due time, implicitly and in the best manner, comply with obligations arising from deals in financial instruments concluded at the Exchange and other obligations in accordance with the current legislation, the Exchange rule, these Regulations and other Exchange internal documents regulating activities of Exchange members and traders;

- 5) unauthorized distribution or transfer to third parties of trade secret-related information (in accordance with Exchange internal documents) received by an Exchange member thanks to Exchange membership.
  - 6) in case of introduction of changes and additions in the Exchange member foundation documents, immediately provide the Exchange with notarially certified copies of changes and additions and copies of the documents verifying state registration of the changes and additions introduced (the Exchange member state re-registration), if such registration is required in accordance with the current legislation;
  - 7) quarterly, not later than the twentieth day of the month following the reporting period, provide the Exchange with financial statements (balance sheet, profit and loss statement), and the own capital sufficiency coefficient calculation data. This sub-item is applicable to stock market members that are non-banking organizations (*this sub-item was changed by the Exchange Board of Directors July 30, 200, November 23, 2009 and July 29, 2010*);
  - 8) monthly, not later than the tenth day of the month following the reporting month, provide the Exchange with financial statements (balance sheet in the form of the Kazakhstan National Bank 700H, calculations of prudential norms, report on currency positions, profit and loss statements). This sub-item is applicable to all Exchange members that are banking organizations (*this sub-item was changed by the Exchange Board of Directors of July 30, 2009 and supplemented by the Board of Directors decision of October 27, 2011*);
  - 8-1) in writing immediately inform the Exchange on any violation of prudential norms and other norms and limits, set forth by the government body regulating financial market and financial organizations, during three working days from the date of such violations occurrence (*this sub-item was included by the Exchange Board of Directors decision of July 29, 2010*);
  - 9) immediately notify the Exchange on any disciplinary actions against it, its employees or affiliated parties thereof taken by the state agency on regulation and supervision of financial market and financial organizations or by the Kazakhstan National Bank (*this sub-item was changed by the Exchange Board of Directors December 2, 2005*);
  - 10) present the Exchange with the information on any trader-related changes and fully assume responsibility for consequences of non-presentation or untimely presentation of such data;
  - 11) within ten working days from the moment of registration of a new Exchange member shareholder (participant), inform the Exchange of any changes in the Exchange member shareholders (participants) make-up, of those having a five or more percent share in the charter capital of this Exchange member.
36. The Exchange members are prohibited to let their seats on the Exchange for use to the persons that are not respective category Exchange members.

### Chapter VIII. EXCHANGE MEMBERSHIP TERMINATION

37. The Exchange membership may be terminated by the Exchange Board of Directors in the following cases (*this paragraph was changed by the Exchange member meeting of April 11, 2003*):
- 1) voluntary membership withdrawal or a category membership waiver;
  - 2) Exchange member liquidation or reorganization, at which their legal successor(s) will not have a right to carry out brokerage and/or dealer activities on the Kazakhstan stock market. This item shall exclusively apply to stock market members (*this sub-item was changed by the Exchange Board of Directors December 2, 2005 and November 23, 2009*);
  - 3) withdrawal from the membership by the Exchange Board of Directors decision on the grounds of (*this paragraph was changed by the Exchange member meeting decision of April 11, 2003*):
    - termination of license for brokerage and dealer activities on the securities market. This item is applicable to stock market members only (*this paragraph was changed by the Exchange member meeting April 11, 2003 and the Exchange Board of Directors November 23, 2009*);

- termination of license for banking transactions in national and foreign currency. This item is exclusively applicable to currency market members (*this paragraph was changed by the Exchange Board of Directors December 2, 2005 and November 23, 2009*);
  - repeated (two or more times) suspension from trading on the Exchange due to violation of the current legislation, the Exchange rule, these Regulations and other Exchange internal documents regulating activities of Exchange members and traders;
  - repeated (two or more times) non-compliance with obligations on deals in financial instruments concluded in the Exchange trade, which entailed deal cancellation;
  - default or careless fulfillment of obligations specified by Exchange internal documents.
38. Notification (message) on the Exchange Board of Directors decision on withdrawal from the membership shall be sent not later than the following business after the day such decision is made. At that the organization shall retain rights and obligations on Exchange deals it concluded prior (*this item was changed by the Exchange member meeting April 11, 2003*).
39. Unless otherwise directed by the Exchange Board of Directors, the Exchange membership is terminated on the following business day after a respective decision is made by the Exchange Board of Directors (*this item was changed by the Exchange member meeting April 11, 2003*).
40. The Exchange Board of Directors decision on withdrawal from the membership may be appealed in a judicial proceeding in compliance with the current legislation (*this item was changed by the Exchange member meeting April 11, 2003*).

### Chapter IX. ARGUMENTS AND CONFLICTS

41. Arguments and conflicts arising between members, between the Exchange and members (except for the arguments and conflicts regarding suspension or termination of the Exchange membership) are subject to resolution by negotiations.
42. In case of an impossibility to achieve a mutually acceptable decision in negotiations, the unsettled argument (conflict), by mutual consent of the parties, is subject to consideration in the Exchange Arbitration commission (except for arguments and conflicts regarding suspension or termination of the Exchange membership).
43. Decisions of the Arbitration commission may be appealed in the Exchange Board of Directors within three business days from the day they are made (*this item was changed by the Exchange member meeting April 11, 2003*).
44. In case the Arbitration commission decision is appealed in the Exchange Board of Directors its implementation is suspended (*this item was changed by the Exchange member meeting April 11, 2003*).
45. Decisions of the Exchange Board and/or the Arbitration Commission may be appealed in the Exchange Board of Directors at its nearest meeting (*this item was changed by the Exchange member meeting April 11, 2003*).
46. In case of an impossibility to resolve the argument (conflict) by the Arbitration Commission of the Exchange Board of Directors it may be subject to settlement in a judicial proceeding (*this item was changed by the Exchange member meeting April 11, 2003*).

**Appendix 1**  
to Regulations  
on Membership

*(This Appendix was changed by the Exchange member meeting April 11, 2003; by the Exchange Board of Directors January 15, 2004).*

**APPLICATION**  
**Admission to Exchange Members**  
**(standard form)**

(on a letterhead)

Kazakhstan Stock  
Exchange Board  
of Directors

We make a request to admit (applicant's full name in compliance with the Certificate of state registration (last state re-registration)) to the membership of Kazakhstan Stock Exchange in a category (membership category).

Hereby we oblige to comply with the Exchange rule, internal Exchange document "Regulations on Membership" and other internal documents of the Exchange regulation member activities.

Attachment to the present application (list all documents indicating the number of sheets).

Chief executive officer (position)

(last name, initials)

Chief accountant

(last name, initials)



*(This Appendix was complemented by the Exchange Board of Directors January 15, 2008  
and changed by the Exchange Board of Directors July 30, 2009).*

## APPLICATION FORM

### Kazakhstan Stock Exchange Member

(write in the missing, delete as applicable)

<b>Full name:</b>			
	(in compliance with the Certificate of state registration (last re-registration))		
<b>Short name:</b>			
	(in compliance with the Certificate of state registration (last re-registration))		
<b>Form of incorporation:</b>			
	(in compliance with the Certificate of state registration (last re-registration))		
<b>Type of property:</b>			
	(in compliance with the Certificate of state registration (last re-registration))		
<b>Registering body:</b>			
	(the agency that issued the Certificate of state registration (last re-registration))		
<b>Registration date:</b>			
	(date of the Certificate of state registration (last re-registration))		
<b>Registration number:</b>			
	(state registration (last re-registration) number)		
<b>Initial registration:</b>			
	(in compliance with the Certificate of state registration (last re-registration))		
<b>TIN:</b>		<b>Code OKPO:</b>	
		(in compliance with the statistical card)	
<b>Code SOATO:</b>		<b>Code OKONH:</b>	
<b>Code SOOGU:</b>		<b>Code OKED:</b>	
<b>Legal address:</b>			
	(in compliance with the Certificate of state registration (last re-registration))		
<b>Actual address:</b>			
(if different from legal address)	(postal code)		
<b>Postal address:</b>			
(if different from actual address)	(postal code)		
<b>Telephone:</b>			
	(code)		
<b>Fax:</b>		<b>S.W.I.F.T. BIC:</b>	

(continuation overleaf)

## Regulations on Membership

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<b>Telex:</b>			
		<small>(other communications systems; indicate)</small>	
<b>Teletype:</b>			
		<small>(other communications systems; indicate)</small>	
<b>E-mail accounts:</b>	<small>(e-mail accounts for communications with Kazakhstan Stock Exchange on membership matters)</small>		
<b>CEO:</b>		<small>(phone)</small>	<small>(title, name)</small>
<b>Chief accountant:</b>		<small>(phone)</small>	<small>(name)</small>
<b>Contact person:</b>		<small>(phone)</small>	<small>(title, name)</small>

Chief executive officer  
(position) \_\_\_\_\_  
(last name, initials)

Chief accountant \_\_\_\_\_  
(last name, initials)

L.S

Filing date

**Appendix 3**  
to Regulations  
on Membership

*(This Appendix was changed by the Exchange Board of Directors July 30, 2009 and November 23, 2009)*

**LIST**

**Traders**

(write the missing, delete as applicable)

**Attention: to be filled in on every membership category individually**

<b>Trade participant</b> (full name)	<b>Membership categories</b>  <b>List</b> (list order number)  <b>Effective from</b> (date) within three years or before substitution  <b>In addition to the submitted prior</b>  <b>In exchange for the submitted prior</b>
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Item No.	Categories <sup>1</sup>	Position, telephone	First name, patronymic and last name	Signature sample

The above mentioned persons are authorized for participation in trades of Kazakhstan Stock Exchange on our behalf with the right of deals execution, cash assets and financial instruments disposition in compliance with the Exchange internal documents and implementation of other actions concerned with our participation in trades.

We accept full responsibility for the actions of the above mentioned persons, ensuing from the authorizations presented by this document.

Chief executive officer  
(position)

\_\_\_\_\_ (last name, initials)

Chief accountant  
(last name, initials)

\_\_\_\_\_

L.S

\_\_\_\_\_

<sup>1</sup> In this item it is necessary to indicate the membership categories comprising financial instruments with which the trader may execute transactions.

**Appendix 4**  
to Regulations on  
Membership

*(This Appendix was included by the Exchange Board of Directors July 30, 2009)*

**APPLICATION**  
**Admission to Repo Transactions**  
(standard form)

(on letter headed paper)

Kazakhstan Stock  
Exchange

We request to admit (applicant's full name, in accordance with state registration certificate (last state re-registration)), a Kazakhstan Stock Exchange member in categories (member category letter symbol) to repo transactions.

Herewith we oblige to comply with the Rules on repo transactions and other internal documents of Kazakhstan Stock Exchange regulating member activities when carrying out the above mentioned transactions.

Date(s) of admission to trade in financial instruments, corresponding categories (indicate member category letter symbol and corresponding date(s) of admission to trade).

Chief executive officer (title) (name, initials)

Chief accountant (name, initials).