

KAZAKHSTAN STOCK EXCHANGE

Appendix L2
to Rules of Exchange
Securities Trading

Agreed on

with the National Bank
of the Republic of Kazakhstan

on December 18, 2003

Deputy Chairman of the National Bank
of the Republic of Kazakhstan

Approved

by the decision of Kazakhstan
Stock Exchange Council

(protocol No. 33 of December 23, 2003)

Effective

from January 1, 2004

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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
2003

LIST OF AMENDMENTS

1. Change No. 1:

- agreed on with the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on December 21, 2006;
- approved by the decision of Kazakhstan Stock Exchange Council (protocol No. 40 of December 28, 2006);
- effective from December 29, 2006.

2. Change No. 2:

- agreed on with the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on March 13, 2008;
- approved by the decision of Kazakhstan Stock Exchange Council (protocol No. 13 of March 27, 2008);
- effective from March 28, 2008.

3. Changes No. 3:

- agreed on with the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations on May 29, 2008;
- approved by the decision of Kazakhstan Stock Exchange Council (protocol No. 19 of June 20, 2008);
- effective from June 23, 2008.

These Rules define terms and the order of corporate securities admittance to circulation on executed by Kazakhstan Stock Exchange (hereinafter – the Exchange) trades (to circulation on the Exchange) in the Unlisted Securities Sector (*this paragraph was changed by the Exchange Council decision of January 15, 2004*).

Chapter 1. GENERAL PROVISIONS

1. Concepts used in these Rules mean the following:
 - 1) **"securities admittance initiator to circulation on the Exchange in the Unlisted Securities Sector"** or **"admittance initiator"** – the Exchange member who initiates admittance of securities to circulation on the Exchange in the Unlisted Securities Sector;
 - 2) **"unlisted securities"** – corporate serial securities not included into the Exchange official list;
 - 3) **"the Exchange official list"** or **"official list"** – the Exchange official list, included to which securities comply with the listing requirements;
 - 4) **"the Exchange list"** – developed in compliance with the Exchange internal documents list of securities and other financial instruments admitted to circulation on the Exchange.
2. Corporate serial securities issued by both legal entities of the Republic of Kazakhstan and foreign legal entities are admitted to circulation on the Exchange Unlisted Securities Sector (*this paragraph was changed by the Exchange Council decision of June 20, 2008*).

The main mission of the Unlisted Securities Sector is provision to the Exchange members of possibility to execute deals in unlisted securities on the organized securities market.
3. Only those Exchange categories "P" and "H" members, who are licensed for implementing broker and dealer activities on the first category securities market, have the right to act as admittance initiators of securities to circulation on the Exchange Unlisted Securities Sector (with the right of operating accounts of clients as the nominee holder).
4. The main criteria, in compliance with which securities are admitted to circulation on the Exchange Unlisted Securities Sector, are as follows:
 - 1) the fact of existence of securities as subjects of civil rights;
 - 2) the existence in these securities of the unique international or national identification number;
 - 3) the absence of legislative or any possible restrictions or limitations for circulation of securities on the organized securities market of the Republic of Kazakhstan;
 - 4) for corporate securities issued in compliance with the legislation of another, other than the Republic of Kazakhstan, states – possibility of these securities circulation on the organized securities market of the Republic of Kazakhstan.
5. When checking securities, assumed for admittance to circulation on the Exchange Unlisted Securities Sector, for their compliance with criteria mentioned in item 4 of these Rules, the Exchange using all available at its disposal information (including accessible for it information of the body on regulation and supervision of securities market), does not bare responsibility for incompliance of securities with such criteria and any consequences occurred as a result of this incompliance.
6. During circulation of securities on the Exchange Unlisted Securities Sector, the Exchange controls their compliance with criteria mentioned in item 4 of these Rules, using all available at its disposal information (including accessible for it information of the body on regulation and supervision of securities market), does not bare responsibility for incompliance of securities with such criteria and any consequences occurred as a result of this incompliance.

Chapter 2. PROCEDURES

7. Admittance of securities to circulation on the Exchange Unlisted Securities Sector is made by the Exchange Board decision.
8. For consideration by the Exchange Board of the issue related to possibility of securities

admittance to circulation on the Exchange Unlisted Securities Sector, the admittance initiator must submit to the Exchange the following documents:

- 1) developed in the free form application of the admittance initiator, containing description of basic characteristics (the issue structure and other possible characteristics) of these securities as well as assurance of the admittance initiator of absence of legislative or other possible prohibitions and restrictions for circulation of these securities on the organized securities market of the Republic of Kazakhstan (*this sub-item was changed by the Exchange Council decision of June 20, 2008*);
 - 2) 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) copy of the document according to which these securities were assigned the unique international or national identification number (if only such document is the document confirming the existence of these securities as subjects of civil rights);
 - 4) for corporate securities issued in compliance with the legislation of another, other than the Republic of Kazakhstan, states – copy of the document confirming these securities admittance to circulation on the organized securities market of the Republic of Kazakhstan or application of the admittance initiator that in compliance with the legislation of the Republic of Kazakhstan these securities can circulate on the organized securities market of the Republic of Kazakhstan without passing such admittance procedure.
9. The application mentioned in sub-item 4) of item 8 of these Rules can be included into the application as the separate assurance mentioned in sub-item 1) of item 8 of these Rules.
10. The Exchange Board decision on admittance of securities to circulation on the Exchange Unlisted Securities Sector is made during five business days upon the receipt of the document out of those mentioned in item 8 of these Rules, given that:
- 1) all terms established by item 2 and 3 of these Rules are met;
 - 2) the Exchange Listing Department gave the positive conclusion on compliance of these securities with criteria mentioned in item 4 of these Rules (*this sub-item was changed by the Exchange Council decision of March 27, 2008*).
11. The Exchange Board has the right to suspend circulation of securities on the Exchange Unlisted Securities Sector in the following cases:
- 1) if circulation of these securities on the organized securities market of the Republic of Kazakhstan was suspended due to legislative or other possible prohibitions and restrictions;
 - 2) if the Exchange has the confirmed information on incompliance of these securities with criteria mentioned in item 4 of these Rules.
12. If securities circulating on the Exchange Unlisted Securities Sector are bonds, their circulation on the Exchange Unlisted Securities Sector is discontinued due to securities circulation period expiration. Given this, making any decision by the Exchange Board is not required (*this item was changed by the Exchange Council decision of December 28, 2006*).
13. The Exchange Board has the right to discontinue circulation of securities on the Exchange Unlisted Securities Sector in case of finding of their incompliance with any criteria mentioned in item 4 of these Rules.
14. In case of absence of deals in unlisted securities during the calendar quarter, these securities are excluded from securities admitted to circulation on the Exchange Unlisted Securities Sector. Given this, making any decision by the Exchange Board is not required.