

CODE OF RULES OF CENTRAL SECURITIES DEPOSITORY JSC

A g r e e d

with the Agency of the Republic of
Kazakhstan on regulation and supervision
of financial market and financial
organizations

on September 01, 2010

Deputy Chairman of the Agency of the
Republic of Kazakhstan on regulation and
supervision of financial market and
financial organizations

A. ALDAMBERGEN

A p p r o v e d

by the decision of the Board of Directors
of Central Securities Depository JSC

(minutes # 6 dated July 16, 2010)

E f f e c t i v e

from September 17, 2010

RULES

of Execution of Depository and Other Activities with regard to Municipal Bonds

NOTICE

English version of the Rules has been translated by employees of the Central Securities Depository for information purposes only. In case of any discrepancies between two language versions hereof, the Russian version shall prevail.

Almaty

2010

These Rules were developed in concordance with the law of the Republic of Kazakhstan "On Securities Market", the "Rules of Securities Issue by the Executive Municipal Body of Capital for Its Circulation in Internal Market" approved by the Resolution # 1520 of the Government of the Republic of Kazakhstan dated October 02, 2009 (hereinafter – the Rules of Securities Issue) and define conditions and procedure of depository and other activities implemented by Central Securities Depository JSC (hereinafter – the Central Securities Depository) with regard to the government emission securities of the Republic of Kazakhstan, issued by an executive municipal body of the city of republican status or capital (hereinafter – the municipal bonds).

These Rules are constituent and integral part of the Code of Rules of the Central Securities Depository.

Chapter 1. GENERAL PROVISIONS

Article 1. Legal framework of activities of the Central Securities Depository with regard to the municipal bonds

1. According to Article 80 paragraph 1, subparagraph 3) of the Law of the Republic of Kazakhstan "On Securities Market", the Central Securities Depository shall carry out depository services with regard to the government emission securities in concordance with the legislation of the Republic of Kazakhstan and its Code of Rules.
2. In concordance with paragraph 2 subparagraph 5) of the Rules of Securities Issue, the Central Securities Depository shall act like a payment agent under placement of the municipal bonds, payment of profit and redemption of the municipal bonds, render depository service of the municipal bonds in concordance with the agreement concluded between the Central Securities Depository and an issuer.
3. Under paragraph 5 of the Rules of Securities Issue, the municipal bonds are distributed by the methods fixed by the rules of Kazakhstan Stock Exchange Joint-Stock Company (hereinafter – the Exchange).

In compliance with paragraph 10 of the Rules of Securities Issue, the terms and procedures of placement, servicing and redemption of the municipal obligations are established by the rules of the Exchange and the Code of Rules of the Central Securities Depository respectively.

4. According to paragraph 7 of the Rules of Securities Issue:
 - 1) recordkeeping of the municipal bonds and the rights on these bonds is implemented on personal accounts of the primary dealers¹ in the

¹ A primary dealer is defined, by paragraph 2 subparagraph 8) of the Rules of securities issue, as professional participant of securities market, which is allowed to participate in securities placement in established order. In concordance with paragraphs 4 and 34 of the Exchange's internal document "Regulations on Membership" the Exchange members, those under the category of "stock market member" have the right to take part in trades carried out by the Exchange.

Central Securities Depository and on investors' individual subaccounts opened on the primary dealers' personal accounts;

- 2) the Central Securities Depository shall implement functions of the payment agent which are aimed at settlement on the municipal bonds at the primary market under placement, at the secondary market under circulation and redemption of the municipal bonds, as well as depository servicing of the municipal obligations.

Article 2. The Central Securities Depository's activities and functions with regard to the municipal bonds

1. In concordance with the Law of the Republic of Kazakhstan "On Securities Market", the Rules of Securities Issue, the Code of Rules of the Central Securities Depository and including these Rules, the Central Securities Depository shall implement the following types of activities with regard to the municipal bonds:
 - 1) depository activities;
 - 2) certain types of banking operations for the purpose of placement, circulation, buy back and redemption, coupon payment on the municipal bonds.
2. The Central Securities Depository shall implement the following functions with respect to the municipal bonds within the bounds of its activities, indicated in paragraph 1 of this Article:
 - 1) acceptance of the municipal bonds on depository servicing;
 - 2) registration of municipal bonds transactions at the primary securities market (settlement on municipal bonds transactions under placement);
 - 3) recordkeeping of the municipal bonds on clients' personal accounts and on the subaccounts of clients' customers;
 - 4) registration of municipal bonds transactions at the secondary securities market (settlement on municipal bonds transactions under circulation);
 - 5) accruing and paying coupon on the municipal bonds;
 - 6) redemption of the municipal bonds, including early redemption of the municipal bonds under buy back.
3. The functions, indicated in paragraph 2 of this Article, are implemented by the Central Securities Depository in compliance with its Code of Rules, subject to peculiarities established by Chapter 2 of these Rules.

**Chapter 2. THE PECULIARITIES OF THE CENTRAL SECURITIES
DEPOSITORY'S FUNCTIONS WITH REGARD TO THE MUNICIPAL BONDS**

Article 3. Acceptance of the municipal bonds on depository servicing

1. The Central Securities Depository shall accept on servicing the municipal bonds issued by those issuers with whom it concluded agreements on depository servicing of the municipal bonds.

An agreement on depository servicing of the municipal bonds (hereinafter – the Agreement) is drawn up by the Central Securities Depository based on the standard form established by an Appendix to these Rules, and defines obligations, rights and liabilities of an issuer of the municipal bonds and the Central Securities Depository in connection with depository and other activities implemented by the Central Securities Depository with regard to the issued municipal bonds.

Force of the agreement, concluded between the Central Securities Depository and issuer of the municipal bonds, shall extend to all municipal bonds issued by this issuer.

2. In order to draw up the Agreement, the issuer of the municipal bonds must provide to the Central Securities Depository:
 - 1) issuer's² signature (notarized authentication) and seal specimen card (subject to peculiarity established by paragraph 4 of this Article);
 - 2) an information on this issuer's bank details which will be used under placement and redemption, payment of coupon on the municipal bonds issued by this issuer, (subject to peculiarity established by paragraph 4 of this Article).
3. Under transmission of the formed Agreement to the municipal bonds' issuer, the Central Securities Depository simultaneously provides to this issuer:
 - 1) a copy of the certificate on the last state re-registration of the Central Securities Depository;
 - 2) a copy of the Central Securities Depository's license to implement banking operations;
 - 3) signature (notarized authentication) and seal specimen card of the Central Securities Depository (subject to peculiarity established by paragraph 4 of this Article);
 - 4) the information on bank details of the Central Securities Depository which will be used under placement and redemption, payment of coupon on the municipal bonds issued by this issuer, (subject to peculiarity established by paragraph 4 of this Article);

² The Central Securities Depository shall publish the electronic files of these document forms on its Internet site (www.kacd.kz).

- 5) other information according to the issuer's request, except official, commercial classified and other secret information of the Central Securities Depository, its clients and their customers protected by the law.
4. The signature and seal specimen card of the issuer of the municipal bonds (of the Central Securities Depository) must include signatures specimen of those people's who are authorized to sign the Agreement and other documents that must be provided by this issuer (by the Central Securities Depository) in concordance with the Agreement and these Rules on the behalf of this issuer (of the Central Securities Depository).

The information on bank details of the municipal bonds' issuer (of the Central Securities Depository), which will be used under placement and redemption, payment of coupon on the municipal bonds issued by this issuer, must be signed by the individuals whose signatures specimen are included in signature and seal specimen card (of the Central Securities Depository).
5. In order to accept the municipal bonds of any issue on depository servicing, the issuer must provide to the Central Securities Depository an information on this issue containing the following data no later than five business day before the date of distributing these bonds (subject to peculiarity established by paragraph 6 of this Article):
 - 1) bond type of this issue (in accordance with the Rules of Securities Issue);
 - 2) national identification number of the bonds of this issue;
 - 3) placement date of the bonds of this issue;
 - 4) circulation period of the bonds of this issue;
 - 5) periodicity and dates of paying coupon on the bonds of this issue;
 - 6) estimated volume of this issue;
 - 7) other terms of this issue, that are necessary in order the Central Securities Depository fulfills appropriately the functions in respect of the bonds of this issue indicated in Article 2 paragraph 2 of these Rules.
6. The information on issue of the municipal bonds is drawn up in free form by the bonds' issuer and signed by the individuals whose signatures specimen are included in signature and seal specimen card submitted to the Central Securities Depository.
7. In case if there are no comments regarding the received information on the issue of the municipal bonds, the Central Securities Depository shall enter this information in its databases intended for recordkeeping of the municipal bonds.

After the Central Securities Depository shall finish entering the information on the issue of the municipal bonds in its databases, intended

for recordkeeping of the municipal bonds, it means the Central Securities Depository shall accept these bonds for depository servicing.

The Central Securities Depository shall inform the Exchange and the clients no later than the next day after accepting bonds of any issue for depository servicing.

8. Documents regarding the municipal bonds are interchanged between their issuer and the Central Securities Depository via fax messages in accordance with the Central Securities Depository's internal document "Rules on Documents Interchange" included in the Code of Rules of the Central Securities Depository.

Article 4. Registration of municipal bonds transactions at the primary securities market

1. Within one hour after the Exchange instruction on settlement of distributed municipal bonds transactions (on registration of purchase-sale transactions of the municipal bonds purchased by the primary dealers under placement of these bonds) was received by the Central Securities Depository:
 - 1) the Central Securities Depository shall form payment orders on charging-off money in order to discharge the obligations of the primary dealers on payment of purchased by them municipal bonds. This money is charged off from the accounts of the primary dealers in the National Bank of the Republic of Kazakhstan³ or from the primary dealers' bank accounts in the Central Securities Depository on the accounts of the Central Securities Depository;
 - 2) the Central Securities Depository shall transmit its payment order on charging-off money from the primary dealer's account in the National Bank of the Republic of Kazakhstan for execution to the Interbank System of Money Transfer;
 - 3) the Central Securities Depository shall implement its payment order on charging-off money from the primary dealer's bank account in the Central Securities Depository⁴;
 - 4) in case there is lack of money on the primary dealer's account in the National Bank of the Republic of Kazakhstan (on the primary dealer's bank account in the Central Securities Depository) in order to discharge this dealer's obligations on payment of purchased

³ Hereinafter an account of the primary dealer and the Central Securities Depository in the National Bank of the Republic of Kazakhstan means the primary dealer's (the Central Securities Depository's) net position in the Interbank System of Money Transfer operated by Republican state enterprise Kazakhstan Interbank Settlement Centre of the National Bank of Kazakhstan in concordance with the Rules of money transfer in the interbank system of money transfer approved by Resolution # 242 of the Management Board of the National Bank of the Republic of Kazakhstan dated November 21, 1998.

⁴ In accordance with internal documents of the Central Securities Depository "Rules of opening, maintenance and closing correspondent accounts" and "Rules of opening, maintenance and closing current accounts" included in the Code of Rules of the Central Securities Depository.

municipal obligations, the Central Securities Depository shall transmit the report on non-fulfillment of the Exchange instruction to the Exchange and this dealer and shall indicate the reasons why it was not fulfilled.

2. Until the end of operational day of the Central Securities Depository when the Exchange instruction is received, indicated in paragraph 1 of this Article, the Central Securities Depository shall:
 - 1) form the payment order on transferring money, received from the primary dealer, in concordance with paragraph 1 of this Article, from the Central Securities Depository's account on the account of issuer of the municipal bonds according to the bank details received by the Central Securities Depository in accordance with Article 3 paragraph 2 of these Rules or the agreement on depository servicing of the municipal bonds concluded between the Central Securities Depository and this issuer;
 - 2) credit the municipal bonds, paid by the primary dealer in concordance with paragraph 1 of this Article, to the subaccounts of this primary dealer and its customers in the Central Securities Depository according to the Exchange instruction indicated in paragraph 1 of this Article;
 - 3) transmit a report on registration of purchase-sale transactions of the municipal bonds that are purchased by this dealer under placement to the Exchange and the primary dealer, which paid the municipal bonds in accordance with paragraph 1 of this Article.

Article 5. Crediting and paying coupon on the municipal bonds

1. The Central Securities Depository shall define independently a payment date⁵ of the next coupon on the municipal bonds of any issue under the Rules of Securities Issue and information on this issue provided by the municipal bonds' issuer to the Central Securities Depository in compliance with Article 3 paragraph 5 of these Rules.
2. No later than three business days before the payment day of the next coupon on the municipal bonds of any issue, the Central Securities Depository shall:
 - 1) calculate the total amount of coupon (in accordance with the Rules of Securities Issue, information on this issue provided by the municipal bonds' issuer to the Central Securities Depository in compliance with Article 3 paragraph 5 of these Rules, and accounting information of the Central Securities Depository);
 - 2) transmit to the municipal bonds' issuer an information on the total amount of coupon, is subject to be transferred on the account of the

⁵ Hereinafter the next coupon on the municipal bonds means the last coupon on these bonds inclusively is subject to be paid under redemption.

Central Securities Depository before coupon payment day according to the bank details received by this issuer from the Central Securities Depository in accordance with Article 3 paragraph 3 of these Rules or the agreement on depository servicing of the municipal bonds concluded between the Central Securities Depository and this issuer.

3. On the payment day of the next coupon on the municipal bonds of any issue the Central Securities Depository:
 - 1) shall not suspend registration of municipal bonds transactions at the secondary securities market, but the Central Securities Depository shall pay coupon as of 9:00 a.m., Almaty time, of mentioned day only to those clients (clients' customers) entitled to receive it;
 - 2) shall calculate the amount of coupon as of 9:00 a.m., Almaty time, of mentioned day on each client (clients' customer) entitled to receive this coupon (in accordance with the Rules of Securities Issue, information on this issue provided by the municipal bonds' issuer to the Central Securities Depository in compliance with Article 3 paragraph 5 of these Rules, and accounting information of the Central Securities Depository);
 - 3) until 5:00 p.m., Almaty time, (subject to peculiarity established by paragraph 4 of this Article):

(in case if there is an account, opened in the National Bank of the Republic of Kazakhstan, of client or its customers entitled to receive coupon as of 9:00 a.m., Almaty time, of mentioned day) shall form and transmit payment orders on transferring coupon amounts from the account of the Central Securities Depository in the National Bank of the Republic of Kazakhstan on the clients' accounts in the National Bank of the Republic of Kazakhstan on execution in the Interbank System of Money Transfer for the purpose remittees distribute such amounts between persons entitled to receive coupon;

shall form and execute the payment orders on transferring coupon amounts on the bank accounts in the Central Securities Depository of those clients (clients' customers) entitled to receive coupon as of 9:00 a.m., Almaty time, of mentioned day.
4. If the Central Securities Depository does not receive the total amount of coupon from the issuer until 4:00 p.m., Almaty time, of coupon payment day on the municipal bonds of any issue, then it is entitled to shift the time of implementing activities indicated in paragraph 3 subparagraph 3) of this Article without imposing an additional responsibility.
5. When the actions, indicated in paragraph 3 subparagraph 3) of this Article, are completed this means coupon on the municipal bonds of certain issue are paid.

After these actions are completed, the Central Securities Depository shall provide information on paid coupon on the municipal bonds to its issuer.

Article 6. Redemption of the municipal bonds

1. The Central Securities Depository shall define independently a maturity date of the municipal bonds of any issue under the Rules of Securities Issue and information on this issue provided to the Central Securities Depository by the municipal bonds' issuer in compliance with Article 3 paragraph 5 of these Rules.
2. No later than three business days until the municipal bonds' maturity date, the Central Securities Depository shall:
 - 1) calculate the total par value of the municipal bonds of this issue (according to the Rules of Securities Issue, information on this issue provided to the Central Securities Depository by the municipal bonds' issuer in concordance with Article 3 paragraph 5 of these Rules, and accounting information of the Central Securities Depository);
 - 2) transmit to the municipal bonds' issuer an information on the total par value of the municipal bonds, subject to be transferred on the account of the Central Securities Depository before the maturity date according to the bank details received by this issuer from the Central Securities Depository in compliance with Article 3 paragraph 3 of these Rules and the agreement on depository servicing of the municipal bonds concluded between the Central Securities Depository and this issuer.
3. On maturity date of the municipal bonds of any issue, the Central Securities Depository shall:
 - 1) stop registration of municipal bonds transactions at the secondary securities market;
 - 2) calculate, as of 9:00 a.m., Almaty time, of mentioned day, par value of the municipal bonds on each client (client's customer) entitled to receive money under redemption (in compliance with the Rules of Securities Issue, information on this issue provided by the municipal bonds' issuer in concordance with Article 3 paragraph 5 of these Rules, and accounting information of the Central Securities Depository);
 - 3) until 5:00 p.m., Almaty time, (subject to peculiarity established by paragraph 4 of this Article):

(in case if there is an account, opened in the National Bank of the Republic of Kazakhstan, of client or its customers entitled to receive money under redemption as of 9:00 a.m., Almaty time, of mentioned day) shall form and transmit the payment orders on transferring par value amounts from the account of the Central Securities Depository in the National Bank of the Republic of Kazakhstan on the clients' accounts in the National Bank of the Republic of Kazakhstan on execution in the Interbank System of Money Transfer, for the purpose remittees distribute such amounts of money between persons entitled to receive this money under redemption;

shall form and execute the payment orders on transferring par value amounts to the bank accounts, in the Central Securities Depository, of those clients (clients' customers) entitled to receive money under redemption as of 9:00 a.m., Almaty time, of mentioned day;

shall withdraw the municipal bonds from the subaccounts of those clients and clients' customers in the Central Securities Depository that received money under redemption of the municipal bonds;

shall make records on redemption of the municipal bonds in its databases which are intended for recordkeeping of the municipal bonds.

4. If the Central Securities Depository does not receive the total par value of the municipal bonds from its issuer until 4:00 p.m., Almaty time, of the municipal bonds' maturity day, then the Central Securities Depository is entitled to shift the time of implementing activities indicated in paragraph 3 subparagraph 3) of this Article without imposing an additional responsibility.
5. When the actions, indicated in paragraph 3 subparagraph 3) of this Article, are completed this means the municipal bonds of certain issue are redeemed.

After these actions are completed, the Central Securities Depository shall provide information on redeemed municipal bonds to its issuer.

Article 7. Buy-back and early redemption of the municipal bonds

1. In order to buy back the municipal bonds of any issue, its issuer must authorize one of clients on purchase of the municipal bonds due to the instruction, and/or at the expense and/or on the behalf of this issuer and open a subaccount on this client's personal account (hereinafter – the financial agent) in the Central Securities Depository for recordkeeping of bought back municipal bonds.
2. The Central Securities Depository shall register buy-back transactions of the municipal bonds made by the financial agent according to the procedure established for registration of municipal bonds transactions at the secondary securities market.
3. According to the financial agent's instruction the Central Securities Depository shall:
 - 1) withdraw bought back and early redeemed municipal bonds from issuer's subaccount opened on the financial agent's personal account in the Central Securities Depository for recordkeeping of bought back municipal bonds;
 - 2) make records on early redemption of the municipal bonds in its databases which are intended for recordkeeping of the municipal bonds.

4. When the actions, indicated in paragraph 3 of this Article, are completed this means the bought out municipal bonds are redeemed early.

After these actions are completed, the Central Securities Depository shall provide information on early redemption of the bought back municipal bonds to the financial agent.

Chapter 3. FINAL PROVISIONS

Article 8. The peculiarities of the Rules enforcement

1. Issues, where settlement procedure is not defined by these Rules, are subject to resolution in accordance with the legislation of the Republic of Kazakhstan.
2. These Rules shall underlie the Agreement on depository servicing of the municipal bonds.
3. The Central Securities Depository must follow the norms of the legislation of the Republic of Kazakhstan adopted after these Rules became effective regardless how the norms are reflected in these Rules.

Bakhytzhhan Kapyshev
President
Central Securities Depository

Appendix

to the Rules of Execution of
Depository and Other Activities with
regard to Municipal Bonds

AGREEMENT # _____

on depository servicing of securities issued by an executive municipal body of the city
[name of the city of republican status, capital]

_____ "____", 20__

Almaty

Central Securities Depository Joint-stock Company, hereinafter referred as "the Central Securities Depository", represented by *[name]*, President of the Central Securities Depository, acting on the basis of the Charter of the one part, and City mayor's office (Akimat) *[name of the city of republican status, capital]*, hereinafter referred as the "**Issuer**", represented by *[position, name]*, acting on the basis of the Budget Code of the Republic of Kazakhstan, the Law of the Republic of Kazakhstan "On Local Public Administration and Self-administration in the Republic of Kazakhstan" and the power of attorney # *[number of the power of attorney]* dated *[date]*, of the other part, hereinafter separately referred to "**the Party**" and collectively as "**the Parties**", have made this Agreement on the following:

Section 1. SUBJECT OF THE AGREEMENT

- 1.1. The Central Securities Depository shall accept on depository servicing securities issued by the Issuer (hereinafter – the municipal bonds) in compliance with this Agreement and implements depository and other activities with regard to the municipal bonds in accordance with the Law of the Republic of Kazakhstan "On Securities Market" and the "Rules of Securities Issue by the Executive Municipal Body of Capital for Its Circulation in Internal Market" approved by the Resolution # 1520 of the Government of the Republic of Kazakhstan dated October 02, 2009.
- 1.2. As indicated in paragraph 1.1 of this Agreement, the Central Securities Depository shall implement the following activities with regard to the municipal bonds established by an internal document of the Central Securities Depository "Rules of Execution of Depository and Other Activities with regard to Municipal Bonds" (hereinafter – the Rules of Depository and Other Activities with regard to Municipal Bonds):
 - 1) registration of municipal bonds transactions at the primary securities market (settlement on municipal bonds transactions under placement);
 - 2) recordkeeping of the municipal bonds on the personal accounts of clients and clients' customers;
 - 3) registration of municipal bonds transactions at the secondary securities market (settlement on municipal bonds transactions under circulation);
 - 4) accruing and paying coupon on the municipal bonds;

- 5) redemption of the municipal bonds, including early redemption of the municipal bonds under buy-back.
- 1.3. The activities of the Central Securities Depository, indicated in paragraph 1.2 of this Agreement, are implemented by the Central Securities Depository on terms and procedure fixed by its Code of Rules including the Rules of Execution of Depository and Other Activities with regard to Municipal Bonds.
- 1.4. This Agreement shall define obligations, rights and liabilities of the Issuer and the Central Securities Depository in connection with depository and other activities with regard to the municipal bonds implemented by the Central Securities Depository.

Section 2. OBLIGATIONS OF THE PARTIES

- 2.1. The Issuer shall:
 - 1) distribute, redeem (including early redemption), buy back and pay coupon on the municipal bonds in compliance with legislation of the Republic of Kazakhstan, the Code of Rules of the Central Securities Depository, including the Rules of Execution of Depository and Other Activities with regard to Municipal Bonds and this Agreement;
 - 2) promptly (before unavoidable or hardly avoidable consequences occurs) provide new versions of earlier provided documents to the Central Securities Depository in concordance with Article 3 of the Rules of Execution of Depository and Other Activities with regard to Municipal Bonds in these documents in case if there were changes;
 - 3) ensure crediting the total amount of coupon on the account of the Central Securities Depository (subject to peculiarities established by Article 5 of the Rules of Execution of Depository and Other Activities with regard to Municipal Bonds) until 4:00 p.m., Almaty time, of payment day of the next coupon (including the last dividend) according to bank details of the Central Securities Depository indicated in documents which were provided to the Issuer in compliance with Article 3 of the Rules of Execution of Depository and Other Activities with regard to Municipal Bonds or in case of changed details in concordance with paragraph 2.2 subparagraph 2) of this Agreement;
 - 4) ensure crediting the total par value of redeemed municipal bonds (subject to peculiarities established by Article 6 of the Rules of Execution of Depository and Other Activities with regard to Municipal Bonds) until 4:00 p.m., Almaty time, of the municipal bonds' maturity date according to bank details of the Central Securities Depository indicated in documents which were provided to the Issuer in compliance with Article 3 of the Rules of Execution of Depository and Other Activities with regard to Municipal Bonds or in concordance with paragraph 2.2 subparagraph 2) of this Agreement in case of changed details;
 - 5) provide additional information, to the Central Securities Depository based on its request, on the municipal bonds necessary for the Central Securities Depository to execute properly functions indicated in subparagraph 1.2 of this Agreement and solve issues which are not regulated by the legislation of the Republic of

Kazakhstan, the Rules of Securities Issue by the Executive Municipal Body of Capital for Its Circulation in Internal Market approved by the Resolution # 1520 of the Government of the Republic of Kazakhstan dated October 02, 2009, the Code of Rules of the Central Securities Depository, including the Rules of Execution of Depository and Other Activities with regard to Municipal Bonds and this Agreement.

2.2. The Central Securities Depository shall:

- 1) execute functions, indicated in subparagraph 1.2 of this Agreement, in compliance with Law of the Republic of Kazakhstan "On Securities Market", the Rules of Securities Issue by the Executive Municipal Body of Capital for Its Circulation in Internal Market approved by the Resolution # 1520 of the Government of the Republic of Kazakhstan dated October 02, 2009 and this Agreement, based on terms and order established by the Code of Rules of the Central Securities Depository, including the Rules of Execution of Depository and Other Activities with regard to Municipal Bonds;
- 2) promptly (before unavoidable or hardly avoidable consequences occurs) provide new versions of earlier provided documents to the Issuer in concordance with Article 3 of the Rules of Execution of Depository and Other Activities with regard to Municipal Bonds in case if there were changes in these documents;
- 3) provide to the Issuer statistical and accounting data on the municipal bonds issued by this Issuer.

2.3. The Parties shall provide each other official letters containing information on those employees and their e-mails with whom to contact on this Agreement and are obliged to provide actual information.

Section 3. RIGHTS OF THE PARTIES

3.1. The Issuer shall have the right:

- 1) to receive necessary information on the total amount of coupon on the municipal bonds from the Central Securities Depository no later than three business days before a payment date of the next coupon on the municipal bonds (including the last coupon on these bonds inclusively);
- 2) to receive necessary information on paid coupon (including the last coupon on the municipal bonds inclusively) after the coupon are paid from the Central Securities Depository;
- 3) to receive necessary information on the total par value on redeemed municipal bonds from the Central Securities Depository no later than three business days before the redemption day of municipal bonds;
- 4) to receive necessary information on redemption after the municipal bonds are redeemed from the Central Securities Depository;
- 5) to request from the Central Securities Depository and to receive in time statistical and accounting data on the municipal bonds issued by this Issuer.

- 3.2. The Central Securities Depository shall have the right to request and receive additional information on the municipal bonds in order to execute properly its functions indicated in paragraph 1.2 of this Agreement and solve issues which are not regulated by the legislation of the Republic of Kazakhstan, the Rules of Securities Issue by the Executive Municipal Body of Capital for Its Circulation in Internal Market approved by the Resolution # 1520 of the Government of the Republic of Kazakhstan dated October 02, 2009, the Code of Rules of the Central Securities Depository, including the Rules of Execution of Depository and Other Activities with regard to Municipal Bonds and this Agreement.

Section 4. LIABILITIES OF THE PARTIES

- 4.1. If one Party shall inflict a loss to another Party as a result of non-fulfillment or undue fulfillment of its obligations under this Agreement, this Party shall be liable before another Party in accordance with legislation of the Republic of Kazakhstan.
- 4.2. The Central Securities Depository shall condone before the Issuer for non-fulfillment or undue fulfillment of its obligations under this Agreement if:
- 1) the Issuer shall not provide or shall not provide in time documents in compliance with Article 3 of the Rules of Execution of Depository and Other Activities with regard to Municipal Bonds;
 - 2) the information, contained in the documents provided to the Central Securities Depository in accordance with Article 3 of the Rules of Execution of Depository and Other Activities with regard to Municipal Bonds, shall be insufficient, inadequate or irrelevant;
 - 3) the Issuer shall break liabilities fixed by paragraph 2.1. of this Agreement.
- 4.3. The Party, not fulfilling or undue fulfilling its liabilities under this Agreement as a result of a force-majeure, shall be condoned for non-fulfillment (undue fulfillment) if it shall prove that the proper fulfillment of these liabilities was impossible as a result of mentioned circumstances.

The Parties agreed to consider as the force-majeure any contingencies (emergencies) and unavoidable circumstances, which are out of the Parties' control, including (not exclusive) floods, earthquakes, mud flows, hurricanes, hostilities, resolutions of state authorities of the Republic of Kazakhstan, preventing proper execution of liabilities of any Party under this Agreement, suspension or termination of the interbank system of money transfer operated by the Republican state enterprise "Kazakhstan Interbank Settlement Centre of the National Bank of Kazakhstan".

The Parties are obliged to inform each other in case of force-majeure as soon as possible.

Discharge of liabilities of any Party under this Agreement suspends until valid force-majeure and it revives after force-majeure ends.

In case if force-majeure lasts more than 90 days, the Parties are liable to dissolve this Agreement based on the mutual agreement.

Section 5. GENERAL CONDITIONS

- 5.1. This Agreement shall come into force on the date it is signed by the last Party and is valid until the full discharge of Parties' liabilities under this Agreement.
- 5.2. In case legal form shall be changed or reorganization of one of the Parties this Agreement shall not lapse and shall be shifted to assignee of this Party.
- 5.3. Amendments and additions to this Agreement must be executed by collateral agreements and signed properly by authorized representatives of the Parties.
- 5.4. Ex parte rejection of the Party to execute its liabilities under this Agreement is not allowed.
- 5.5. This Agreement can be dissolved by mutual agreement of the Parties if they do not have unsettled liabilities under this Agreement.
- 5.6. Disputes and disagreements of the Parties must be settled according to extrajudicial procedure, due to the mutual agreement of the Parties, taking into account their interests, if there is no consensus then according to procedure established by the legislation of the Republic of Kazakhstan.
- 5.7. This Agreement has been executed in two authentic copies, one for each Party.

Section 6. ADDRESSES AND BANK DETAILS OF THE PARTIES

- 6.1. The Central Securities Depository:
 - 1) principal place of business:
 - 2) operation address (if it is different from principal place of business):
 - 3) postal address (if it is different from operation address):
 - 4) telephones:
 - 5) fax:
 - 6) e-mail:
 - 7) Taxpayer registration number:
 - 8) BIN:
 - 9) bank details:
- 6.2. The Issuer:
 - 1) principal place of business:
 - 2) operation address (if it is different from principal place of business):
 - 3) postal address (if it is different from operation address):
 - 4) telephones:
 - 5) fax:
 - 6) e-mail:

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- 7) Taxpayer registration number:
- 8) BIN:
- 9) bank details:

**On behalf of the Central Securities
Depository:**

On behalf of the Issuer:

[Position, name]

_____ "____", 20__

[Position, name]

_____ "____", 20__