

THE CODE OF RULES OF CENTRAL SECURITIES DEPOSITORY JSC

Coordinated with

The National Bank of the Republic of
Kazakhstan

On June 16, 2014

Deputy Chairman of the National Bank of
the Republic of Kazakhstan

K.B. KOZHAKHMETOV

Approved by

The resolution of the Board of Directors
of Central Securities Depository JSC

(Minutes of Meeting
9 dated April 29, 2014)

Effective from

July 08, 2014

THE RULES

of Carrying Out Activities

on Generation and Maintenance of the

Derivative Transaction Register System

NOTICE

English version of the Code of 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

2014

AMENDMENT SHEET

1. Amendments and addition # 1:

- approved by resolution of the Board of Directors of Central Securities Depository JSC (Minutes of Meeting # 8 dated May 31, 2017);
- effective from August 01, 2017.

2. Amendments # 2:

- approved by resolution of the Board of Directors of Central Securities Depository JSC (Minutes of Meeting by Absent Voting # 41(3) dated June 15, 2018);
- effective from July 04, 2018.

**The Code of Rules of Central Securities Depository JSC:
The Rules of Carrying out Activities on Generation and Maintenance
of the Derivative Transaction Register System**

These Rules have been developed in line with the Law of the Republic of Kazakhstan On Securities Market, the Rules of Execution of Depository Activities of the Central Securities Depository approved by the resolution of the Management Board of the National Bank of the Republic of Kazakhstan # 254 dated December 19, 2015 (hereinafter – the Rules of Execution of Depository Activities of the Central Securities Depository), and define terms and procedure of running activities of Central Securities Depository JSC (hereinafter – the Central Securities Depository) on generation and maintenance of the Derivative Transaction Register System closed on the on-exchange and off-exchange securities markets (*this paragraph was amended by resolution of the Board of Directors of the Central Securities Depository dated May 31, 2017*).

Current Rules are constituent and integral part of the Code of Rules of the Central Securities Depository (hereinafter – the Code of Rules).

Present Rules are that part of the Code of Rules which in pursuance of Chapter 5, the Rules of Execution of Depository Activities of the Central Securities Depository shall establish a procedure of maintenance of the transaction register system by the Central Securities Depository, and also requirements to the format of information being provided by securities market entities.

Chapter 1. GENERAL PROVISIONS

Article 1. Main Definitions

1. Definitions determined by Law of the Republic of Kazakhstan are applied in current Rules.

Other meanings used herein are identical to the meanings established by other internal documents of the Central Securities Depository, included in the Code of Rules.

2. The following terms shall be used in the present Rules:
 - 1) statement from the transaction register system shall mean an e-document issued for the Informing Person by the Central Securities Depository and containing data on entered information into the transaction register system on the derivative transactions made by the Informing Person;
 - 2) Informing Person shall mean an organization has entered into an Agreement for Receiving, Maintenance and Retention of Derivative Transactions Data with the Central Securities Depository;
 - 3) report shall mean a document issued by the Central Securities Depository confirming entering or refusal to enter information into the transaction register system, provided by Informing Person through a message;
 - 4) (*this Sub-clause was expelled by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018*);

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- 5) reporting week shall mean the period commencing on the first and ending on the last business day of the last expired calendar week (*this Sub-clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018*);
- 6) transaction register system shall mean a collection of data on derivative transactions provided by Informing Persons as well as other information required for maintenance of the Transaction Register System;
- 7) deal shall mean a derivative transaction;
- 8) message shall mean soft copy document or with respect of an exception, set forth by Article 14 hereof, hard copy document, submitted by Informing Person and containing data subject to inclusion into the Transaction Register System;
- 9) participant of the transaction shall mean legal entity or natural person closed a deal (*this Sub-clause was amended by resolution of the Board of Directors of the Central Securities Depository dated May 31, 2017*);
- 10) competent authority shall mean the National Bank of the Republic of Kazakhstan as an authorized entity on regulating, control and supervision of financial market and financial organizations (*this Sub-clause was amended by resolution of the Board of Directors of the Central Securities Depository dated May 31, 2017*).

Article 2. General Provisions on Maintenance of the Transaction Register System

1. In accordance with Clause 40 of the Rules of Execution of Depository Activities of the Central Securities Depository shall perform activities on generation and maintenance the Transaction Register System through receipt, maintenance and retention of information on the transactions made on the on-exchange and off-exchange markets, provided to the Central Securities Depository by second-tier banks, organizations executing broker and (or) dealer activities on the security market, and organizations implementing investment portfolio management activities.
2. Pursuant to Clause 42 of the Rules of Execution of Depository Activities the Central Securities Depository shall generate and maintain the Transaction Register System in electronic format.
3. The Central Securities Depository shall enter transactions data into the Transaction Register System on the basis of messages obtained by the Central Securities Depository from Informing Persons.

Consistent with Clause 42 of the Rules of Execution of Depository Activities of the Central Securities Depository the specified messages shall meet requirements of Annexes 1, 2, 3 and 4 to the Rules of Execution of Depository Activities the Central Securities Depository.

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4. In line with Clause 43 of the Rules of Execution of Depository Activities of the Central Securities Depository the competent authority has an access to database of the Central Securities Depository being generated for the purpose of maintenance of the Transaction Register System.
5. Referred in Clause 4 hereof an access is granted through sending information on transactions included in the Transaction Register System to competent authority by the Central Securities Depository.
 - 1) in electronic form on a daily basis *(this Sub-clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018)*;
 - 2) in soft copy upon receipt of queries from competent authority;
 - 3) in hard copy upon receipt of queries from competent authority.
6. In alignment with Clause 44, the Rules of Execution of Depository Activities of the Central Securities Depository shall notify competent authority of late submission or non-submission of transactions data by Informing Persons (by sending relevant information to competent authority within five (5) business days upon ending of reporting week) *(this Sub-clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018)*.

(The Article was amended by resolution of the Board of Directors of the Central Securities Depository dated May 31, 2017).

Article 3. General Provisions on the Interactions of the Central Securities Depository with Informing Persons

1. The Central Securities Depository shall accept and retain information on the transactions based on Agreement for Receiving, Maintenance and Retention of Derivative Transactions Data concluded thereof according to the form of Annex 1 hereto.

The procedure for conclusion and termination of the specified agreements defined by Chapter 3 hereof.

(This Clause was changed by resolution of the Board of Directors of the Central Securities Depository dated May 31, 2017).

2. *(This Clause was expelled by resolution of the Board of Directors of the Central Securities Depository dated May 31, 2017).*
3. *(This Clause was expelled by resolution of the Board of Directors of the Central Securities Depository dated May 31, 2017).*
4. The Central Securities Depository enters into agreements for data receiving, maintenance and retention on the transactions with those organizations which are *(this paragraph was altered by resolution of the Board of Directors of the Central Securities Depository dated May 31, 2017)*:
 - 1) organizations exercising brokerage and (or) dealer activities;

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- 2) second-tier banks;
- 3) organizations performing investment portfolio management activities.
5. The procedure for acceptance of messages and issue of statement or report from the Transaction Register System by the Central Securities Depository shall be determined by internal document of the Central Securities Depository's Rules on Acceptance and Issue of Operational Documents included in the Code of Rules.
6. Requirements to the messages emailed to the Central Securities Depository are established by internal document endorsed by the Management Board of the Central Securities Depository entitled the Procedure for Compiling E-Operating Documents (activities on forming and maintaining the Derivative Transaction Register System) (hereinafter – 'Formats').

Requirements to the messages forwarded to the Central Securities Depository in hard copy are set out herein.
7. Amendments and supplements to the Formats shall be communicated to Informing Persons by the Central Securities Depository not less than fifteen (15) calendar days before the date of its effect.
8. The following components are used to compile messages:
 - 1) codes of currencies identified in line with ISO 4217 international standard Codes for Provision of Currencies and Funds¹;
 - 2) two-letter code of the country determined in accordance with ISO 3166 international standard Codes for Provision of Country Names and its Subdivisions²;
 - 3) codes established by Law of the Republic of Kazakhstan;
 - 4) codes allocated by the Central Securities Depository.
9. Codes referred in Sub-Clause 4) Clause 8 hereof shall be allocated to:
 - 1) participants of deals;
 - 2) financial instruments without the National Identification Number or ISIN code;
 - 3) commodities;
 - 4) units of underlying asset;
 - 5) indexes having no ISIN code.
10. Codes mentioned in Sub-clause 4) Clause 8 hereof, except for the code of the deal's participant shall be allocated:

¹ International Standard ISO 4217 Codes for the representation of currencies and funds. Translation of Standard's heading into Russian – from iso.gost.ru website.

² International Standard ISO 3166 Codes for the representatives of countries and their subdivisions. Translation of Standard's heading into Russian – from iso.gost.ru website.

- 1) on the ground of the Informing Person's letter issued in a free form and containing data needed to identify financial instrument, commodity, units of underlying asset or index net of ISIN;
 - 2) on the ground of data obtained by the Central Securities Depository from official sources and published in mass media, and other information beyond reasonable doubts in its identity;
 - 3) according to the procedure approved by the Management Board of the Central Securities Depository and determined by internal document of the Central Securities Depository the Procedure of Allocation of Codes (hereinafter – the Procedure of Allocation of Codes).
11. The Central Securities Depository publishes the Formats and the Procedure of Allocation of Codes on its Internet-site (www.kacd.kz).
12. The Central Securities Depository posts codes directories determined by the Formats (hereinafter – official directories), as well as codes directories allocated by the Central Securities Depository in line with the Procedure of Allocation of Codes (hereinafter – information directories) at public domain set by the Central Securities Depository's Management Board.

Chapter 2. MAINTENANCE OF THE TRANSACTION REGISTER SYSTEM

Article 4. Messages. General Provisions

1. When maintaining the Transaction Register System the Central Securities Depository shall accept from Informing Persons the messages containing the following:
 - 1) a message with the application form of the transaction's participant;
 - 2) a message of changing details of the transaction's participant;
 - 3) a message with the consummated transaction data;
 - 4) a message on the requirement to amend the submitted before information of transactions closed;
 - 5) a message with data on lack of closed transactions and requirement to amend the submitted before information of transactions closed;
 - 6) request for issue of the statement from the Transaction Register System, a form and content of which are defined by the Formats;
 - 7) request for issue of reporting document a form and content of which are not defined by the Formats;
 - 8) other message.
2. The Procedure of Messages Transmission by Informing Persons set forth in Clause 1 hereof, as well the Procedure of Information Receipt, Verification and Processing referred in such messages set out by Articles 4–14 hereof.

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3. The Informing Person shall be responsible for the message content.
4. The Central Securities Depository shall refuse to entry record to the Transaction Register System on the occurrence of any of the following:
 - 1) mismatch of message with the Formats;
 - 2) lack of details in messages that are of a mandatory for completion;
 - 3) a message specified in Sub-clauses 2) Clause 1 hereof, is provided on this person on whom there is no information in the Trade Participant Directory;
 - 4) a message specified in Sub-clauses 3), or 4) Clause 1 hereof contains codes that do not meet the codes established in international standards, official or informational directories;
 - 5) a message specified in Sub-clause 4) Clause 1 hereof is delivered on the transaction any data on which is missed in the Transaction Register System;
 - 6) license validity of Informing Person has been expired;
 - 7) in other cases when record entry into the Transaction Register System is impossible in accordance with the Law of the Republic of Kazakhstan, present Rules or other bylaws of the Central Securities Depository.

(The Article was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018).

Article 5. The Procedure for Entry of Information on the Transaction Participant into the Transaction Register System

(The heading was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018).

1. A message with the transaction participant's application form (hereinafter – an application form of the transaction participant) shall serve as a ground of entry data on the transaction's new participant and allocation of code to such participant *(this Clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018).*
2. An application form of transaction participant shall be emailed to the Central Securities Depository according to the form established by Formats and includes, apart from details needed to identify its sender and type of this message, the following details:
 - 1) type of the transaction participant (individual or legal entity);
 - 2) direction to identifier type of the transaction participant (IIN, BIN or other identifier);
 - 3) identifier type of the transaction participant;

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- 4) surname and patronymic (if available) or title of the transaction participant (hereinafter – the Participant's title);
- 5) code of country of citizenship of an individual or country of incorporation of legal entity.
3. Application form of the transaction participant adopted by the Central Securities Depository shall be checked for matching details specified herein with the same details in informational directory. All details are to be checked safe for "the Participant's title".
4. In event of negative result of checking indicated in Clause 3 hereof the Central Securities Depository shall:
 - 1) enter information on a new transaction participant into the Informational Directory of the Transaction Participant Codes;
 - 2) allocate the transaction code to a new transaction participant;
 - 3) sent the report of code allocation to Informing Person.
5. In event of positive result of checking indicated in Clause 3 hereof, the Central Securities Depository shall refuse to enter information on a new transaction participant into the Transaction Register System, to allocate a code to such participant, and forward corresponding report to Informing Person.
6. Reports specified in Clauses 4 and 5 hereof shall be forwarded to Informing Person within three (3) business days upon the day of adoption of application form of the transaction participant by the Central Securities Depository.

Article 6. The Procedure for Changing Details of the Transaction Participant

1. A message of changing the details (hereinafter – a message of changing details) shall serve as a ground of changing information on the transaction participant's details in the Transaction Register System (*this Clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018*).
2. An application form of changing details shall be emailed to the Central Securities Depository according to the form established by the Formats and includes, apart from details needed to identify its sender and type of this message, the following details:
 - 1) code of the transaction participant allocated by the Central Securities Depository (hereinafter – a code of the transaction participant);
 - 2) type of the transaction participant (individual or legal entity);
 - 3) direction to identifier type of the transaction participant;
 - 4) number of identifier of the transaction participant;
 - 5) the Participant's title;

- 6) code of country of citizenship of an individual or country of incorporation of legal entity.
3. Message of changing details adopted by the Central Securities Depository shall be checked for matching the indicated transaction participant code referred therein with the transaction participant code in informational directory.
4. In event of negative result of checking indicated in Clause 3 hereof the Central Securities Depository shall refuse in altering amendments into the Transaction Register System and send relevant report to Informing Person.
5. In event of positive result of checking indicated in Clause 3 hereof, the Central Securities Depository shall:
 - 1) change details of the transaction participant except for detail 'the Transaction Participant Code';
 - 2) forward appropriate report to the Informing Person submitted a message of changing details;
 - 3) disseminate the report of changing details of transaction participant previously applied the Transaction Participant Code to each Informing Person.
6. Reports referred in Clauses 4 and 5 hereof shall be forwarded to Informing Persons three (3) business days upon receipt of the message of changing details by the Central Securities Depository.

Article 7. The Procedure of Correcting Details of the Transaction Participant

(The Article was omitted by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018).

Article 8. The Procedure of Acceptance and Entry of Information on the Transaction Closed into the Transaction Register System

1. A message with information on the transaction (hereinafter referred to as – "Information on the Transaction) shall serve as a ground for entering information on the transaction closed into the Transaction Register System *(this Clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018).*
2. The Informing Person shall provide the Central Securities Depository with information on the transaction closed on the reporting week not later than 02.00 p.m. of Almaty time of the first business day of the week following the reporting week *(this Clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018).*

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3. Information on transaction shall be checked in line with the following:
 - 1) Information on transaction shall be provided according to the form determined by Formats *(this Sub-clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018)*;
 - 2) mandatory form fields as per Formats shall be completed;
 - 3) codes provided in the Information on Transaction shall comply with the codes defined in line with international standards, official and information directories;
 - 4) transaction shall be made within reporting week *(this Sub-clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018)*;
 - 5) there is no basis for refusal to enter information into the Transaction Register System referred in Clause 4 of Article 4 hereof *(this Sub-clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018)*.
4. In case of negative result of the verification referred in Clause 3 hereof the Central Securities Depository shall refuse to enter data on the new transaction into the Transaction Register System.
5. In case of positive result of the verification referred in Clause 3 hereof the Central Securities Depository shall:
 - 1) enter information on the new transaction into the Transaction Register System;
 - 2) assign a transaction ID to each new transaction;
 - 3) forward the report of information entry on the new transaction into the Transaction Register System, and state assigned transaction ID in said report.
6. Reports referred in Clauses 4 and 5 hereof shall be sent to the Informing Person not later than the business day following the day of receipt of Information on Transaction by the Central Securities Depository.

Article 9. The Procedure of Acceptance and Amendment to the Earlier Submitted Information on the Transaction Closed into the Transaction Register System

(The heading was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018).

1. A message on the requirement of such amendment (hereinafter referred to as –" the Amendment to Information on the Transaction") shall serve as a ground for entering revisions to previously submitted information on the transaction closed into the Transaction Register System.

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2. *(This Clause was expelled by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018).*
3. Amendment to Information on Transaction shall be checked in line with the following:
 - 1) amendment to information on transaction shall be provided according to the form determined by Formats *(this Sub-clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018)*;
 - 2) mandatory form fields as per Formats shall be completed;
 - 3) codes provided in the amendment to the Information on Transaction shall comply with the codes defined in line with international standards, official and information directories;
 - 4) transaction ID indicated in the Amendment to Information on Transaction must correspond to the number of transaction which was sent to the Informing Person in accordance with Sub-clause 3), Clause 5, Article 8, and Sub-clause 3), Clause 6, Article 10 hereof;
 - 5) there is no basis for refusal to enter information into the Transaction Register System set forth by Clause 4, Article 4 hereof *(this Sub-clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018).*
4. In case of negative result of the verification referred in Clause 3 hereof the Central Securities Depository shall refuse to enter amendments to the Information on Transaction into the Transaction Register System, and forward relevant report to the Informing person.
5. In case of positive result of the verification referred in Clause 3 hereof the Central Securities Depository shall:
 - 1) enter amendments to information on transaction;
 - 2) forward the report of entry amendment into information on transaction to the Informing Person.
6. Reports specified in Clauses 4 and 5 hereof shall be sent to the Informing Person not later than the business day following the day of receipt of amendments to Information on Transaction by the Central Securities Depository.

Article 10. The Procedure of Acceptance and Entry of Updated Information on the Transaction Closed into the Transaction Register System

(The Article was omitted by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018).

Article 11. The Procedure of Acceptance and Updated Amendment to the Earlier Submitted Information on a Transaction into the Transaction Register System

(The Article was omitted by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018).

Article 12. The Procedure of Acceptance and Entry of Information on No Transactions Closed and No Amendments to the Earlier Submitted Information on Transactions Closed into the Transaction Register System

(The heading was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018).

1. A message with information of no transactions concluded and no amendments to the earlier submitted information on transactions closed (hereinafter referred to as –"Information of No Amendments") shall serve as a ground for entering information of no transactions closed and no amendments to the earlier submitted information on transactions closed into the Transaction Register System.

Information of No Amendments shall be submitted to the Central Securities Depository if no transactions were made within the reporting week and there was not need to alter amendments to information on transactions closed earlier submitted to the Central Securities Depository.

(This Clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018).

2. The Informing Person shall provide the Central Securities Depository with information of no amendments not later than 02.00 p.m. of Almaty time of the first business day of the week following the reporting week *(this Clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018).*
3. Information of No Amendments shall be provided according to the form determined by Formats *(this Clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018).*
4. Based on Information of No Amendments the Central Securities Depository shall mark all information on the transaction as up-to-date information.
5. Report on accepting Information of No Amendments shall be sent to the Informing Person not later than the business day following the day of receipt of Information of No Amendments by the Central Securities Depository.

Article 13. The Procedure of Issue of Statement from the Transaction Register System the Form and Content of Which are Determined by Formats

1. A message containing an inquiry for statement from the Transaction Register System (hereinafter referred to as – an "Inquiry for Statement") shall serve as a ground for issuance of a statement from the Transaction Register System.
2. Inquiry for Statement shall be provided according to the form determined by Formats *(this Clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018)*.
3. The Central Securities Depository shall forward a statement from the Transaction Register System not later than the business day following the day of receipt of an Inquiry for Statement.
4. Format and content of the statement shall be determined by Formats.

Article 14. The Procedure of Issuance of the Reporting Document the Form and Content have not been determined by Formats

1. A message containing an inquiry for issuance of reporting document, the form and content of which have not been determined by Formats (hereinafter referred to as – an "Inquiry for Information") shall serve as a ground for issuance of reporting documents to the Informing Person the form and content of which have not been established by Formats.
2. Not later than ten (10) business days following the day of receipt of an Inquiry for Information the Central Securities Depository shall:
 - 1) forward the requested information to the Informing Person once such information is included into the Transaction Register System and its submission does not relate to complicated settlements and calculations of any indexes *(this Sub-clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018)*;
 - 2) send a refusal to provide with the requested information once such information is missed in the Transaction Register System or its submission is associated with complicated settlements and calculations of any indexes *(this Sub-clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018)*.

**Chapter 3. ENTERING INTO AND TERMINATION OF THE AGREEMENT FOR
RECEIVING, MAINTENANCE AND RETENTION OF TRANSACTIONS DATA**

(This heading was amended by resolution of the Board of Directors of the Central Securities Depository dated May 31, 2017).

Article 15. Entering into the Agreement for Receiving, Maintenance and Retention of Transactions Data

(This heading was amended by resolution of the Board of Directors of the Central Securities Depository dated May 31, 2017).

1. A person willful to enter into the Agreement for Receiving, Maintenance and Retention of Transactions Data (hereinafter referred to as – the "Applicant") shall submit all below-mentioned documents *(this paragraph was amended by resolution of the Board of Directors of the Central Securities Depository dated May 31, 2017 and June 15, 2018)*:
 - 1) application according to the Form of Annex 2 to the Central Securities Depository's internal document the Rules on Acceptance and Issue of Operational Documents;
 - 2) documents listed in Annex 2 hereto;
 - 3) covering letter with the List of Submitted Documents, and reference to the title of agreement subject to submission of documents.
2. In event of delivery of a full package of documents established herein, and compliance of documents' forms with requirements set by laws of the Republic of Kazakhstan, present Rules and internal document of the Central Securities Depository the Rules on Acceptance and Issue of Operational Documents, the Central Securities Depository, not later than one (1) business day upon acceptance of the specified List of Documents, shall send relevant Notification of Entering into the Agreement for Receiving, Maintenance and Retention of Transactions Data (hereinafter referred to as – the Agreement) to the Applicant *(this paragraph was amended by resolution of the Board of Directors of the Central Securities Depository dated May 31, 2017)*.

A code allocated to the Applicant in accordance with the Code Allocation Procedure shall be specified in the Notification.
3. In event of delivery incomplete package of documents by the Applicant, established hereof, or documents forms' inconformity with the requirements established under legislation of the Republic of Kazakhstan, current Rules or internal documents of the Central Securities Depository the Rules on Acceptance and Issue of Operational Documents, included in the Code of Rules, the Central Securities Depository shall refuse to enter into Agreement, and forward relevant notification to the Applicant not later than one business day upon receipt of the above-mentioned list of documents.

4. In case of amended documents submitted while entering into Agreement, the Applicant shall, within five business days since the date of documents amendment or state registration, provide the Central Securities Documents with revised documents.
5. The Central Securities Depository shall bear no responsibility for non-submission or late submission of revised documents by the Applicant (*this Clause was amended by resolution of the Board of Directors of the Central Securities Depository dated June 15, 2018*).

Article 16. Termination of the Agreement for Receiving, Maintenance and Retention of Transactions Data

(This heading was amended by resolution of the Board of Directors of the Central Securities Depository dated May 31, 2017).

1. The Agreement shall be terminated on the basis of resolution of competent authority on termination of validity of the Informing Person's license.
2. The Agreement shall be terminated in accordance with the terms and procedure established by the legislation of the Republic of Kazakhstan and Agreement.

Chapter 4. FINAL PROVISIONS

Article 17. The Procedure for Payment of the Central Securities Depository's Services

The Central Securities Depository's services on maintaining the Transaction Register System shall be paid in line with internal document of the Central Securities Depository entitled the Regulation on Tariffs and Fees³.

Article 18. Application Specifics of the Current Rules

1. Issues the settlement procedure of which is not defined hereof shall be resolved in accordance with the legislation of the Republic of Kazakhstan.
2. The Central Securities Depository shall be governed by rules of law of the Republic of Kazakhstan emerged upon putting these Rules into effect, no matter to what extent the rules of law were reflected herein.

President

B. Kh. Kapyshev

³ Approved by the resolution of the Board of Directors of the Central Securities Depository (Minutes of Meeting # 5 dated July 29, 2011).

Annex 1

To the Rules of Carrying Out Activities
on Generation and Maintenance of the
Derivative Transaction Register System

THE AGREEMENT

**for Receiving, Maintenance and Retention of Derivative Transactions Data
(template)**

This Agreement (hereinafter – the "Agreement") is a deed of accession, and regulates relations between Central Securities Depository JSC (hereinafter – the "Central Securities Depository") and the Informing Person (hereinafter – the "Client") while acceptance, maintenance and retention of information on derivative transactions by the Central Securities Depository.

**Section 1. THE PROCEDURE FOR ENTERING INTO AND AMENDING TERMS OF
THE AGREEMENT**

- 1.1. Terms of Agreement and also subsequent amendments and additions thereto shall be defined by the Central Securities Depository, and can be accepted by the Client only through accession of the Client to the Agreement in a whole.
- 1.2. Accession of the Client to the Agreement shall be made through an application submitted by the Client to the Central Securities Depository, compiled according the form, determined by Annex 3 to the Rules of Carrying Out Activities on Generation and Maintenance of the Derivative Transaction Register System (hereinafter – "the Rules"), included in the Code of Rules of Central Securities Depository JSC (hereinafter – "the Code of Rules"), and also documents the list of which is set by Annex 2 hereto.
- 1.3. The Central Securities Depository shall be entitled to amend the Agreement in the procedure established by the Law of the Republic of Kazakhstan.
- 1.4. The Central Securities Depository shall post amendments and additions to the Agreement at its website, which the Client shall read and acknowledge upon receipt of the Central Securities Depository's notification.
- 1.5. In event of disagreement with amendments and additions thereto the Client shall have a right to terminate the Agreement.

Section 2. SUBJECT OF THE AGREEMENT

- 2.1. In accordance with the procedure and under the terms established by legislation of the Republic of Kazakhstan, the Code of Rules and present Agreement, the Central Securities Depository shall accept, maintain and retain information on derivative transactions.

- 2.2. The Client shall pay for services of the Central Securities Depository and reimburse expenses of the Central Securities Depository in the manner and within the time limits set out by internal document of the Central Securities Depository entitled the Regulation on Tariffs and Fees (hereinafter – "the Tariffs").

Section 3. RIGHTS OF THE PARTIES

- 3.1. The Central Securities Depository shall have a right to:
- 1) define e-communication data system for e-documents interchange with the Client;
 - 2) refuse the Client in accepting its message or entry record into the Transaction Register System in cases established by the Code of Rules and legislation of the Republic of Kazakhstan;
 - 3) charge fee for services provided from the Client and other stakeholders in accordance with the Tariffs;
 - 4) furnish competent authority and other state authorities (agencies) and empowered officials with information from the Derivative Transaction Register System (*this Sub-clause was amended by resolution of the Board of Directors of the Central Securities Depository dated May 31, 2017*);
 - 5) appeal to the competent authority or law enforcement agencies to protect its rights and interests in the event of improper performance of responsibilities by the Client.
- 3.2. The Central Securities Depository shall have no right to:
- 1) delegate performance of responsibilities put upon thereon by legislation of the Republic of Kazakhstan, Code of Rules, and Agreement;
 - 2) entry records to the Transaction Register System without duly executed message of the Client;
 - 3) deliver information from the Derivative Transaction Register System without the Client' request saving for established by Sub-clause 4) Clause 3.1 current section;
 - 4) carry out joint activities with the Client that may be resulted in damage to other clients of the Central Securities Depository and other persons.
- 3.3. The Client shall have a right to:
- 1) in event of the Central Securities Depository's misconduct to appeal to competent authority or other law enforcement agencies to protect its rights and interests;
 - 2) request statement from the Derivative Transaction Register System from the Central Securities Depository.
- 3.4. The Client shall have no right to:
- 1) delegate performance of duties entrusted thereon by legislation of the Republic of Kazakhstan, Code of Rules and Agreement;
 - 2) breach the Code of Rules.

Section 4. LIABILITIES OF THE PARTIES

- 4.1. The Central Securities Depository shall:
- 1) execute acceptance, maintenance and retention of derivative transactions data in line with legislation of the Republic of Kazakhstan and the Code of Rules;
 - 2) duly fulfill liabilities entrusted thereon by the Code of Rules and Agreement;
 - 3) retain documents constituting the Derivative Transaction Register System within the timeframe, established under legislation of the Republic of Kazakhstan;
 - 4) issue invoices to the Client in accordance with the Tariffs;
 - 5) communicate amendments and additions into the Code of Rules to the Client, including amendments and additions into the Agreement, and amendments and additions into the Tariffs and Operational Schedule of the Central Securities Depository not later than fifteen (15) calendar days prior to effective date.
- 4.2. The Client shall:
- 1) observe legislation of the Republic of Kazakhstan and the Code of Rules;
 - 2) duly discharge liabilities, entrusted thereon by the Agreement and the Code of Rules;
 - 3) provide the Central Securities Depository with information on all resolutions made, effecting on fulfillment of liabilities hereunder;
 - 4) pay services and reimburse expenses of the Central Securities Depository in the manner and within the time limits set out by the Tariffs.
- 4.3. In case of changing data of one of the Party granted while execution of the Agreement, this Party shall inform another Party in writing within five (5) days since the date of changing data, and provide with new documents, as needed.

Section 5. THE PROCEDURE OF DOCUMENT INTERCHANGE

- 5.1. The Procedure of document interchange between the Central Securities Depository and Client shall be established by the Code of Rules.

Section 6. RESPONSIBILITY OF THE PARTIES

- 6.1. The Parties shall be responsible for default hereunder in accordance with legislation of the Republic of Kazakhstan except as otherwise provided herein.
- 6.2. The Parties shall bear shared responsibility under laws of the Republic of Kazakhstan in event of inflicting damages to each other resulted from failure to perform or improper performance of obligations hereunder in the amount of actual damage, unless otherwise specified herein.

**The Code of Rules of Central Securities Depository JSC:
The Rules of Carrying out Activities on Generation and Maintenance
of the Derivative Transaction Register System**

- 6.3. The Client shall be responsible for correctness of drafting and integrity of information to be sent to the Central Securities Depository.
- 6.4. The Central Securities Depository shall be responsible for accuracy and expediency of information processing sent by the Client.
- 6.5. The Central Securities Depository shall not be responsible for failure to perform or improper performance of its obligations if the Client does not meet requirements established by legislation of the Republic of Kazakhstan, Code of Rules and Agreement.
- 6.6. The Central Securities Depository shall not be responsible for the damage inflicted to the Client by the fault of third parties.
- 6.7. For untimely discharge of obligations to pay against invoices issued by the Central Securities Depository the Client shall pay the forfeit estimated of outstanding amount equals to 1.5-fold official discount rate of the National Bank of the Republic of Kazakhstan as at the date of payment, for each day of delay.

Section 7. FORCE MAJEURE

- 7.1. If event of failure to perform or improper performance of its obligations hereunder as a result of occurrence of force majeure circumstances the Parties shall not be liable to each other. Force-majeure circumstances, include but not limited to earthquake, flooding, mudflow, military operations of any nature, blockade, resolution of competent state authorities, including foreign state authorities, temporary suspension or complete cessation of operations of recordkeeping entity precluding fulfillment of obligations hereunder as well as other obligations emerging of which hinder from fulfillment of the Agreement beyond control of the Parties.
- 7.2. The Parties shall notify each other of emerging the force-majeure circumstances as soon as possible, whereupon encumbrance and its effects, having impact on performance of obligations, will become known of one of the Parties. All obligations hereunder will be suspended for the period of such circumstances. A fact of occurring of force majeure circumstances shall be evidenced by relevant documents.
- 7.3. Upon termination of the force-majeure circumstances the Parties shall take all actions needed for proper fulfillment of obligations hereunder. If the period of the force-majeure circumstances lasts over three months, the Parties shall be entitled to dissolve the Agreement by mutual consent.

**Section 8. VALIDITY PERIOD OF THE AGREEMENT AND PROCEDURE OF ITS
TERMINATION**

- 8.1. The Agreement will become effective since the date specified in the notification of execution of an agreement provided to the Client by the Central Securities Depository, and terminate its effect based on the competent authority's resolution of revoking the Client's license.

**The Code of Rules of Central Securities Depository JSC:
The Rules of Carrying out Activities on Generation and Maintenance
of the Derivative Transaction Register System**

- 8.2. In event of termination of the Agreement the Parties' actions will be governed in accordance with legislation of the Republic of Kazakhstan, order of the competent authority and/or the Code of Rules.
- 8.4. When unilaterally terminating the Agreement the Party initiated termination of the Agreement shall give the 30-day notice to another Party prior to the date of expected termination subject to all conditions established by the Code of Rules.
- 8.5. Termination of the Agreement shall not excuse the Parties from discharge of obligations emerged in compliance with terms of the Agreement before expiration hereof.
- 8.6. When changing form of legal entity's incorporation or restructuring of one of the Parties the Agreement will not set to expire, and will be transferred to successors and assigns.

Section 9. DISPUTE SETTLEMENT PROCEDURE

- 9.1. In the event of disagreement or disputes in the process of fulfillment of the Agreement the Parties shall undertake all actions needed to sort these disputes out in an extrajudicial manner in the best interests of each other.
- 9.2. If no mutual consent is reached all disputes of the Parties shall be settled in the procedure established by legislation of the Republic of Kazakhstan.

**Section 10. LEGAL ADDRESS AND DETAILS
OF THE CENTRAL SECURITIES DEPOSITORY**

- 10.1. Legal address and details of the Central Securities Depository shall be published on website of the Central Securities Depository.

**The Code of Rules of Central Securities Depository JSC:
The Rules of Carrying out Activities on Generation and Maintenance
of the Derivative Transaction Register System**

Annex 2

To the Rules of Carrying Out Activities
on Generation and Maintenance of the
Derivative Transaction Register System

THE LIST OF DOCUMENTS

**for entering into the Agreement for Receiving, Maintenance and Retention of Derivative
Transactions Data**

Pos. #	Item
1.	Application for entering into the Agreement for Receiving, Maintenance and Retention of Derivative Transactions Data according to the form established by Annex 3 hereto
2.	Application for documents interchange with the Central Securities Depository JSC via electronic document interchange systems (Annex 2 to the Rules on Acceptance and Issue of Operational Documents, included in the Code of Rules)
3.	Notarized copy of available certificate (statement) on state (re) registration of legal entity (for corporates that are not participants of the Central Securities Depository)
4.	Notarized copies of the applicant's available licenses to exercise banking and other operations, to carry out broker and (or) dealer activities on the security market to manage investment portfolio (<i>this Clause was amended by resolution of the Board of Directors of the Central Securities Depository dated May 31, 2017</i>)
5.	Sample signatures and seal card (identity of which identity of which is notarized) and seal impression ⁴
6.	The Power of Attorney formalized in accordance with requirements of the Republic of Kazakhstan for the Applicant's designees entitled to submit documents to the Central Securities Depository and to obtain reporting documents and other documents in the Central Securities Depository.

⁴ The Central Securities Depository posts e-files of such documents on its website (www.kacd.kz).

**The Code of Rules of Central Securities Depository JSC:
The Rules of Carrying out Activities on Generation and Maintenance
of the Derivative Transaction Register System**

Annex 3

To the Rules of Carrying Out Activities
on Generation and Maintenance of the
Derivative Transaction Register System

THE APPLICATION

**for entering into the Agreement for Receiving, Maintenance and Retention of Derivative
Transactions Data with Central Securities Depository JSC**

_____ year # _____

We hereby _____,
hereinafter referred to as the "Applicant" (_____),
(title, number, date and authority issued this document confirming registration of the Applicant as a legal entity)

Represented by _____,
acting on the basis _____, assert that:

enters into an Agreement and shall be obliged to observe terms, set out by the Agreement for Receiving, Maintenance and Retention of Derivative Transactions Data, being Annex 1 to the Rules of Carrying Out Activities on Generation and Maintenance of the Derivative Transaction Register System, included in the Code of Rules of Central Securities Depository JSC;	_____ (signature of authorized person)
Has read and understood the Code of Rules of Central Securities Depository JSC, and shall be obliged to fulfill conditions of the Code of Rules of Central Securities Depository JSC and shall accept all amendments and additions altered thereafter to the Code of Rules of Central Securities Depository JSC.	_____ (signature of authorized person)

Location of the Applicant: _____

Banking details of the Applicant: _____

(position, surname, given name, patronymic (if any) and signature of the Applicant's designee)

PLACE FOR STAMP