

KASE CLEARING CENTER JSC

Approved

by decision of the Board of Directors of
KASE Clearing Center JSC
(minutes of the meeting
dated July 31, 2024 No. 15)

Effective

from September 1, 2024

PROCEDURE

for inclusion of financial instruments
in T+ List and T+ Collateral List

This Procedure has been developed subject to internal documents of KASE Clearing Centre JSC (hereinafter referred to as the Clearing Centre) and establishes:

- 1) the procedure to form a List of financial instruments admitted to transactions with the central counterparty subject to terms and conditions of partial collateral (T+ List);
- 2) the procedure to form a List of financial instruments to be taken into account as a collateral under obligations under transactions with a partial collateral (List of Collateral T+);
- 3) terms and conditions for inclusion of financial instruments in T+ List and T+ Collateral List (hereinafter referred to as T+ Lists), as well as their exclusion from T+ Lists;
- 4) terms and conditions and procedure to establish the signs "ban of short sales" and "ban on unsecured purchases" for financial instruments.

Article 1. General Provisions

1. For purposes of this Procedure, the following notions shall be used:
 - 1) **reliability group** – a group of securities formed subject to the internal document of the Clearing Centre – Methodology for Assessing the Risk Level of Issuers of Securities Accepted for Clearing Services by the Clearing Centre;
 - 2) **voluntary provider** – a clearing participant which has submitted an application for consent to act as a party to conclusion by the Clearing Center on its behalf of transactions using client trading and clearing account specified in the application, as part of the procedure to transfer positions in manner determined by the internal document of the Clearing Center – Rules for implementation of clearing activities with financial instruments (hereinafter referred to as the Clearing Rules), if there are necessary securities recorded on such trading and clearing account;
 - 3) **non-government debt security** – securities (except for securities of international financial organizations) issued by issuers of the Republic of Kazakhstan subject to the laws of the Republic of Kazakhstan, included in the official list of Kazakhstan Stock Exchange JSC (hereinafter referred to as the Exchange);
 - 4) **initiator** – a person which has submitted an application for inclusion of a financial instrument in T+ List. A clearing participant, initiator of admission of a security to trading lists of the Exchange, may act as an initiator;
 - 5) **Committee** – the Market Risk Committee, which is a permanent collegial body under the Management Board of the Clearing Centre, the purpose of which is to analyze, monitor, identify and manage risks on the financial markets, activities of clearing participants, issuers and investors, as well as prepare recommendations for the Management Board of the Clearing Centre (hereinafter referred to as the Management Board);
 - 6) **corporate events** – events that have a significant impact on activities of the issuer, affecting the interests of holders of securities and investors of the issuer (repurchase of securities, delisting, negative events in relation to the main shareholders of the issuer, as well as other events that increase the risk of default and/or affect volatility of the financial instrument);
 - 7) **responsible subdivisions** – structural subdivisions of the Clearing Centre, functions of which include evaluation of a risk level of issuers of securities accepted for clearing services by the Clearing Centre, as well as managing the liquidity of the central counterparty;
 - 8) **provider** – a clearing participant defined as a party to conclusion of transactions for transfer of positions or liquidation of positions for the purpose of settling a default, acting on the basis of an agreement signed with the Clearing Center;

- 9) **"KASE" section** – a section of sub-account with the sign "sub-account of a trading participant" of the personal account opened in the accounting system opened with Central Depository JSC subject to the Set of Rules of the Central Depository for the purpose of accounting for contributed collateral in securities and discharge of net obligations and net claims in securities under transactions with the Central Counterparty based on results of clearing on net basis and discharge of obligations and claims in securities under transactions without the Central Counterparty based on results of clearing on a gross basis;
 - 10) **T+ List** – a list of financial instruments admitted to transactions with the central counterparty on conditions of partial collateral;
 - 11) **T+ Collateral List** – a list of financial instruments recorded as a collateral under obligations under partial collateral transactions;
 - 12) **trading and clearing account** – an account in the trading and clearing system opened for a client of a clearing participant – a trading participant, which is a combination of 1st level trading account and a clearing account code matching it;
 - 13) **authorized subdivision** – a structural subdivision of the Clearing Center, functions of which include:
 - review of an application for inclusion of financial instruments in T+ List and/or exclusion from T+ Lists and preparation of relevant opinions for study by the Committee;
 - monitoring the compliance of financial instruments with conditions for inclusion and stay in T+ List and/or T+ Collateral List;
 - submitting offers for inclusion of financial instruments in T+ Lists or their exclusion from T+ Lists;
 - 14) **Securities of the quasi-public sector** – securities of quasi-public sector entities, the issuer of which is:
 - an organization, 100 percents of the total number of issued shares or of paid-up authorized capital of which belongs to the National Bank of the Republic of Kazakhstan;
 - a national company of the Republic of Kazakhstan;
 - an organization, 75 or more percents of the total number of issued shares or of the paid-up authorized capital of which belongs to the state, a national holding company or a national management holding company;
 - an organization, 75 or more percents of the total number of issued shares or of the paid-up authorized capital of which belongs to a subsidiary of a national holding company or a subsidiary of a national management holding company;
 - 15) **issuer** – a legal entity (an organization and/or the state that has issued the securities), which is considered as the issuer of securities during their listing and presence of securities in the official list of the Exchange subject to the internal document of the Exchange – the Listing Rules.
2. Other notions and terms used in this Procedure are defined by the laws of the Republic of Kazakhstan, the Clearing Rules, as well as other internal documents of the Clearing Center.

Article 2. Formation of T+ List and T+ Collateral List

1. T+ List and T+ Collateral List shall be formed by inclusion of financial instruments in T+ List and T+ Collateral List, respectively, or excluding them

- from T+ Lists by performing relevant settings in the trading and clearing system of a specific exchange market by the authorized subdivision.
2. T+ Lists shall be formed separately for each exchange market serviced by the Clearing Center.
 3. Grounds for study by the authorized subdivision of the issue of including financial instruments in T+ Lists and/or excluding them from T+ Lists shall be:
 - 1) an application from the initiator for inclusion of financial instruments in T+ List and/or exclusion them from T+ Lists. An application for inclusion of financial instruments in T+ Collateral List from the initiators shall not be accepted and shall not be subject to study by the authorized subdivision;
 - 2) monitoring of compliance of financial instruments with terms and conditions and requirements for inclusion of financial instruments in T+ List and/or T+ Collateral List and their stay in them;
 - 3) other grounds stipulated by clause 1 article 5 of this Procedure.
 4. Financial instruments shall be included in T+ Lists and excluded from them based on a decision of the Committee (except for cases stipulated by clauses 6 and 7 of this article, respectively).
 5. Decision to include financial instruments in T+ Lists / exclude from T+ Lists shall be made by the Committee in cases stipulated by this Procedure, subject to participation in the meeting of the Committee of at least two members of the Management Board of the Clearing Center and one member of the Management Board of the Exchange.
 6. Financial instrument shall be included in T+ Lists by an authorized subdivision without the Committee taking a relevant decision:
 - 1) in relation to a government security (hereinafter referred to as a GS) issued by the National Bank of the Republic of Kazakhstan or the Ministry of Finance of the Republic of Kazakhstan and admitted to circulation on the Exchange;
 - 2) if the financial instrument refers to a group or type of financial instruments in respect of which the Committee has decided to include them in any of T+ Lists (a blank decision of the Committee);
 - 3) in relation to a financial instrument of the foreign exchange market and the derivatives market admitted to trading on the Exchange;
 - 4) in relation to a debt security issued by an international financial organization.
 7. Financial instrument shall be excluded from T+ Lists by an authorized subdivision without the Committee taking a relevant decision:
 - 1) upon termination of existence of a financial instrument as an object of civil rights (redemption, cancellation of issue, exchange, etc.), as well as upon termination of trading in a financial instrument on the Exchange and/or redemption (early redemption) of bonds, taking into account terms and conditions set out in sub-clauses 6) and 7) clause 2 article 8 of this Procedure, respectively;
 - 2) if the financial instrument refers to a group or type of financial instruments in respect of which the Committee has decided to exclude them from any T+ List (a blank decision of the Committee).
 8. When studying an application from the initiator to include a financial instrument in T+ List, the authorized subdivision shall provide a reasoned refusal to include the financial instrument in T+ List without the Committee taking a relevant decision in the event of:

- 1) availability of a valid decision of the Committee to suspend inclusion of financial instruments of a certain type and/or issuer, and/or denominated in a certain currency in T+ List;
 - 2) non-compliance of the financial instrument with requirements for credit stability level (reliability criterion) and/or structure of the issue for inclusion in T+ List;
 - 3) availability of a decision of the Committee not to include the specified instrument in T+ List taken less than one calendar quarter ago, unless otherwise specified in this decision.
9. Information about inclusion of a financial instrument in T+ Lists or about its exclusion from T+ Lists shall be communicated to clearing participants by posting relevant information on the Internet resource of the Clearing Center – www.kacc.kase.kz.
 10. If the Committee decides to refuse to include a financial instrument in T+ List, information about this decision shall be communicated to the initiator by an official letter no later than the second business day from the date of the relevant decision.
 11. List of financial instruments included in T+ Lists shall be posted on the official Internet resource of the Clearing Center – www.kacc.kase.kz.

Article 3. Structure of T+ List and T+ Collateral List on the Stock Market

1. Maximum or minimum limit volume for any financial instrument or group (type) of financial instruments in T+ Lists on the stock market shall be established by Annex 1 to this Procedure (indicative structure of T+ List and T+ Collateral List on the stock market (hereinafter referred to as the indicative structure of T+ Lists)).
2. Indicative structure of T+ Lists shall be determined in order to achieve a balanced composition of financial instruments in T+ Lists to minimize the market and credit risk of the central counterparty when implementing default management subject to the Clearing Rules and other internal documents of the Clearing Center.
3. When studying the issue to include financial instruments in any of T+ Lists, compliance of the actual structure of T+ Lists with the indicative structure of T+ Lists shall be taken into account, given the financial instruments offered for inclusion.
4. If inclusion of any financial instrument in T+ List and/or T+ Collateral List results in a discrepancy between its actual and indicative structures, the Committee shall refuse to include such financial instrument in the relevant list or take decision on its inclusion, with establishment of increasing coefficients to calculated values of market risk rates for this financial instrument subject to annex 14 to this Procedure.
5. If, based on results of monitoring the compliance of financial instruments with terms and conditions for inclusion and stay in T+ List and/or T+ Collateral List, a discrepancy is revealed between the actual and indicative structures of T+ Lists, the Committee shall take measures to achieve compliance between the actual and indicative structures of T+ Lists by excluding any financial instruments from T+ Lists or take decision on establishment of increasing coefficients to calculated values of market risk rates for financial instruments in respect of which such discrepancy has been recorded, subject to annex 14 to this Procedure.

In case of a decision to exclude any financial instruments from T+ Lists, the first to be excluded shall be financial instrument with a lower level of liquidity, as well as credit stability of the issuer of such financial instrument (reliability criterion)

and with the longest term until maturity in the relevant group of financial instruments.

Article 4. Requirements and criteria for T+ List and T+ Collateral List

1. In order to include financial instruments in T+ List and/or T+ Collateral List of the stock market and/or to include these financial instruments in T+ Lists, requirements and criteria shall be established for each type or group of financial instruments that must be met.
2. Requirements and criteria that must be met for inclusion and/or stay of financial instruments in T+ List of the stock market are established:
 - 1) in relation to government securities of the Ministry of Finance of the Republic of Kazakhstan or the National Bank of the Republic of Kazakhstan – by annex 2 to this Procedure;
 - 2) in relation to government securities of a foreign state – by annex 3 to this Procedure;
 - 3) in relation to non-government debt securities, with the exception of securities of "KASE Global" sector – by annex 4 to this Procedure;
 - 4) in relation to securities of "KASE Global" sector – by annex 5 to this Procedure;
 - 5) in relation to a debt security of an international financial organization – by annex 6 to this Procedure;
 - 6) in relation to a non-government debt security – by annex 7 to this Procedure.
3. Requirements and criteria that must be met for inclusion and/or stay of financial instruments in T+ Collateral List of the stock market are established:
 - 1) in relation to government securities of the Ministry of Finance of the Republic of Kazakhstan or the National Bank of the Republic of Kazakhstan – by annex 8 to this Procedure;
 - 2) in relation to government securities of a foreign state – by annex 9 to this Procedure;
 - 3) in relation to a non-government debt security, with the exception of securities of "KASE Global" sector – by annex 10 to this Procedure;
 - 4) in relation to securities of "KASE Global" sector – by annex 11 to this Procedure;
 - 5) in relation to a debt security of an international financial organization – by annex 12 to this Procedure;
 - 6) in relation to a non-government debt security – by annex 13 to this Procedure.
4. All financial instruments of the foreign exchange market and derivatives market admitted to circulation on the Exchanges shall be included in T+ Lists of the said markets.

In such case, only Kazakhstan tenge and US dollars can be included in T+ Collateral Lists of the foreign exchange market and derivatives market.

Article 5. Procedure for inclusion of financial instruments in T+ Lists, exclusion from T+ Lists

1. Inclusion of financial instruments in T+ List and/or T+ Collateral List, as well as exclusion of financial instruments from T+ Lists shall be carried out on the

grounds stipulated by this Procedure, taking into account an opinion of the authorized subdivision on compliance of financial instruments with requirements and conditions for inclusion and/or stay of financial instruments in T+ List and/or T+ Collateral List established by this Procedure (hereinafter referred to as the Conclusion) based on results of:

- 1) monitoring of financial instruments accepted for clearing services for their compliance with requirements and criteria for inclusion in T+ List and/or monitoring of financial instruments in T+ List for their compliance with requirements and criteria for inclusion and presence in T+ Collateral List;
 - 2) study of an application from the initiator for inclusion of financial instruments in T+ List or exclusion of financial instruments from T+ List;
 - 3) receiving information from the Exchange about inclusion of financial instruments in lists of the Exchange or exclusion of financial instruments from lists of the Exchange;
 - 4) study of a memo of the responsible subdivision on advisability to include financial instruments in T+ List and/or exclude from T+ Collateral List (from T+ Lists) for the purpose to implement projects and tasks of the Clearing Centre and/or the Exchange;
 - 5) study of a memo of the responsible subdivision that manages liquidity of the central counterparty on possibility to include or exclude a financial instrument in/ from T+ List and/or T+ Collateral List (from T+ Lists) taking into account availability (absence) of the possibility of implementing default management for such financial instrument;
 - 6) receiving the information by the Clearing Centre on planned or completed corporate events;
 - 7) assessing the factors that, in the opinion of the Committee, significantly affect the possibility of including or stay of any financial instrument in T+ List or T+ Collateral List.
2. The opinion shall be submitted for study to the Committee for it to make decisions on inclusion of financial instruments in T+ Lists and/or exclusion from T+ Lists within the following timeframe:
- 1) quarterly no later than the 20th day of the last calendar month of the quarter in case provided for in sub-clause 1) clause 1 of this article;
 - 2) monthly no later than the 10th business day of the month following the month in which the application from the initiator provided for in sub-clause 2) clause 1 of this article was received;
 - 3) no later than the 5th business day following the day on which the circumstances provided for in sub-clauses 3) – 6) clause 1 of this article arose, provided that the responsible subdivisions provide all the necessary information.
3. The Opinion shall contain the following information:
- 1) grounds for submitting the issue for study by the Committee;
 - 2) list of financial instruments in respect of which the Opinion has been prepared;
 - 3) date of inclusion of the financial instrument in T+ Lists / exclusion from T+ Lists;
 - 4) grounds for inclusion of a financial instrument in T+ Lists / exclusion from T+ Lists;
 - 5) offers on value of the increasing coefficients to calculated values of market risk rates subject to annex 14 to this Procedure, if they are established with respect to a financial instrument;

- 6) offers on establishing (not establishing) the signs of "ban on short sales", "ban on unsecured purchases";
 - 7) other terms and conditions, parameters and information with respect to the financial instrument (optional, if any) required by the Committee for a decision on inclusion of a financial instrument in T+ Lists / exclusion from T+ Lists.
4. In order to prepare the Opinion, the authorized subdivision shall have the right to send a request to the responsible subdivisions of the Clearing Center, as well as, within the relevant agreement, to subdivisions of the Exchange, for provision of additional information and documents.
 5. Responsible subdivisions of the Clearing Center shall provide information and documents requested by the authorized subdivision within the timeframe specified in the request of the authorized subdivision.
 6. Subdivision of the Clearing Centre responsible for liquidity management, based on a request from an authorized subdivision (in relation to T+ Lists) and/or an application from the initiator (in relation to T+ List), shall, within two business days from the date of receipt of the said request and/or application, provide the authorized subdivision with an opinion related to the financial instruments on the possibility of inclusion of the financial instrument in T+ List and/or T+ Collateral List or its inclusion in the said lists.

Article 6. Procedure for monitoring of T+ Lists by the authorized subdivision

1. Monitoring of T+ Lists shall include:
 - 1) analysis of compliance of financial instruments with the applicable conditions and requirements for their inclusion and/or stay in T+ Lists, established by annexes 2–13 to this Procedure;
 - 2) analysis of compliance of the actual structure of T+ Lists with the indicative structure of T+ Lists, established by annex 1 to this Procedure;
 - 3) preparation of recommendations for inclusion of financial instruments in T+ Lists or their exclusion from T+ Lists.
2. In order to analyze compliance of financial instruments with the applicable terms and conditions and requirements for their inclusion and/or stay in T+ Lists, established by annexes 2 – 13 to this Procedure, the authorized subdivision shall use information about financial instruments provided by the Exchange and/or posted on the Internet resource of the Exchange, as well as generated by the Clearing Center in the course of its activities subject to its internal documents.

Analysis shall be carried out for all financial instruments accepted for clearing services, ignoring the fact of their stay or absence in any of T+ Lists.
3. In order to analyze compliance of the actual structure of T+ Lists with the indicative structure of T+ Lists, the authorized subdivision shall calculate:
 - 1) total volume of financial instruments in circulation, included in T+ Lists;
 - 2) total volume of financial instruments, included in T+ Lists, entered in the "KASE" section;
 - 3) share of each type of financial instruments in the total volume of financial instruments in circulation by issuers and currencies of face value of the said financial instruments for T+ Lists;
 - 4) share of each type of financial instruments in the total volume of financial instruments of T+ Lists entered in the "KASE" section of T+ Lists.

4. Calculation of a total volume of financial instruments in circulation and total volume of financial instruments entered in the "KASE" section shall be made in tenge on the monitoring date.

For debt securities, this calculation shall be made taking into account their nominal value, for equity securities – given the settlement price determined subject to the internal document of the Clearing Center – Methodology for Determining Settlement Prices of Securities.

For financial instruments denominated in foreign currencies, the calculation shall be made using the exchange rate of foreign currencies to tenge established by the National Bank of the Republic of Kazakhstan on the date of the said calculation.

5. Based on results of the analysis of compliance of the actual structure of T+ Lists with the indicative structure of T+ Lists, the authorized subdivision shall prepare recommendations to the Committee regarding the following:
 - 1) suspension of inclusion of financial instruments of a certain type and/or issuer, and/or denominated in a certain currency in T+ Lists;
 - 2) need to apply increasing coefficients to the calculated values of market risk rates subject to annex 14 to this Procedure with respect to individual financial instruments;
 - 3) exclusion of certain financial instruments from T+ Lists, taking into account the recommendation of the subdivision responsible for liquidity management.
6. For purposes of clause 3 of this article:
 - 1) total volume of financial instruments accepted as a collateral shall be determined in tenge as a sum of products of the number of financial instruments entered in the "KASE" section (for securities) and/or recorded in the Clearing Center's accounting accounts (for money) on the monitoring date, and the lower limit of the market risk assessment range for the said financial instruments, calculated subject to the internal document of the Clearing Center – Methodology for Determining the Risk Parameters of Financial Instruments;
 - 2) volume of financial instruments of a certain type accepted as a collateral shall be determined as a product of the number of financial instruments of a certain type entered in the "KASE" section (for securities) and/or recorded on accounting accounts of the Clearing Center (for money) on the monitoring date, and the lower limit of the market risk assessment range for the said financial instruments, calculated subject to the internal document of the Clearing Center – Methodology for Determining the Risk Parameters of Financial Instruments.

Article 7. Specifics of Inclusion of financial instruments in T+ List and T+ Collateral List

1. Government securities of the Ministry of Finance of the Republic of Kazakhstan or the National Bank of the Republic of Kazakhstan that meet the requirements for inclusion in T+ List and/or T+ Collateral List, with the exception of securities denominated in foreign currency, shall be included in T+ List and/or T+ Collateral List from the date of opening of their trading on the Exchange.
2. When studying the issue of including debt securities in T+ Collateral List, given equal compliance with requirements of this Procedure, preference shall be given to debt securities with a shorter circulation period.
3. Financial instrument that does not meet requirements of this Procedure for inclusion in T+ List and/or stay in T+ List, with the exception of the requirement for the issue structure, can be included in T+ List and stay in T+ List, provided

that increasing coefficients are applied to calculated values of market risk rates subject to annex 14 to this Procedure with respect to such financial instrument.

4. Financial instrument that does not meet requirements of this Procedure for inclusion in T+ List and/or stay in T+ List, with the exception of the requirements for the issue structure, can be included in T+ List and stay in T+ List if there is an application from the initiator to apply the initial margin rates and a concentration of 100%.

Article 8. Grounds for exclusion of financial instruments from T+ List and T+ Collateral List

1. Financial instrument can be excluded from T+ List and/or T+ Collateral List when it does not meet requirements for the financial instrument to stay in T+ List and/or T+ Collateral List, as well as upon occurrence of any of the cases set out in clause 2 of this article.
2. Financial instrument shall be excluded from T+ List and/or T+ Collateral List in the following cases:
 - 1) occurrence of cases of failure by the issuer of securities to discharge its obligations to holders of its securities or upon receipt by the Clearing Center of information indicating a deterioration in the financial condition of the issuer, in which case the financial instrument shall not meet requirements for level of credit stability, criteria for which are established by this Procedure;
 - 2) announcement by the issuer of the financial instrument of repurchase/exchange of the financial instrument;
 - 3) significant change in the market situation, prices of financial instruments, increase in market volatility;
 - 4) occurrence of cases of a failure by the issuer or the initiator of admission of such financial instrument to comply with requirements for disclosure of information on planned changes to prospectuses of issue of securities, prospectuses of issue of bond program and other documents determining the procedure and deadline of redemption, payment of coupon interest for bonds, as well as timeframe to fix the register of holders for making such payments, the amount of coupon payments, par value for bonds, as well as other characteristics of the security affecting determination of its value, terms of circulation, terms and amounts of payment of coupon interest or dividends;
 - 5) occurrence of cases of a failure by the issuer or initiator of admission of the financial instrument to comply with requirements for disclosure of information about corporate events of the issuer of securities;
 - 6) termination of trading in the financial instrument subject to the rules of the Exchange governing the general conditions of exchange activities from the date following the date of discharge of all obligations and requirements for the specified financial instrument;
 - 7) redemption (early redemption) of bonds:
 - one business (clearing) day before the date of fixing the register of bondholders for its redemption, if fixing is carried out at the beginning of the day;
 - on the date of fixing the register of bondholders for its redemption, if fixing is carried out at the end of the day;
 - one business (clearing) day before the date determined subject to the first or second paragraph of this sub-clause, if fixing the register of bondholders is carried out on a non-business day.

3. Financial instrument can be excluded from T+ List and/or T+ Collateral List temporarily (for a certain period) in the following cases:
 - 1) if there is information about corporate events of the issuer (repurchase of shares, delisting, negative events in relation to major shareholders, as well as other events that increase the risk of default and/or entail increased volatility of price characteristics of the financial instrument);
 - 2) long holidays in the Republic of Kazakhstan or in foreign countries, subject to the laws of which the given financial instrument is traded.
4. Financial instrument can be excluded from T+ Lists in cases provided for in this article, without observing the deadlines established by clause 2 article 5 of this Procedure.

Article 9. Conditions for establishing the signs "ban on short sales" and "ban on unsecured purchases" for financial instruments of T+ List

1. The following signs can be established for financial instruments included in T+ List:
 - 1) "ban on unsecured purchases" sign: it shall be established in relation to a currency and shall mean that transactions with settlements in such currency are closed with full coverage of the arising obligations in such currency;
 - 2) "ban on short sales" sign: it shall be established in relation to a security and shall mean that transactions with such security are closed with full coverage of the arising obligations in such security.
2. Signs set out in clause 1 of this article shall be established on the basis of a decision of the Committee if any of the following conditions exist:
 - 1) average daily total amount of foreign currency recorded on clearing accounts of all clearing participants for the last calendar month and/or for the previous business day is below the concentration limit established for this foreign currency;
 - 2) average daily total number of securities recorded in the clearing accounts of voluntary providers for the last calendar month and/or for the previous business day is a value for these financial instruments lower than the sum of two maximum daily open positions for the specified period;
 - 3) other conditions indicating the unavailability of financial instruments in the trading and clearing accounts of clearing participants required to carry out default management procedures.
3. Period of validity may be established for signs specified in clause 1 of this article, whereby:
 - 1) if only the start date of the sign is determined, the sign shall be valid from this date and indefinitely;
 - 2) if a period of validity is established for the sign, the sign shall be valid from the start date of the validity period (inclusive) to the end date of the validity period (inclusive).
4. For securities included in "KASE Global" sector of the "Mixed" platform of the official list of the Exchange, the "ban on short selling" sign can be established if the Clearing Center receives information about occurrence of a corporate event (announcement of a corporate event) and remain in effect until the date of completion of the corporate event or until the date of receipt by the Clearing Center of information about its completion, inclusive.

Article 10. Final provisions

1. The Procedure and all amendments and/or additions to this Procedure shall be communicated to the clearing participants by posting them on the Internet resource of the Clearing Center.
2. The Procedure shall be updated as necessary, but not less than once every three years to be counted from the date this Procedure takes effect.
3. The authorized subdivision shall be responsible for timely introduction of amendments and additions to this Procedure.

Chairperson of the Management Board

N. Khoroshevskaya

Annex 1

to the Procedure for
Inclusion of Financial
Instruments in T+ List and
T+ Collateral List

**INDICATIVE STRUCTURE
of T+ List and T+ Collateral List of the stock market**

No.	Type of financial instruments	Limiting minimum or maximum volume *	
		T+ List	T+ Collateral List
I. Limiting minimum or maximum volume of type or group of financial instruments			
1.	KZT	–	up to 100%
2.	USD	–	up to 50%
3.	Government securities of the Ministry of Finance of the Republic of Kazakhstan or the National Bank	up to 100%	70% - 100%
4.	Other government securities of the Republic of Kazakhstan directly set out in line 3 of this table	up to 10%	up to 10%
5.	Foreign government securities	up to 10%	up to 5%
6.	Securities of international financial organizations set out in annex 15 to this Procedure, where their rating is not lower than BBB+ on the scale of S&P or rating of a similar level on the scale of Fitch or Moody's	up to 10%	up to 10%
7.	Securities of international financial organizations set out in annex 15 to this Procedure, where their rating is not lower than BBB+ on the scale of S&P or rating of a similar level on the scale of Fitch or Moody's	up to 5%	up to 5%
8.	Shares in the "premium" category of the "main" platform of the official listing of the Exchange	up to 10%	up to 10%
9.	Other shares on the "main" or "alternative" platform of the official listing of the Exchange	up to 10%	up to 5%
10.	Financial instruments in the "KASE Global" sector of the official listing of the Exchange	up to 10%	up to 5%
11.	Securities of the quasi-public sector	up to 50%	up to 30%
12.	Bonds of issuers of the Republic of Kazakhstan, except for securities set out in line 11 of this table	up to 10%	up to 5%
13.	Other securities directly set out in lines 3-12 of this table	up to 10%	up to 5%
II. Limiting minimum or maximum volume per issuer of securities			
14.	Securities of international financial organizations set out in annex 15 to this Procedure, where their rating is not lower than BBB+ on the scale of S&P or rating of a similar level on the scale of Fitch or Moody's	up to 50%	up to 10%
15.	Securities of international financial organizations set out in annex 15 to this Procedure, where their rating is not lower than	up to 50%	up to 10%

Procedure for Inclusion of Financial Instruments in T+ List and T+ Collateral List

No.	Type of financial instruments	Limiting minimum or maximum volume *	
		T+ List	T+ Collateral List
	BBB+ on the scale of S&P or rating of a similar level on the scale of Fitch or Moody's		
16.	Shares in the "premium" category of the "main" platform of the official listing of the Exchange	up to 50%	up to 10%
17.	Other shares on the "main" or "alternative" platform of the official listing of the Exchange	up to 50%	up to 10%
18.	Financial instruments in the "KASE Global" sector of the official listing of the Exchange	up to 50%	up to 10%
19.	Securities of the quasi-public sector	up to 50%	up to 10%
20.	Bonds of issuers of the Republic of Kazakhstan, except for securities set out in line 11 of this table	up to 50%	up to 10%
21.	Other securities directly set out in lines 3-12 of this table	up to 50%	up to 10%

* As a volume of financial instruments to determine the indicative structure of the T+ Lists, it is necessary to use a product of number of such instruments located on KASE sections of clearing participants and their settlement prices determined subject to the internal documents of the Clearing Centre on the date of preparation by the authorized division of the opinion on the possibility of including any financial instrument in the T+ List or on the date of monitoring the compliance of financial instruments with the requirements and criteria for their inclusion in the T+ Lists.

Annex 2

to the Procedure for
Inclusion of Financial
Instruments in T+ List and
T+ Collateral List

REQUIREMENTS

to government securities of the Ministry of Finance of the Republic of Kazakhstan or the National Bank of the Republic of Kazakhstan for its inclusion into List T+ or stay in T+ List

Requirement	Criterion	Inclusion in T+ List	Stay in T+ List
Level of issuer's credit stability	<i>reliability group</i>	group 1	
Issue structure	<i>face value currency</i>	KZT, USD, Euro, GBP, CHF, RUR	
	<i>quotation subject / quotation unit</i>	"net" price, % of face value	
	<i>Type of bonds for interest payment</i>	coupon / discount	
	<i>maturity</i>	fixed-term	
	<i>indexation type (not applied to discount ones)</i>	not indexed or fixed (except for government securities for which coupon rate indexation method is according to TONIA)	

Annex 3

to the Procedure for
Inclusion of Financial
Instruments in T+ List and
T+ Collateral List

REQUIREMENTS

**to government securities of a foreign state
for its inclusion into T+ List and stay in T+ List**

Requirement	Criterion	Inclusion in T+ List	Stay in T+ List
Level of issuer's credit stability	<i>reliability group</i>	group 1, 2 or 3 group 4, 5 with application of multiplying ratio to calculation values of rates of initial margin and concentration rates of separate issuers according to annex 14 of this Procedure	
Issue structure	<i>face value currency</i>	KZT, USD, Euro	
	<i>quotation subject / quotation unit</i>	"net" price, % of face value	
	<i>Type of bonds for interest payment</i>	coupon / discount	
	<i>maturity</i>	fixed-term	
	<i>debt type (not applied to discount ones)</i>	unsubordinated	
	<i>indexation type (not applied to discount ones)</i>	not indexed or fixed	
Placed volume	<i>volume of placed issue</i>	not less than 35 bln KZT	
Liquidity	<i>evaluation on BVAL Score scale¹</i>	not less than 8 points	
	<i>availability of security on KASE sections</i>	at not less than 4 own trading and clearing accounts of 1st level and/or 4 client trading and clearing accounts, for which there is a voluntary provider, with a total volume of securities not less than 50% of the quantity entered to the KASE section	not compulsory (regulated by the sign "ban on short sales")

¹ A proprietary metric system to be provided by Bloomberg that reflects quality of market data needed to assess a fair value of a financial instrument within the Bloomberg Valuation functions. BVAL measures quantity, consistency and completeness of market data used in Bloomberg models. The higher the BVAL Score, the higher the quality of the data collected, reflecting the ongoing liquidity and transparency of market data.

Procedure for Inclusion of Financial Instruments in T+ List and T+ Collateral List

Requirement	Criterion	Inclusion in T+ List	Stay in T+ List
	<i>availability of a market maker</i>		not compulsory criterion
	<i>availability of a liquidity provider or a counterparty line</i>		not compulsory criterion
	<i>availability of an access to direct purchase/ sale (including the international market)</i>		preferably

Annex 4

to the Procedure for Inclusion of Financial Instruments in T+ List and T+ Collateral List

REQUIREMENTS

to a non-government security, except for a security in "KASE Global" sector, for its inclusion in T+ List and stay in T+ List

Requirement	Criterion	Inclusion in T+ List	Stay in T+ List
<i>Level of issuer's credit stability</i>	<i>reliability group</i>	group 1, 2 or 3	
<i>Issue structure</i>	<i>face value currency</i>	KZT, USD	
Liquidity	<i>liquidity class</i>	stay in a liquidity class not lower than the first for not less than 2 calendar months in a row	stay in a liquidity class not lower than the first for no more than 6 calendar months in a row
	<i>availability of security on KASE sections</i>	at not less than 4 own trading and clearing accounts of 1st level and/or 4 client trading and clearing accounts, for which there is a voluntary provider	not compulsory (regulated by the sign "ban on short sales")
	<i>availability of a market maker</i>	not compulsory criterion	
	<i>availability of a liquidity provider or a counterparty line</i>	not compulsory criterion	
	<i>availability of an access to direct purchase/ sale (including the international market)</i>	preferably	

Annex 5

to the Procedure for
Inclusion of Financial
Instruments in T+ List and
T+ Collateral List

REQUIREMENTS

**to a security in "KASE Global" sector for its inclusion into T+ List and Stay in T+ List
T+**

Requirement	Criterion	Inclusion in T+ List	Stay in T+ List
Level of issuer's credit stability	<i>stay of a security within one of exchange indices approved by decision of the Management Board and/or official listing of a foreign stock exchange</i>	on the monitoring date	
Issue structure	<i>face value currency</i>	KZT, USD, Euro	
Liquidity	<i>availability of evaluation LQA Liquidity score</i>	not lower than 89	not lower than 83
	<i>availability of a market maker</i>	compulsory criterion	preferably
	<i>availability of a liquidity provider or a counterparty line</i>	not compulsory criterion	
	<i>availability of an access to direct purchase/ sale (including the international market)</i>	preferably	

Annex 6

to the Procedure for
Inclusion of Financial
Instruments in T+ List and
T+ Collateral List

REQUIREMENTS

**to a debt security of the international financial organization for its inclusion in T+ List
and stay in T+ List**

Requirement	Criterion	Inclusion in T+ List	Stay in T+ List
<i>Level of issuer's credit stability</i>	<i>reliability group</i>	group 1 or 2	
<i>Issue structure</i>	<i>face value currency</i>	KZT, USD	
	<i>quotation subject / quotation unit</i>	"net" price, % of face value	
	<i>Type of bonds for interest payment</i>	coupon / discount	
	<i>maturity</i>	fixed-term	
	<i>debt type (not applied to discount ones)</i>	unsubordinated	
	<i>indexation type (not applied to discount ones)</i>	not indexed or fixed (except for securities for which coupon rate indexation method is according to TONIA or inflation)	
<i>Placed volume of issue</i>	<i>volume of placed issue</i>	not less than 5 bln KZT (for bonds issued subject to the laws of the Republic of Kazakhstan) not less than 10 bln KZT (for bonds issued subject to the laws of foreign states)	
	<i>volume in circulation</i>	not less than 45% of the issue volume	
	<i>availability of a market maker</i>	not compulsory criterion	
	<i>availability of a liquidity provider or a counterparty line</i>	not compulsory criterion	
	<i>availability of an access to direct purchase/ sale (including the international market)</i>	preferably	

Annex 7

to the Procedure for
Inclusion of Financial
Instruments in T+ List and
T+ Collateral List

REQUIREMENTS

to a non-government debt security for its inclusion into T+ List and stay in T+ List

Requirement	Criterion	Inclusion in T+ List	Stay in T+ List
Level of issuer's credit stability	<i>reliability group</i>	Group 1, 2 or 3 Group 4, 5 with application of multiplying ratio to calculation values of rates of initial margin and concentration rates of separate issuers according to annex 14 of this Procedure	
Issue structure	<i>face value currency</i>	KZT, USD	
	<i>quotation subject / quotation unit</i>	"net" price, % of face value	
	<i>Type of bonds for interest payment</i>	coupon / discount	
	<i>maturity</i>	fixed-term	
	<i>debt type (not applied to discount ones)</i>	unsubordinated	
	<i>indexation type (not applied to discount ones)</i>	not indexed or fixed (except for non-government securities for which coupon rate indexation method is according to TONIA)	
Placed volume of issue/ volume in circulation	<i>volume of placed issue</i>	not less than 5 bln KZT (for bonds issued subject to the laws of the Republic of Kazakhstan) not less than 10 bln KZT (for bonds issued subject to the laws of foreign states)	
	<i>volume in circulation</i>	not less than 45 % of the issue volume	
Liquidity	<i>availability of security on KASE sections</i>	on not less than 2 own trading and clearing accounts of 1st level and/or 2 client trading and clearing accounts, for which there is a voluntary provider	not compulsory (regulated by the sign "ban on short sales")
	<i>availability of a market maker</i>	not compulsory criterion	
	<i>availability of a liquidity provider or a counterparty line</i>	not compulsory criterion	

Procedure for Inclusion of Financial Instruments in T+ List and T+ Collateral List

Requirement	Criterion	Inclusion in T+ List	Stay in T+ List
	<i>availability of an access to direct purchase/ sale (including the international market)</i>	preferably	

Annex 8

to the Procedure for
Inclusion of Financial
Instruments in T+ List and
T+ Collateral List

REQUIREMENTS

to a government security of the Ministry of Finance of the Republic of Kazakhstan or the National Bank of the Republic of Kazakhstan for its inclusion in T+ Collateral List and stay in T+ Collateral List

Requirement	Criterion	Inclusion in T+ Collateral List	Stay in T+ Collateral List
<i>Level of issuer's credit stability</i>	<i>reliability group</i>	group 1	
<i>Issue structure</i>	<i>face value currency</i>	KZT, USD, Euro, GBP, CHF, RUR	
	<i>quotation subject / quotation unit (not applied to discount ones)</i>	"net" price, % of face value	
	<i>Type of bonds for interest payment</i>	coupon / discount	
	<i>maturity</i>	fixed-term	
	<i>indexation type (not applied to discount ones)</i>	not indexed or fixed (except for government securities for which coupon rate indexation method is according to TONIA)	

Annex 9

to the Procedure for
Inclusion of Financial
Instruments in T+ List and
T+ Collateral List

REQUIREMENTS

to a government security of a foreign state for its inclusion in T+ Collateral List and stay in T+ Collateral List

Requirement	Criterion	Inclusion in T+ Collateral List	Stay in T+ Collateral List
Level of issuer's credit stability	<i>reliability group</i>	group 1, 2 or 3	
Issue structure	<i>face value currency</i>	KZT, USD, Euro	
	<i>quotation subject / quotation unit (not applied to discount ones)</i>	"net" price, % of face value	
	<i>Type of bonds for interest payment</i>	coupon / discount	
	<i>maturity</i>	fixed-term	
	<i>debt type (not applied to discount ones)</i>	unsubordinated	
	<i>indexation type (not applied to discount ones)</i>	not indexed or fixed	
Placed volume of issue	<i>volume of placed issue</i>	not less than 35 bln KZT	
	<i>volume in circulation</i>	not less than 60 % of the issue volume	
Liquidity	<i>evaluation on BVAL Score scale</i>	not less than 8 points	
	<i>calculation rate of initial margin of a security determined subject to the Methodology of determination of risk parameters of financial instruments</i>	not more than 60%	
	<i>availability of evaluation LQA Liquidity score</i>	if applicable: Liquidity Cost not more than 0.4 with value of Uncertainty not more than 0.4; Liquidity score within the range of 30 % of an average evaluation of sector's liquidity; if not applicable, it is not evaluated	
	<i>availability of security on KASE sections</i>	at not less than 4 own trading and clearing	not compulsory (regulated by the sign "ban on short

Procedure for Inclusion of Financial Instruments in T+ List and T+ Collateral List

Requirement	Criterion	Inclusion in T+ Collateral List	Stay in T+ Collateral List
		accounts of 1st level and/or 4 client trading and clearing accounts, for which there is a voluntary provider, with a total volume of securities not less than 50% of the quantity entered to the KASE section	sales")
	<i>availability of a market maker</i>	not compulsory criterion	
	<i>availability of a liquidity provider or a counterparty line</i>	not compulsory criterion	
	<i>availability of an access to direct purchase/ sale (including the international market)</i>	preferably	

Annex 10

to the Procedure for
Inclusion of Financial
Instruments in T+ List and
T+ Collateral List

REQUIREMENTS

to a non-government debt security, except for a security in "KASE Global" sector, for its inclusion in T+ Collateral List and stay in T+ Collateral List

Requirement	Criterion	Inclusion in T+ Collateral List	Stay in T+ Collateral List	
<i>Level of issuer's credit stability</i>	<i>reliability group</i>	group 1, 2 or 3		
<i>Issue structure</i>	<i>face value currency</i>	KZT, USD		
Liquidity	<i>liquidity class</i>	<i>stay in a liquidity class not lower than the first for not less than 3 calendar months in a row</i>	<i>stay in a liquidity class not lower than the first for no more than 4 calendar months in a row</i>	
	<i>calculation rate of initial margin of a security determined subject to the Methodology of determination of risk parameters of financial instruments</i>		not more than 50%	
	<i>availability of security on KASE sections</i>	at not less than 4 own trading and clearing accounts of 1st level and/or 4 client trading and clearing accounts, for which there is a voluntary provider	not compulsory (regulated by the sign "ban on short sales")	
	<i>availability of a market maker</i>	compulsory criterion		
	<i>availability of a liquidity provider or a counterparty line</i>	not compulsory criterion		
	<i>availability of an access to direct purchase/ sale (including the international market)</i>	preferably		

Annex 11

to the Procedure for
Inclusion of Financial
Instruments in T+ List and
T+ Collateral List

REQUIREMENTS

to a security of "KASE Global" sector for its inclusion in T+ Collateral List and stay in T+ Collateral List

Requirement	Criterion	Inclusion in T+ Collateral List	Stay in T+ Collateral List
Level of issuer's credit stability	<i>stay of a security within one of exchange indices approved by decision of the Management Board and/or official listing of a foreign stock exchange</i>	on the monitoring date	
Issue structure	<i>face value currency</i>	KZT, USD	
Liquidity	<i>calculation rate of initial margin of a security determined subject to the Methodology of determination of risk parameters of financial instruments</i>		not more than 40%
	<i>availability of evaluation LQA Liquidity score</i>	not lower than 96	not lower than 89
	<i>stay of a security at the moment of study within one of exchange indices approved by decision of the Management Board</i>	on the monitoring date	during stay in T+ List
	<i>availability of a market maker</i>	compulsory criterion	
	<i>availability of a liquidity provider or a counterparty line</i>	not compulsory criterion	
	<i>availability of an access to direct purchase/ sale (including the international market)</i>	preferably	

Annex 12

to the Procedure for
Inclusion of Financial
Instruments in T+ List and
T+ Collateral List

REQUIREMENTS

**to a debt security of an international financial organization for its inclusion in T+
Collateral List and stay in T+ Collateral List**

Requirement	Criterion	Inclusion in T+ Collateral List	Stay in T+ Collateral List
Level of issuer's credit stability	<i>reliability group</i>	group 1 or 2	
Issue structure	<i>face value currency</i>	KZT, USD	
	<i>quotation subject / quotation unit</i>	"net" price, % of face value	
	<i>Type of bonds for interest payment</i>	coupon / discount	
	<i>maturity</i>	fixed-term	
	<i>debt type (not applied to discount ones)</i>	unsubordinated	
	<i>indexation type (not applied to discount ones)</i>	not indexed or fixed (except for securities for which coupon rate indexation method is according to TONIA or inflation)	
Placed volume	<i>volume of issue in circulation</i>	not less than 5 bln KZT (for bonds issued subject to the laws of the Republic of Kazakhstan) not less than 10 bln KZT (for bonds issued subject to the laws of foreign states)	
	<i>volume in circulation</i>	not less than 45 % of the issue volume	
	<i>availability of a market maker</i>	not compulsory criterion	
	<i>availability of a liquidity provider or a counterparty line</i>	not compulsory criterion	
	<i>availability of an access to direct purchase/ sale (including the international market)</i>	preferably	

Annex 13

to the Procedure for
Inclusion of Financial
Instruments in T+ List and
T+ Collateral List

REQUIREMENTS

to a non-government debt security for its inclusion in T+ Collateral List and stay in T+ Collateral List

Requirement	Criterion	Inclusion in T+ Collateral List	Stay in T+ Collateral List
Level of issuer's credit stability	<i>reliability group</i>	group 1, 2 or 3	
Issue structure	<i>face value currency</i>	KZT, USD	
	<i>quotation subject / quotation unit</i>	"net" price, % of face value	
	<i>Type of bonds for interest payment</i>	coupon / discount	
	<i>maturity</i>	fixed-term	
	<i>debt type (not applied to discount ones)</i>	unsubordinated	
	<i>indexation type (not applied to discount ones)</i>	not indexed or fixed (except for securities for which coupon rate indexation method is according to TONIA or inflation)	
Placed volume	<i>volume of placed issue</i>	not less than 5 bln KZT (for bonds issued subject to the laws of the Republic of Kazakhstan) not less than 10 bln KZT (for bonds issued subject to the laws of foreign states)	
	<i>volume in circulation</i>	not less than 45 % of the issue volume	
Liquidity	<i>calculation rate of initial margin of a security determined subject to the Methodology of determination of risk parameters of financial instruments</i>		not more than 20 %
	<i>availability of security on KASE sections</i>	on not less than 2 own trading and clearing accounts of 1st level and/or 2 client trading and clearing accounts, for which there is a voluntary provider	
	<i>availability of a market maker</i>	not compulsory criterion	
	<i>availability of a liquidity provider or a counterparty line</i>	not compulsory criterion	
	<i>availability of an access to direct purchase/ sale (including the international market)</i>	preferably	

Annex 14

to the Procedure for
Inclusion of Financial
Instruments in T+ List and
T+ Collateral List

MULTIPLYING COEFFICIENTS
to calculation values of rates of market risk under
financial instruments

No.	Reliability group	Rating from S&P or rating of a similar level on the scale of Fitch or Moody's	up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5 years and more
1	Group 1	AAA	1.002	1.003	1.004	1.006	1.007	1.015
2		AA+	1.001	1.001	1.001	1.001	1.001	1.001
3		AA	1.001	1.001	1.001	1.001	1.001	1.001
4		AA-	1.001	1.001	1.001	1.001	1.001	1.001
5		A+	1.001	1.001	1.001	1.002	1.003	1.006
6		A	1.001	1.003	1.005	1.007	1.009	1.023
7		A-	1.001	1.002	1.003	1.004	1.005	1.018
8		BBB+	1.001	1.002	1.004	1.006	1.008	1.019
9		BBB	1.001	1.004	1.007	1.012	1.017	1.039
10	Group 2	BBB-	1.004	1.009	1.016	1.021	1.029	1.065
11	Group 3	BB+	1.004	1.019	1.033	1.046	1.057	1.114
12		BB	1.007	1.019	1.030	1.048	1.064	1.127
13		BB-	1.014	1.027	1.043	1.055	1.058	1.090
14	Group 4	B+	1.014	1.043	1.065	1.079	1.089	1.113
15		B	1.023	1.051	1.081	1.111	1.131	1.163
16	Group 5	B-	1.034	1.069	1.144	1.155	1.139	1.153
17	Group 6	CCC+	1.303	1.412	1.506	1.554	1.599	1.601
18		CCC	1.303	1.412	1.506	1.554	1.599	1.601
19		CCC-	1.303	1.412	1.506	1.554	1.599	1.601
20		CC	1.303	1.412	1.506	1.554	1.599	1.601
21		C	1.303	1.412	1.506	1.554	1.599	1.601

Annex 15

to the Procedure for
Inclusion of Financial
Instruments in T+ List and
T+ Collateral List

LIST
of international financial organizations

No.	Name
1	the Asian Development Bank
2	the African Development Bank
3	the Council of Europe Development Bank
4	Eurasian Development Bank
5	the European Bank for Reconstruction and Development
6	the European Investment Bank
7	the Islamic Development Bank
8	the Islamic Corporation for the Development of the Private Sector (ICD)
9	the Inter-American Development Bank
10	the International Development Association
11	the International Finance Corporation
12	the International Bank for Reconstruction and Development
13	the International Monetary Fund
14	the International Center for the Settlement of Investment Disputes
15	the Multilateral Investment Guarantee Agency
16	the Nordic Investment Bank