

CODE OF RULES

Operating Regulations

Approved by

resolution of the Board of Directors of
Central Securities Depository JSC

(record of absentee voting
No. 105 (z) dated December 12, 2018)

Put into effect

from January 1, 2019

AMENDMENT SHEET

1. Amendments No. 1:

- approved by resolution of the Board of Directors of Central Securities Depository JSC (record of absentee voting No. 94 (z) dated December 13, 2019);
- effective from January 1, 2020.

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These Regulations define the parameters of operational day in Central Securities Depository JSC (hereinafter, the Central Securities Depository) for conduct of its activities in accordance with the Code of Rules of the Central Securities Depository (hereinafter, the Code of Rules).

These Regulations are an integral part of the Code of Rules.

Article 1. Definitions, terms, conventional (abbreviated) designations, reservations

1. These Regulations use the definitions, terms, conventional (abbreviated) designations defined by the laws of the Republic of Kazakhstan and the Central Securities Depository's internal document "Introduction to the Code of Rules of Central Securities Depository JSC".
2. Other conventional (abbreviated) designations used in these Regulations have the following meaning:

"application from a client of the Central Securities Depository" or **"application"** is an application from a client of the Central Securities Depository for opening of the operational day on a weekend or a public holiday, or for extension of the operational day;

"irregularity" is any situation characterized by a combination of the following attributes:

such situation is related to a technical failure in operations of the Central Securities Depository, and/or with a failure in operations of the accounting organization or the servicing bank, and/or with a failure in operations of any external (third-party) payment systems, information (message) transmission systems, communication systems used by the Central Securities Depository in its activities conducted in accordance with the Code of Rules;

in such situation, the Central Securities Depository is unable to accept operational documents and/or act in accordance with the operational documents with the same extent of completeness, speed and quality as in normal conditions, i.e. in the absence of such failures.

Article 2. Beginning and end of the operational day

1. The beginning of the operational day is defined by decision(s) of the Management Board of the Central Securities Depository.

The opening of the operational day means that the Central Securities Depository starts accepting operational documents from and issuing operational documents to its clients (except as set out in paragraph 3 of this Article, and subject to particularity described in Article 3 of these Regulations).

(This paragraph was amended by resolution of the Board of Directors of the Central Securities Depository dated December 13, 2019).

2. The operational day of the Central Securities Depository ends at different time for acceptance of operational documents from and for issue of operational documents to its clients, depending on the type of activities conducted by the Central Securities Depository and on the type of documents accepted or issued by the Central Securities Depository (except as set out in paragraph 3 of this Article, and subject to the particularities described in Articles 3-5 of these Regulations).

The end of the operational day is defined by decision(s) of the Management Board of the Central Securities Depository.

3. The Central Securities Depository may issue operational documents to its clients outside the operational day limits set out in paragraphs 1 and 2 of this Article.

Such issue is only applied in respect of the operational documents issued to the clients of the Central Securities Depository in electronic form.

The list of operational documents issued by the Central Securities Depository to its clients outside the operational day limits, the beginning and end of issue of such documents are defined by decision(s) of the Management Board of the Central Securities Depository.

Article 3. Opening of the operational day on weekend or public holiday

1. The operational day may be opened on a weekend or a public holiday (subject to limitations set out in paragraph 4 of this Article).
2. The operational day is opened on a weekend or a public holiday based on decision of the Management Board of the Central Securities Depository adopted in connection with business needs or receipt of application from a client of the Central Securities Depository.
3. The beginning and ending time of an operational day opened pursuant to this Article are defined by decision of the Management Board of the Central Securities Depository on the opening of such operational day.
4. In the course of an operational day opened on a weekend or a public holiday, the Central Securities Depository accepts from and issues to its clients only the operational documents defined by decision of the Management Board of the Central Securities Depository on the opening of such operational day.

Moreover, in the course of an operational day opened on a weekend or a public holiday, the Central Securities Depository performs only those actions under the operational documents, which do not require services of the accounting organizations and the servicing banks, and do not require use of any external (third-party) payment systems, information (message) transmission systems or communication systems.

Article 4. Operational day extension for acceptance of operational documents

1. The operational day may be extended for acceptance of operational documents by the Central Securities Depository from its clients (subject to limitations set out in paragraph 4 of this Article).
2. The operational day is extended for acceptance of operational documents based on decision (including verbal) of any member of the Management Board of the Central Securities Depository made in connection with any irregularity requiring such extension, or in connection with receipt of application from a client of the Central Securities Depository.
3. The ending time of an operational day extended pursuant to this Article is defined by decision of the Management Board of the Central Securities Depository on extension of such operational day.
4. In the course of the period by which the operational day is extended for acceptance of operational documents, the Central Securities Depository accepts from its clients only the operational documents defined by decision of the member of the Management Board of the Central Securities Depository on the extension of such operational day (*this paragraph was amended by resolution of the Board of Directors of the Central Securities Depository dated December 13, 2019*).
5. The Central Securities Depository informs its clients on extension of the operational day for acceptance of operational documents by sending them a written notice through the electronic document flow systems used by the Central Securities Depository or through Personal Account system.

Article 5. Operational day extension for issue of operational documents

1. The operational day may be extended for issue of operational documents by the Central Securities Depository to its clients.
2. The operational day is extended for issue of operational documents based on decision (including verbal) of any member of the Management Board of the Central Securities Depository made in connection with any irregularity requiring such extension, or in connection with extension of the operational day pursuant to Article 4 of these Regulations, commensurate with duration of such extension.
3. The ending time of an operational day extended pursuant to this Article is defined by decision of the Management Board of the Central Securities Depository on extension of such operational day.

Article 6. Recording of irregularities

1. Any irregularities, which led to decisions by members of the Management Board of the Central Securities Depository on extension of operational days, shall be reflected in the documents of the Central Securities Depository in accordance with the procedure described in paragraph 2 of this Article.

2. The occurrence and cessation of irregularities shall be recorded in memorandums from the heads of the Central Securities Depository's business units addressed to the President of the Central Securities Depository or a person substituting them and registered in accordance with the procedure established by the Central Securities Depository's internal documents regulating document flow in the Central Securities Depository.

Article 7. Application

1. The application from a client of the Central Securities Depository is prepared in a form approved by decision of the Central Securities Depository's Management Board.

The Central Securities Depository publishes the application form on its website.

2. Any client of the Central Securities Depository who intends to submit an application shall submit it to the Central Securities Depository in a way and within such time so that the Central Securities Depository receives the application:
 - 1) no later than one business day prior to the weekend or public holiday day, on which opening of the operational day is needed according to the application;
 - 2) no later than 5:30 PM Almaty time on the day when extension of the operational day is needed according to the application.
3. Acceptance by the Central Securities Depository of the application from its client does not strictly oblige the Central Securities Depository to open or extend the operational day pursuant to the application.
4. The Central Securities Depository shall deny its client opening or extension of the operational day based on the application on any of the following grounds:
 - 1) breach of the limitation set out by paragraph 4 of Article 3 of these Regulations;
 - 2) breach of the limitation set out by paragraph 4 of Article 4 of these Regulations;
 - 3) absence of possibility (staff, technical or other) for the Central Securities Depository to open the operational day on a weekend or a public holiday, or to extend the operational day.
5. The Central Securities Depository notifies its client who submitted the application of the denial to open or to extend the operational day according to the application by any means available to the Central Securities Depository.

Article 8. Payment for service of Central Securities Depository

Opening or extension of the operational day based on application is the service provided by the Central Securities Depository, which shall be paid for in accordance with the Central Securities Depository's internal document "Regulations on tariffs and fees" included in the Code of Rules.

Article 9. Final provisions

Any disputes arising when applying these Regulations shall be resolved in accordance with the laws of the Republic of Kazakhstan.

President

B. Kapyshev