

**APPROVED BY THE**  
General Director of the  
Asteri Capital  
Limited Liability Company  
July 25, 2023

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**REGULATIONS**  
**Asteri Capital Limited liability company**  
**on the procedure for carrying out activities in the securities market and derivatives**  
**market**

**Bishkek city, 2023**

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## **GENERAL INFORMATION ABOUT THE BROKER**

Full name: Asteri Capital Limited Liability Company

Abbreviated name: Asteri Capital LLC

Legal address: Erkindik boulevard, 64, Pervomaisky district, Bishkek city, Kyrgyz Republic, 720040

Postal address, address for the provision of services: Erkindik boulevard, 64, Pervomaisky district, Bishkek city, Kyrgyz Republic, 720040

Phone: +996 550 985 423

Official WEB site: <https://astericapital.kg/>

E-mail addresses (E-mail): [info@astericapital.kg](mailto:info@astericapital.kg)

TIN 00607202310398

Registration number 219720-3301-OOO

National classifier of enterprises and organizations (OKPO) 31689863 was registered on July 06, 2023 by the Chui-Bishkek Department of Justice of Bishkek city.

Hereby, Asteri Capital LLC notifies of the combination of brokerage and dealer activities. Clients of Asteri Capital LLC are warned about the risks of a conflict of interest between Asteri Capital LLC and a client related to the combination of Asteri Capital LLC brokerage and dealer activities.

## **Section I. GENERAL PROVISIONS**

### **1. Article. Status of Regulations**

1.1. This Regulation "On the procedure for carrying out activities in the securities market and the derivatives market" (hereinafter also the "Regulations") determines the procedure and conditions for the provision of Asteri Capital LLC (hereinafter also the "Broker", "Company") services in the securities market, derivatives market and the foreign exchange market, any individuals and/or legal entities (hereinafter also referred to as the "Client") who have acceded to these Regulations in the manner prescribed by Article 387 of the Civil Code of the Kyrgyz Republic, as well as concluded a service agreement in a different manner. The conditions for the provision of services are fixed in the Regulations and the Brokerage Agreement on accession to the Regulations (hereinafter also referred to as the "Agreement"), drawn up in accordance with Appendix No. 2A-1, No. 2A-2, No. 2B-1, No. 2B-2 to the Regulations, as well as in additional agreements to the Agreement. By acceding to these Regulations (by signing the Agreement), the Client confirms that he:

- got acquainted with these Regulations and all annexes to these Regulations;
- got acquainted with the recommendations, notifications, other documents (information) posted on the website of Asteri Capital LLC and related to these Regulations.

1.2. Accession to these Regulations is carried out by signing the Agreement by the Client and an authorized person of the Broker, in the text of which the corresponding statement on accession to the terms of the Regulations is fixed. If the parties have come to an agreement on servicing on terms other than those presented in these Regulations and the Agreement, such conditions are fixed in additional agreements to the Agreement. In this case, the Agreement is considered to be concluded on the terms of a bilateral mutually agreed written agreement, the Regulations are an annex to the Agreement and are valid to the extent that they do not contradict the terms of these additional agreements.

1.3. This Regulation is not a public offer. The Broker has the right to refuse a person interested in joining these Regulations to conclude an Agreement without giving reasons.

1.4. By acceding to the Regulations (concluding the Agreement on mutually agreed terms), the Client instructs the Broker to perform operations on behalf of the Broker and at the expense of the Client on the terms of the Agreement, on behalf of the Client and at the expense of the Client on behalf of the Client, transactions on the exchange and over-the-counter financial market with securities and money funds, transactions with derivative financial instruments, transactions with other financial instruments and currencies, as well as other legal and actual actions related to such transactions and / or specified in these Regulations. The form of representation of the Client's interests is determined by the Broker independently. Unless otherwise provided, the Broker has the right to make transactions with securities and enter into agreements that are derivative financial instruments, simultaneously being a representative of different parties to the transaction.

1.5. Obligations arising from the agreement, each of the parties to which is the Broker, do not terminate the coincidence of the debtor and the creditor in one person, if the obligations of the parties are fulfilled at the expense of different Clients or by third parties in the interests of different Clients.

1.6. By signing the Agreement, the Client expresses his consent to the simultaneous representation by the Broker of different parties in transactions for the purchase and sale of securities and / or derivative financial instruments and / or currency (if this does not contradict the requirements of the law) and gives the Broker the following powers:

- conclude on behalf and at the expense of the Client contracts (make transactions) of sale and purchase on behalf of the Client in relation to another Client, whose representative the Broker is at the same time (indication of the second party (second Client) is not necessary in the order for the transaction);
- settle the sale and purchase transaction concluded by the Broker and make settlements on it in accordance with the provisions of these Regulations, unless otherwise specified in the order for the transaction;
- draw up, submit and sign any documents related to the execution of concluded sale and purchase agreements;
- perform other actions related to the execution of the Client's instructions.

1.7. The Broker provides the Client with information and other services in accordance with these Regulations.

All annexes, amendments and additions to these Regulations are its integral and integral part.

The regulation is freely available on the Broker's website.

All provisions of the Regulations are valid solely in accordance with the current legislation of the Kyrgyz Republic, as well as the current rules, regulations and procedures that are mandatory for participants in organized trading and used trading systems.

This Regulation is subject to change in case of changes in the requirements of the legislation and regulations of the licensing authority governing the scope of this Regulation.

1.8. Amendments and/or additions to these Regulations, including tariff plans, are made by the Broker unilaterally in accordance with the provisions of these Regulations.

1.9. All changes and additions made by the Broker to these Regulations come into force and become binding on the Clients after 10 (Ten) working days from the date of notification of the Clients about the amendments and/or additions made to the Regulations.

1.10. Clients are notified of changes and/or additions to these Regulations by posting information and a new version of the Regulations on the Broker's official website. Additionally, the Broker has the right, at

its discretion (if necessary), to notify the Clients of changes and / or additions to these Regulations in one of the following ways:

- delivery of the message personally to the Client or his authorized representative;
- sending messages to Clients at the electronic address (e-mail) specified in the client's questionnaire;
- sending messages via mobile communication to the number specified in the questionnaire;
- verbally by phone, specified in the client's questionnaire;
- sending messages by mail.

In order to ensure guaranteed familiarization of the Client with the full text of changes and additions before they come into force, the Client is obliged to visit the Broker's official website at least once every 10 (Ten) business days to obtain information about changes and additions to the Regulations.

Continued sending of instructions (messages) by the Client to the Broker after the entry into force of the new version of the Regulations is considered the Client's consent to the new terms of the Regulations. Failure to provide the Broker with a notice of termination of the Agreement before the amendments or additions to the Regulations come into force is considered the Client's consent to the new terms of the Regulations.

At the Broker's office, at the place of provision of services, within the period established by the regulatory acts of the Kyrgyz Republic, a copy of the Regulations with Annexes and amendments / additions (or a copy of the Regulations in the current version and copies of previous editions of the Regulations), stitched, sealed, signed and sealed by an authorized person, is stored Broker. By concluding the Agreement, the Client agrees that in the event of a dispute, such text of the Regulations and its Annexes, which was in force at the time of the dispute, is accepted as evidence.

Any information on issues related to the provision of services by the Broker is provided by the Broker's employees at the place of provision of services and / or by phone and / or via e-mail of the Broker.

## **2. Article. Interpretation and definition of certain terms used in this Regulation**

**Client security** - any securities purchased by a broker for and on behalf of a client, the delivery of which to the client has not yet been completed; securities certificates registered in the name of the client or the company as a nominee holder for the client and held by the company, securities in non-documentary form, in respect of which the company is the nominee holder for the client.

**Client's Portfolio** - a set of assets recorded on the Client's accounts with the Broker, including: securities; funds intended for investment and / or received from the sale; derivative financial instruments; other financial instruments.

**Order** - the Client's order to the Broker, expressed in writing or in any other form provided for by these Regulations, to make one or more related/non-related operations with financial instruments (securities, derivative financial instruments, currency, etc.), under certain conditions, through the Broker and containing all the essential terms of the Order in accordance with the requirements of these Regulations.

**Simple Electronic Signature (SES)** - information in electronic form that is attached to other information in electronic form (signed information) or otherwise associated with such information and which is used to identify the person signing the information. A simple electronic signature through the use of a PES Key confirms the formation of an electronic signature by a certain person.

**Simple Electronic Signature Key (PES Key)** – a one-time six-digit code from the code table issued by the Broker to the Client when signing the Brokerage Agreement. The Client undertakes to maintain the confidentiality of the code, namely not to disclose or transfer it to other persons.

**Trading systems (hereinafter also TS)** are stock, derivatives, currency and other organized markets, and organized trading platforms. Service in the TS is carried out in a strictly established manner, fixed in the rules (regulations) of the TS, which are binding on all their participants. The TS also includes depository, settlement and clearing systems (organizations providing these services).

**TS Rules** - all types of regulatory documents approved by the TS as mandatory for the participants of the TS. The current rules of those TS in which the Broker makes transactions in accordance with the Client's Orders are considered an integral part of these Regulations.

**Tariff plans** - information about the amounts and rates of the Broker's remuneration, costs, fees and other expenses of the Broker payable and (or) reimbursed by the Client.

**Client's account** - an account on which the Broker conducts transactions (settlements on transactions) in the interests and at the expense of the Client, namely:

**Brokerage Account of the Client (Unique identification number of the Client)** - a separate account of the Client, opened in the internal accounting with the Broker, which serves to record the Client's assets and the Client's operations with cash, securities, derivative financial instruments, other financial instruments. One Client can open several Brokerage Accounts.

**Working day** - any day from 10.00 to 19.00 Bishkek time, except for weekends and holidays under the legislation of the Kyrgyz Republic.

**Identification** - a set of measures to establish certain by the Regulation on the procedure for conducting due diligence of a client, approved by Decree of the Government of the Kyrgyz Republic dated December 25, 2018 No. 606 and these Regulations, information about clients, their representatives, beneficiaries, beneficial owners, to confirm the reliability of this information, in including using original documents and (or) duly certified copies, open official sources of information, in other available way.

**Exchange** - is the organizer of trading in securities, derivative financial instruments and currencies to which the Broker has access.

**Trading transaction** - is a transaction with securities and (or) the conclusion of an agreement that is a derivative financial instrument or a REPO agreement.

**Exchange transaction** - a transaction, the place of conclusion of which is the exchange.

**Financial assets** - securities, cash (including currency), derivative financial instruments that are the object of transactions concluded by the Broker as part of the brokerage activities.

Terms and definitions not specified in this article are used in the meanings established by the legislation of the Kyrgyz Republic, including the regulations of the body licensing professional activity in the securities market, trade organizers, clearing, settlement and accounting organizations in which the Broker is serviced and / or Customer.

### **3. Article. General conditions for the provision of services**

3.1. In accordance with these Regulations, the Broker undertakes:

3.1.1. On the basis of the Client's Orders, conduct trading and non-trading operations at the expense and in the interests of the Client, in accordance with the legislation of the Kyrgyz Republic, as well as the rules and regulations of self-regulatory organizations of professional participants in the securities market, stock exchanges and other trade organizers, rules and restrictions established by depositories, registrars and credit institutions, as well as to ensure the execution (settlement) of transactions concluded on the instructions of the Client, in connection with which to take all necessary legal and actual actions.

3.1.2. After the Client joins these Regulations, within 2 (Two) working days from the moment the Client submits the documents, according to the list specified in Appendix No. 1 to these Regulations, open the Client's Brokerage Account in his internal accounting. In order to ensure separate accounting of the Client's

assets (cash, securities, derivative financial instruments, other financial instruments), the Broker may open Brokerage Accounts in the context of TS in internal accounting. In addition to the Brokerage Account of the Client in the context of the TS, the Broker may open additional Brokerage Accounts in the name of the Client, including upon the application or additional letter of the Client.

3.1.3. The Client's funds received from the Client and intended for investment and / or received for the Client under transactions concluded in his interests, which appeared to the Broker, are credited to the account intended for accounting for the funds of all the Broker's Clients and are recorded on it in the Broker's internal accounting system separately from the funds of other Clients of the Broker. Each operation, entailing a change in the balance of the Client's funds on the account, is documented by an appropriate internal accounting document.

3.1.4. Assign to the Client a unique identification number of the Client, which is the Client's identifier for any operations carried out by him with the Broker under these Regulations.

3.1.5. Carry out all necessary preliminary actions for the Client's registration in the TS and authorized depositories, through which the Client intends to carry out transactions with securities and other financial instruments, in accordance with the current legislation of the Kyrgyz Republic, or the internal Rules of the TS. The terms of registration of the Client in each of the organized securities markets are determined by the internal rules of the TS and the authorized depository of the relevant TS. Compliance by third parties with the specified terms of the procedure for registering the Client on the organized securities markets by the Broker is not guaranteed.

3.1.6. Provide reports on all transactions made on the Client's Orders, as well as on other operations on the Client's Brokerage Account in the manner and within the time limits stipulated by the Regulations.

3.1.7. To deposit/withdraw/transfer the Client's securities and/or funds in the manner and within the time limits stipulated by the Regulations.

3.1.8. Inform the Client about information and circumstances that have become known to the Broker that could affect the fulfillment by the Parties of their obligations under these Regulations.

3.2. Services for the conclusion and settlement of transactions are provided by the Broker to the Client on all exchanges of the Kyrgyz Republic for all traded financial instruments, as well as on other exchanges and TS to which the Broker has access.

3.3. The Broker provides all Clients with services for concluding and settling transactions on the OTC market by default, and on other markets only if it is provided for in the Brokerage Agreement or in an additional agreement to the Brokerage Agreement.

3.4. The broker provides services in respect of securities, derivative financial instruments, other financial instruments denominated in Kyrgyz soms and foreign currency, including securities and financial instruments traded on foreign financial markets. These services are provided subject to the restrictions established by the current legislation of the Kyrgyz Republic.

3.5. The choice of the vehicle is carried out by indicating the name of the relevant vehicle in the Brokerage Agreement (Appendix No. 2A-1, No. 2A-2, No. 2V-1, No. 2V-2 to the Regulations). At the same time, by choosing a TS, the Client thereby expresses his agreement with the rules of trading and settlements, fixed in the Rules (Regulations) of the TS chosen by him and undertakes to strictly comply with them.

3.6. The Broker provides services to the Client in accordance with these Regulations within the framework of the signed Brokerage Agreement.

3.7. In case of suspension or cancellation of the Broker's license, as well as in case of termination of the contractual relationship by the Parties in accordance with these Regulations, the Broker transfers to the Client the funds belonging to him and located on the account, with the exception of funds to be transferred to counterparties for the Client's transactions made by the Broker on behalf of the Client and on the basis

of the Regulations before the occurrence of any of the circumstances specified in this paragraph, as well as the funds that the Broker must withhold from the Client's funds (commissions, other costs as part of the services provided to the Client).

3.8. In case of seizure of the Client's funds, foreclosure on them for the obligations of the Client, as well as in other cases provided for by the legislation of the Kyrgyz Republic, the Broker provides information on the availability and amount of the Client's funds to the authorized state body or official at his request.

3.9. By acceding to these Regulations, the Client authorizes the Broker to represent the Client in relations with authorized registrars, depositories, and other third parties, if the need / possibility of this arises from the Regulations or it is necessary for the execution of Orders / other declarations of the Client's will, including:

- provide on behalf of the Client the documents necessary for opening and/or closing any accounts of the Client in the register maintenance system, holders of registered securities of any issuer;
- provide on behalf of the Client the documents required to open and/or close the Client's depo accounts with authorized depositories;
- provide on behalf of the Client the documents required to make an entry on any of the Client's accounts;
- receive from authorized registrars and depositories of any kind notifications and statements from any accounts of the Client.

3.10. The Broker also has the right to refuse to conclude the Brokerage Agreement, if the Client fails to provide supporting documents and/or information at the request of the Broker, as well as on other grounds.

3.11. In accordance with these Regulations, the Client undertakes:

3.11.1. In order to ensure settlements on transactions made by the Broker on the Client's Instructions, the Client grants the Broker the absolute right to any transactions on behalf of the Client and actions to make settlements on transactions made in favor of this Client, unless this contradicts the legislation of the Kyrgyz Republic.

3.11.2. Pay the Broker remuneration for the services rendered in the amount and at the rates established in these Regulations, as well as reimburse the costs incurred by the Broker in connection with the fulfillment of obligations under these Regulations.

3.11.3. Provide, at the request of the Broker, information and documents necessary for the Broker to fulfill its obligations under these Regulations, including a power of attorney to perform relevant actions on behalf of the Client, as well as to fulfill the requirements of the law.

3.11.4. If the Broker provides any documents for signature, approval and / or agreement, take the appropriate actions, or provide a reasonable written refusal to do so within a period not exceeding 3 (Three) working days from the date of receipt of the documents.

3.11.5. Notify the Broker of all information and/or facts and circumstances that have become known to the Client that could affect the fulfillment by the Parties of their obligations under these Regulations.

3.11.6. Timely inform the Broker about changes in personal data. At the request (request) of the Broker, provide (update) within the period specified in the Broker's request the information constituting the Client's personal data and documents confirming the accuracy of such information.

3.11.7. The bank details are updated by the Client as necessary, the bank details specified in the Questionnaires submitted earlier remain valid until they are canceled by the Client by sending a free-form letter to the Broker.

3.11.8. Perform other actions provided for by these Regulations.



3.12. In order to conclude the Agreement, the interested parties must, prior to being accepted for service, go through the Identification procedure of the Client, the Client's representative and/or the Client's beneficiary and/or the Client's beneficial owner, and also perform the following actions:

- The Client - an individual or his legal representative and/or authorized person of the Client - a legal entity, authorized to act on behalf of a legal entity without a power of attorney, must provide the Broker with a signed questionnaire containing all the information necessary for the Client Identification.
- Representatives of the Client (individual or legal entity), acting on the basis of the submitted documents or the Power of Attorney, submit to the Broker a signed questionnaire containing all the information necessary for the Identification of the Client.
- The broker has the right to require the signing of the questionnaires in the presence of an authorized employee, or to certify the authenticity of the signature on the questionnaires by a notary.
- When accepting for service and maintenance, Clients - legal entities are obliged to provide the Broker with information on the purposes of establishing and the intended nature of their business relationship with the Broker, as well as on a regular basis to provide financial statements for the last financial period, as well as for the last financial year. The condition on the provision of financial statements does not apply to Resident Clients if such Clients officially disclose financial statements in accordance with the requirements of the legislation of the Kyrgyz Republic.
- In addition to the above documents, the interested person is obliged to provide other documents in accordance with these Regulations or at the request of the Broker.

3.13. By signing the Agreement, the Client confirms the fact of familiarization with the TS Rules (including, but not limited to, the documents of the Exchange, the clearing organization and the decisions of the authorized bodies of the Exchange and the clearing organization regarding the organization of trading on the markets indicated by the Client in the Brokerage Agreement), specifications of financial instruments. The Broker hereby notifies the Client of possible amendments to the TS Rules. In order to ensure guaranteed familiarization of Clients before the amendments to the TS Rules come into force, these Regulations establish the Client's obligation to contact the official website of the Exchange, in which the Client participates, at least once a week, at least once a week, for information about changes made in TS Rules of the relevant TS.

3.14. When determining the time of receipt of the Order from the Client, the execution of a transaction for the Client, in all internal accounting records in which it is required to fix the time, the Broker indicates the official time established in the Kyrgyz Republic.

3.15. We hereby inform individuals that the Broker does not make transactions for the purchase of promissory notes by individuals under these Regulations.

## **Section II. RELATED TRANSACTIONS USING THE CLIENT'S BROKERAGE ACCOUNT**

### **4. Article. Crediting funds and/or securities to the Client's brokerage account**

4.1. Cash

4.1.1. Funds are credited to the Client's Brokerage Account no later than the day following the day of receipt of funds to the Broker's account.

4.1.2. To make transactions outside the TS, special reservation of funds is not required. Orders for such transactions are accepted by the Broker immediately after the Client's funds are credited to the relevant Brokerage Account of the Client.

Reserving funds in the TS means depositing them in accordance with the TS Rules on a special account with an organization that makes settlements between the TS participants.

4.1.3. When crediting funds to the Broker's account for the purpose of correct and timely crediting (reservation) in the relevant TS, the Client must notify the Broker's employee about the implementation of the specified transfer before the end of the business day on which the transfer is made. By acceding to these Regulations, the Client agrees that if, when transferring funds, he did not specify a specific market in the purpose of payment, the Broker credits the funds to the main Brokerage account of the Client at the discretion of the Broker.

4.1.4. The Client's funds are credited to the Client's Brokerage Account by non-cash transfer to the Broker's accounts, the details of which are specified in the Notice (Appendix No. 2) on opening the Client's account with the Broker, or in another way established by the Broker, brought to the attention of the Client (Standard payment details). In order to streamline settlements, the Client is recommended to indicate the following purpose of payment in payment documents:

"Transfer of funds under the Brokerage Agreement No. \_\_\_\_ dated \_\_\_\_\_ 20\_\_".

4.1.5. Settlements and (or) other operations with conversion operations are carried out by the Broker only on the basis of the relevant Order of the Client, as well as with the consent of this Client to the exchange rate at which the conversion operation will be performed, and to the costs associated with its completion.

4.2. Securities.

4.2.1. The Securities are credited to the Client's Brokerage Account within the terms and in the manner stipulated by the terms of these Regulations and the terms of the higher settlement depository. When crediting the Securities by transfer from another depository or from the register, the Client submits to the Broker an Order (Appendix No. 7) to these Regulations, indicating, if necessary, the details of the sub-account of the Client's Account for crediting the Securities.

4.2.2. Securities purchased by the Broker on behalf of the Client in the TS are automatically reserved by the Broker in the same TS where these Securities were purchased.

4.2.3. The Broker has the right, without the Client's Instruction, to change the balance of securities on the Client's Brokerage Account, guided by information from the received official report of the Exchange, TS, other organizer of trading or clearing.

4.3. When conducting non-trading operations, the Broker, in the established cases, identifies payers of funds and/or suppliers of securities (other financial instruments) intended for crediting to the Client's Brokerage Account. The broker is obliged to provide information about the persons involved in the non-trading transaction at the request of the body licensing professional activities in the securities market and/or exercising control in order to counter the financing of terrorist activities and the legalization (laundering) of criminal proceeds. At the request of the Broker, the Client is obliged to provide all information and documents necessary for the implementation of the above identification.

## **5. Article. Withdrawal of funds and/or securities, transfer from one vehicle to another, redemption of promissory notes**

5.1. The Client has the right at any time to withdraw (demand the return) of all or part of the funds and / or securities transferred to the Broker, transfer them from one TS to another TS, by sending the Broker a corresponding written Order.

5.2. The Broker executes the Client's Order for withdrawal of funds, transfer of funds and/or transfer of securities in the manner and terms established in these Regulations, subject to the following conditions:

5.2.1. The Order shall be executed exclusively within the limits of the funds and/or securities accounted for on the Client's Brokerage Account as of the date of receipt of the Order.

5.2.2. The execution of the Client's Order will not affect the possibility of fulfilling the obligations existing at the time of receipt of the Order under the transactions concluded on the Client's Order, to pay for the acquired securities and/or other financial instruments, to pay remuneration to the Broker, reimburse the Broker for expenses and other obligations of the Client to the Broker and third parties provided for in these Regulations.

5.2.3. The Client's instructions for withdrawal and transfer of funds and/or write-off and transfer of securities must comply with the requirements and take into account the restrictions established by the current legislation of the Kyrgyz Republic, the provisions of these Regulations.

5.2.4. If the Client submits an order to withdraw funds without specifying the details of a specific Broker's account from which the Broker must withdraw funds, the Broker has the right to withdraw funds from any account, chosen at its discretion, on which the Client's funds are located.

5.2.5. If the Client submits an instruction to withdraw funds indicating the details of the Broker's account, on which the Client does not have the required amount of funds, the Broker has the right to withdraw funds (the missing amount of funds) from any account, chosen at its discretion, on which the funds are client's funds.

5.2.6. The transfer of funds between sub-accounts of the Client's Brokerage Account opened by the Broker for the Client's work in different TS is carried out by the Broker at its own discretion.

5.2.7. The Broker has the right to independently transfer funds between accounts and the TS, without the Client's Instruction to change the Client's position in the TS, in order to ensure settlements on transactions with securities and other financial instruments, execution of the Client's trading and non-trading Orders, and also in accordance with the Client's obligations under this Regulation.

5.3. The Broker accepts from Clients non-trading Orders drawn up in the following standard forms:

- Instruction for deposit/withdrawal of funds - Appendix No. 6
- Instruction for carrying out a depositary operation - Annex No. 7;
- Instruction for carrying out the bills redemption operation – Appendix No. 7-1;
- Instruction to perform a conversion transaction – Appendix No. 7-2

5.3.1. The Client has the right to submit non-trading Orders in a form that differs from the standard forms specified in this clause of the Regulations. In this case, the non-trading Order must contain all the necessary conditions (mandatory details) established by the requirements of the legislation of the Kyrgyz Republic and these Regulations.

5.3.2. The Broker has the right to refuse to execute a non-trading Order for the Client if the Order is submitted by the Client not in the standard form specified in this clause of the Regulations and/or in violation of the requirements of the legislation of the Kyrgyz Republic. The Broker, at the request of the Client, has the right to explain to the Client orally or in writing the reason for his refusal to execute the Client's order.

5.4. Instructions to write off securities from the Client's Brokerage Account are accepted by the Broker from 10:00 to 16:00 Bishkek time on any Business Day.

5.4.1. Orders to withdraw funds from the Client's Brokerage Account are accepted by the Broker from 10:00 to 14:00 Bishkek time on any Business Day.

5.4.2. Orders for the transfer of funds from one vehicle to another are accepted by the Broker from 10:00 to 14:00 Bishkek time on any Business day.

- 5.5. The execution of the Order for the withdrawal of funds and the transfer of funds and / or the write-off and transfer of securities is carried out by the Broker within the following terms:
- 5.5.1. Within 1 (one) business day following the day of receipt of the Instruction for withdrawal of funds;
- 5.5.2. Not later than the day following the day of receipt of the Order to write off the securities and all necessary corroborative documents from the Client, the Broker transfers this Order to the appropriate depository. The depository carries out the transfer of securities in the manner and terms established by the conditions for the implementation of depository activities (depository's regulations).
- 5.5.3. An instruction to withdraw and transfer funds and/or write off and transfer securities must be signed by the Client or the Client's representative, whose authority is duly certified.
- 5.6. In the event that the Client sends an Instruction to withdraw funds to the Broker by sending the scanned document to the Broker by e-mail, the funds shall be transferred to the Client's account specified in the Client Questionnaire. The transfer of funds to another account is made by the Broker only after receiving an Instruction from the Client to withdraw funds, as well as an additional document confirming that this current account belongs to the Client.
- 5.7. The procedure for the Client to send Orders to the Broker by e-mail is defined in section VI of these Regulations.
- 5.8. The Broker has the right to demand from the Client supporting documents (Questionnaire, etc.) when transferring funds or securities to an account not specified in the Client's Questionnaire.
- 5.9. The Broker does not execute the Client's Orders to withdraw funds in favor of third parties, except when the Client can confirm that the third party (Recipient) has a cash account.
- 5.10. The Broker reserves the right to refuse execution of the Client's Order to withdraw funds in favor of third parties. The Broker shall notify the Client of the refusal to accept the Order through the same channel through which the Client's Order was received.
- 5.11. The Broker reserves the right to refuse to credit funds to the Client's Brokerage Account received from third parties.
- 5.12. The Broker has the right to execute the Order for the withdrawal of funds partially in the amount of the Client's funds on the Brokerage Account of the Client, if, as a result of the withholding of taxes by the Broker, the funds are not enough to execute the corresponding Order of the Client in full.
- 5.13. The redemption of bills is carried out by the Broker according to the Instruction for the redemption of bills (Appendix No. 7-1), executed by the Client in accordance with the requirements of these Regulations. Bills of exchange are transferred under the act of acceptance and transfer. If necessary, the Client shall attach the following documents to the Instruction for repayment of bills of exchange:
- application in the form with additional instructions for the Broker (Appendix No. 7-1);
  - documents for the Broker to redeem the bill, drawn up in accordance with the requirements of the drawer.
- 5.14. The Client guarantees that the bills transferred to the Broker belong to him by right of ownership (or the Client acts at the expense and in the interests of the owner of the bills), are not in dispute and under arrest, otherwise the Client is liable in accordance with the legislation of the Kyrgyz Republic.
- 5.15. The broker is not responsible and does not guarantee the fulfillment by the drawers of their obligations to pay bills of exchange and other obligations stipulated by the legislation of the Kyrgyz Republic. All risks and expenses that may arise as a result of improper performance by the drawer of their obligations to pay bills of exchange shall be borne by the Client.
- 5.16. If the drawer refuses to pay the presented bills, the Broker returns the bills to the Client according to the act of acceptance and transfer in the event that the bills were not transferred to the drawer, or were returned by the drawer to the Broker.

### **Section III. TRADING OPERATIONS**

#### **6. Article. General conditions and procedure for concluding transactions**

6.1. The Broker makes transactions at the expense of the Client on the basis of the relevant Order received from the Client for making a transaction with securities, derivative financial instruments, and other financial instruments.

6.2. Clients who have acceded to these Regulations, as a general rule, are obliged to transfer funds to the account that ensures the execution of the relevant Order before issuing the Order to the Broker. The transferred amount of funds must cover the cost of the transaction, the amount of the Broker's remuneration, the amount of reimbursement of the Broker's expenses in connection with the execution of the Order, the amount of exchange fees and commissions, the amount for payment for the services of authorized depositories and / or registrars, the amount of other expenses associated with the execution of transactions concluded on behalf of the Client.

Unless otherwise provided in the Agreement and this does not contradict the law, the Broker has the right to withhold from the amount of the Client's funds on the account the remuneration due to the Broker in accordance with the Brokerage Agreement and the expenses incurred in connection with the execution of the Brokerage Agreement, as well as to make other write-offs provided for current legislation.

6.3. Prior to sending the Broker an Order for a Securities sale transaction, the Client must independently verify that there are enough Securities on the Brokerage Account to fulfill the obligations under the transaction. The Client guarantees that the securities belong to him by right of ownership (or the Client acts at the expense and in the interests of the owner of the securities). The client also guarantees that the securities at the time of registration of rights under securities with a registrar or depository are not encumbered with a pledge or other rights of third parties that prevent the transfer of ownership rights to a third party, are not under arrest and are not the subject of a dispute.

6.4. The standard procedure performed by the Parties when conducting a Trading operation consists of the following main operations:

6.4.1. Submission by the Client and acceptance by the Broker of an Order for a transaction.

6.4.2. Conclusion of a transaction by the Broker and its confirmation to the Client.

6.4.3. Settlement of the transaction and settlement between the Broker and the Client.

6.4.4. Preparation and provision of confirmation to the Client about the completed transaction.

6.5. Features of operations performed by the Broker when making transactions in various TS and on the over-the-counter market are determined by the Rules of these TS and business practices.

6.6. The Broker does not allow discrimination of some Clients in relation to others. All Orders of the Clients are accepted in the order of their receipt from the Clients.

6.7. All Orders accepted by the Broker are executed by him in compliance with the principles of equality of conditions for all Clients and the priority of the interests of Clients over the interests of the Broker himself when making transactions in the financial market. Transactions carried out on behalf of Clients are in all cases subject to priority execution in comparison with the Broker's dealer operations.

6.8. The Broker ensures the execution of Client Orders on the best terms, in accordance with the requirements of the legislation of the Kyrgyz Republic. If there are reasonable doubts about the nature of the transaction (suspicions of manipulating prices on the securities market), the Order for which was submitted by the Client, the Broker has the right to request clarification from the Client.

The Broker hereby notifies the Clients:

- prohibition of market manipulation;
- on liability for market manipulation;
- about the obligation of Clients to independently prevent the submission of orders for transactions that may contain signs of market manipulation.

6.9. In accordance with the requirements of the legislation of the Kyrgyz Republic on combating the misuse of insider information and market manipulation, the Broker hereby notifies clients of the following restrictions on the use of insider information and (or) market manipulation.

It is prohibited to use insider information:

- to carry out transactions with financial instruments, foreign currency and (or) goods, which are related to insider information, at their own expense or at the expense of a third party, with the exception of transactions within the framework of the fulfillment of an obligation to purchase or sell financial instruments, foreign currency and (or) goods, the due date for which has come, if such an obligation arose as a result of a transaction performed before the insider information became known to the person;
- by transferring it to another person, with the exception of cases of transferring this information to a person included in the list of insiders in connection with the performance of duties established by laws, or in connection with the performance of labor duties or the performance of a contract;
- by giving recommendations to third parties, to oblige or otherwise induce them to purchase or sell financial instruments, foreign currency and (or) goods.
- it is prohibited to carry out actions related to market manipulation in accordance with the legislation of the Kyrgyz Republic on combating the misuse of insider information and market manipulation.
- The broker takes measures stipulated by the legislation of the Kyrgyz Republic, regulatory legal acts of the licensing authority and executive authority in the field of financial markets, other regulatory legal acts of the Kyrgyz Republic and the rules of trade organizers aimed at preventing, detecting and suppressing market manipulation, identifying facts of market manipulation, and conducting fact checks.

6.10. The Broker and the Broker's employees shall not be held liable if the operations, which are market manipulation, are made on behalf (instruction) of the Client. Responsibility in this case is borne by the Client who gave the corresponding order (instruction).

6.11. In case of violation of the requirements of the legislation in the field of prevention of market manipulation, the Client may be brought to civil, administrative and criminal liability.

6.12. In the event of an Instruction to the Broker to transfer the Client's Securities to a third party, the Client is obliged to notify such person of the actions that are classified by the legislation of the Kyrgyz Republic as market manipulation, of the inadmissibility of manipulation and of liability for market manipulation.

6.13. The Broker has the right to suspend the execution and/or refuse to execute the Client's Order to make a transaction if there are suspicions that such a transaction will contain signs of market manipulation, use of insider information, financing of terrorist activities and legalization (laundering) of criminal proceeds, other signs in respect of which The broker suspects that the transaction/operation is being carried out in order to violate the requirements of the legislation of the Kyrgyz Republic.

6.14. The Broker considers the Client's message sent in the form of Appendix No. 5-1, 5-2 to these Regulations as an Instruction if the text of the message contains the following mandatory details:

6.14.1. Unique identification number of the Client and full name (for individuals) or full name (for legal entities).

6.14.2. Details (number and date) of the Brokerage Agreement with the Client.

6.14.3. The type of transaction and the nature of the transaction that the Broker must execute in accordance with the Client's Order.

6.14.4. The name of the financial instrument and identification registration number (ISIN, CUSIP or others), the number or unambiguous conditions for its determination, the price of one security or the unambiguous conditions for its determination, for derivatives market instruments, the type and maturity of the contract.

6.14.5. Validity period of the order.

6.14.6. Signature on the Order:

- Client's signature certified by the Client's stamp (for legal entities);
- Client's signature (for individuals).

If Orders are submitted electronically, the Orders are signed using the PES, together with the PES Key.

6.15. When the Client submits Orders in writing, all required fields of the Order must be filled in.

6.16. The "Additional Information" field is filled in as needed.

6.17. The Client agrees that the Broker, when making transactions carried out within the framework of the Regulations on the Order and at the expense of the Client, has the right, acting at its own discretion, to offset counterclaims and obligations under transactions. At the same time, the Broker undertakes, at the request of the Client, to provide the latter with all the necessary information about the offsetting of counterclaims and obligations under the transactions specified in this clause of the Regulations.

## **7. Article. Orders of the Client**

7.1. The Broker accepts Orders of the following types, depending on the execution price specified by the Client:

7.1.1. Orders in which the execution price is not indicated, or the execution price is designated as "market" ("exchange", "current", etc.) (hereinafter referred to as Market Orders).

7.1.2. Orders with a specified execution price. At the same time, the execution price must be indicated in units of dimensions used in the respective TS (in soms, rubles, in foreign currency, in percents or others) (hereinafter referred to as the Limit Orders).

7.2. Unless otherwise specified by the Client, then by default, all Orders are considered accepted by default on the terms "valid until the end of the current business day".

7.3. Orders with other terms of validity, including Orders with the FOK (Fill or Kill) condition, i.e. Orders that must be executed immediately or canceled must contain the appropriate indication "Execute immediately or cancel" (or otherwise identical in meaning).

7.4. The Broker may also accept Orders of the above types with other conditions (hereinafter - Orders with Additional Conditions), including:

7.4.1. Instructions with preconditions (hereinafter referred to as "Stop" Instructions).

7.4.2. Instructions for REPO transactions.

7.4.3. Orders with other additional conditions, including a ban on partial execution of the Order.

7.5. Additional terms of the Order are fixed by the Client in the column "Additional instructions for the Broker" of the standard form of the Order (Appendix No. 5-1, 5-2 to these Regulations).

7.6. The Broker interprets any Order as a "Stop" Order if it is accompanied by a note such as "Execute when the price is reached" and an indication of the specific price of the condition. The broker executes such an order as a Market or Limit order, depending on the method of specifying the execution price.

7.7. Orders containing any additional conditions may be submitted by the Client only upon agreement with the Broker's employee who accepts the Client's Orders in a manner that provides confirmation of the

Broker's consent to accept such Order. In case of violation of this condition by the Client, the Broker does not guarantee the acceptance and execution of such Orders.

7.8. Unless otherwise agreed in writing, any Order may be withdrawn (cancelled) by the Client at any time prior to its execution by the Broker. Orders partially executed by the Broker by the time of cancellation are considered canceled only in respect of the unexecuted part. When the Client decides to cancel the Order, he must immediately notify the Broker in writing. In the event that the decision to cancel was made after the Broker concluded transactions in accordance with the Order received earlier, the Client must either cancel the cancellation of the Order or assume the payment of penalties under the agreement concluded by the Broker with the counterparty to the transaction. The Broker's commission upon cancellation of the Order by the Client is charged in the manner specified in Appendix No. 12 to these Regulations or by agreement of the Parties.

7.9. Unless otherwise provided by these Regulations, Orders for transactions through trade organizers may be submitted during the trading session of the relevant trade organizer. During the last fifteen minutes of the trading session, such instructions can only be submitted upon agreement with the Broker. Orders submitted after the end of the relevant trading session are subject to execution in the next trading session. The broker, at its discretion, has the right to accept and execute orders at other times, in addition to the periods specified in this article.

7.10. The Broker accepts Orders in the form of a duly executed document in accordance with the requirements of these Regulations and its Annexes. Methods for sending the Client's Orders to the Broker are fixed in Section VI of these Regulations - "Methods and Procedure for Sending Messages". The use by the Client for submitting Orders of methods and means of communication that are not provided for by these Regulations and its Annexes can be made only on the basis of a separate additional agreement with the Broker.

7.11. The Client's Orders issued in different forms and containing the same conditions are considered different Client's Orders.

7.12. The Client agrees that the Broker shall not be liable for any inaccuracy, incompleteness, ambiguity, interruption or delay in the transmission of the Order by the Client or any losses incurred by the Client or any other person in connection with the submission by the Client of a trading Order for execution transactions, due to any equipment malfunction and/or interruption of communication and/or any other technical reason and/or any other circumstances beyond the reasonable control of the Broker.

7.13. The Client's Orders are executed by the Broker by making one or more transactions on organized trading or not on organized trading in accordance with the terms of this Order, the Brokerage Agreement, and also taking into account the type of the Financial Instrument that is the subject of the Order and the place of execution of the Order.

7.14. The conclusion of transactions by the Broker in pursuance of the Client's Order is carried out in strict accordance with the legislation of the Kyrgyz Republic, as well as the internal rules of the TS through which transactions are concluded.

7.15. The Broker has the right to execute any Order in parts, unless other instructions regarding this Order are contained in it itself or are not received additionally from the Client.

7.16. The use of the Broker's own system of automated accounting of accepted Orders (position control) does not mean that the latter assumes responsibility for transactions made in accordance with the Client's Order. In all cases, the Client, before submitting any Order, must independently calculate the maximum amount of his own next Order based on the confirmations of transactions received from the Broker and the issued Orders. Any damage that may arise if the Client makes a transaction that is not secured by its own assets will be charged to the Client.



7.17. If at any moment of the trading session there is a significant (more than 10%) "spread" of quotations on the market (the difference between the best bid and offer prices), the Broker has the right, in agreement with the Client, if he considers that this is in the interests of the Client, delay the start of the execution of Orders, unless the Client insists on their immediate execution.

7.18. Execution of Client Orders is carried out in the manner and on the terms stipulated by the Brokerage Agreement, taking into account the established practice and restrictions on transactions in the financial market/securities market and taking into account the specific circumstances prevailing at the time of submission of the Client Order/transaction, as well as related to parameters of the Client's Order, financial instrument, nature of the transaction and relevant for their execution.

The Broker executes Client Orders subject to the following conditions:

- The Instruction has been submitted in the manner prescribed by these Regulations;
- The Order contains all the essential conditions established by these Regulations, and also contains mandatory details and complies with the form established by the Broker, if it is provided for by these Regulations;
- the term and/or condition for execution of the Order has come, if the Order contains the term and/or condition for its execution;
- there are no grounds for refusal to accept and/or execute the Order, if such grounds are established by these Regulations, the legislation of the Kyrgyz Republic.

**The Broker has the right not to execute the Client's Orders** if the execution of the Order obviously leads to a violation of the current legislation of the Kyrgyz Republic.

**The Broker has the right to refuse to execute all or any of the Client's Instructions** for making Securities Transactions if it believes in good faith that such an Instruction is submitted in an improper manner or in an improper form, and/or was signed/transferred by an improper person and/or is incomplete, unclear, ambiguous and/or contrary to any other properly executed Orders and/or documents and/or inauthentic and/or illegal, and more precisely:

- if any Order does not contain the essential terms of the Order or contradicts other Orders of the Client, the Broker has the right, at its own discretion, to refuse to execute such Order or execute it as it was understood;
- The Broker has the right not to execute or suspend the execution of any Order submitted by the Client, if such execution is not timely secured by the Client in cash and (or) securities. At the same time, the Client is solely responsible for all claims and requirements stated by third parties in connection with the suspension of the execution of such an Order;
- the Client has not complied with any requirement of these Regulations to determine the essential conditions of the Order and (or) the rules for submitting the Order;
- The Order cannot be executed under the conditions specified therein due to the state of the stock market, established business practices, the requirements of the rules of various stock market structures (trading organizers, authorized depositories, settlement institutions, etc.) involved in the process of executing the Client's Order;
- non-compliance of the terms of the Instruction with the legislation of the Kyrgyz Republic;
- non-compliance by the Client with the deadlines for signing and returning documents to the Broker, in accordance with the requirements of these Regulations.

7.19. The Broker is not liable to the Client or any other person for possible losses resulting from the refusal to execute all or any of the Client's Orders, in accordance with clause 7.18. of this Regulation.

7.20. If the Order is submitted by the Client via electronic communication channels, such Order is considered accepted by the Broker for execution at the moment of reaching an agreement between the Client and the Broker on all essential terms of the Order.

7.21. Confirmation of the execution or non-execution of the Instruction during the trading day is made in response to the Client's request, in any form of feedback specified in the Brokerage Agreement. Confirmation is carried out by an authorized employee of the Broker in the form of a report on all transactions made on his Instructions, other operations provided for by these Regulations to the client within the next day after the day of transactions on the Client's Account, subject to timely receipt of information from the TS.

7.22. Confirmations sent to the Client by the Broker, by any means of communication, in accordance with the terms of this Regulation, are recognized by the Client, in the absence of objections within 5 (five) business days from the date of sending.

7.23. In case of receiving objections on the transactions made, specified in the Confirmation, the Broker has the right to suspend all operations on the Client's account until all disputes are resolved.

7.24. The Broker has the right to engage third parties, including those licensed as a professional participant in the securities market, to execute the Client's Orders at its own discretion.

7.25. The Broker must not deliberately take advantage of the situation in case of an obvious error of the Client (including in case of an error in the Trade Order). In the event of such an error in the Client's Order, the Broker shall make reasonable efforts to prevent the execution of the erroneous Order and to inform the Client about it.

7.26. When carrying out brokerage activities, the Broker takes all reasonable and available measures to execute the Client's Orders on the best terms in order to achieve the best possible result for the Client when executing a transaction (a group of related transactions).

7.27. The best conditions for the execution of the Client's Order, based on the assessment of the factors affecting the execution of the Order, for the Broker are:

- the best possible transaction price at the time of placing the order (taking into account the volume of the transaction);
- minimum costs for the transaction and settlements on it;
- the minimum term for the execution of the transaction;
- execution of the Order, if possible, in full;
- minimization of the risks of non-execution of the transaction, as well as recognition of the completed transaction as invalid.

7.28. The requirement to execute Clients' Orders on the best terms applies to the execution of Orders both in organized trading and in unorganized trading. At the same time, the execution of the Client's Instruction at organized trading based on orders addressed to all trading participants, for the purchase and sale of securities, or for the conclusion of an agreement that is a derivative financial instrument, or a REPO agreement at the best price indicated in them, allows us to consider, that it has been fulfilled in accordance with the said requirement.

7.29. The requirement to execute Client Orders on better terms does not apply to the following Client Orders:

- for Instructions of the issuer of securities related to the placement and (or) redemption of own securities;
- on Orders of a person who is a qualified investor by virtue of law or a foreign organization, subject to the following conditions:
- the specified person acts at his own expense;

- the brokerage agreement with the specified person directly releases the Broker from the obligation to execute the Order(s) of such Client on the best terms;
  - for the Client's Instructions submitted by him independently to the Trading System.
- 7.30. By this provision, the Broker is released from the obligation to execute the Orders of the Client, who is a qualified investor or foreign organization, on better terms if the specified Client acts on his own account.

## **8. Article. Peculiarities of acceptance and execution of instructions for REPO transactions**

- 8.1. A REPO transaction is a transaction concluded by the Broker in the TS or on the over-the-counter market, and consisting of two parts:
- a transaction concluded by the Broker on the Client's Order, in which the Broker, depending on the Client's Order, can act either as a seller or a buyer of securities (the first part of a REPO transaction);
  - a transaction, the subject of which is the same securities, for the same number of securities as in the first part of the REPO, in which the side - the seller in the first part of the REPO transaction is the buyer, and the side - the buyer in the first part of the REPO transaction is the seller (the second part of the REPO transaction).
- 8.2. Direct REPO transaction - a transaction for the sale of securities with an obligation to repurchase securities.
- 8.3. Reverse REPO transaction - a transaction for the purchase of securities with the obligation to resell the securities.
- 8.4. The Broker interprets any Instruction as an Instruction for a REPO transaction, if it, drawn up in a standard form, contains the requisite (in the column "Additional instructions for the Broker", "Type of transaction") - "REPO".
- 8.5. The Broker executes Orders for any REPO transactions only if there are relevant offers from counterparties - third parties.
- 8.6. Mandatory additional details of the Order for a REPO transaction (in addition to other usual details of any Order) are:
- term of execution of the second part of the REPO transaction. If the REPO term is not specified by the Client, the Broker interprets it as equal to the term before the start of the next trading session.
  - the execution price of the second part of the REPO. Instead of the execution price of the second part, the Client can specify the % REPO rate. In this case, the Broker independently calculates the execution price of the second part in accordance with generally accepted rules.
- 8.7. A REPO transaction consisting of two parts is considered by the Broker and the Client as a single transaction. After the execution of the first part of the transaction, the Broker independently, without any additional Order from the Client for the execution of the second part of the transaction, settles and all settlements on such a transaction. The instruction for a REPO transaction cannot be canceled by the Client after the execution of the first part of the REPO.
- 8.8. Instructions for REPO transactions are accepted by the Broker for execution in the TS, provided that such transactions are not prohibited by the trading regulations (Rules) of this TS. The Broker has the right to execute an Order for a REPO transaction outside the TS, provided that this is not prohibited by the Client's Order.
- 8.9. The Broker has the right, without the Client's instruction, to withhold from the Client's Brokerage Account or demand reimbursement from the Client's other accounts of the amounts of dividends and coupon income paid by the issuer on securities acquired under the first part of the REPO transaction, provided that

the date of the issuer's compilation of the list of persons entitled to receive income, falls on the interval between the date of re-registration of securities under the first part of the REPO transaction and the date of re-registration of securities under the second part of the REPO transaction.

8.10. The Broker undertakes to take all possible measures to claim and transfer by the Counterparty to the Client's Brokerage Account the amounts of dividends and coupon income paid by the issuer on securities acquired by the counterparty in the first part of the REPO transaction from the Client, provided that the date the issuer draws up the list of persons entitled to receive income falls on the interval between the date of re-registration of securities under the first part of REPO and the date of re-registration of securities under the second part of the REPO transaction.

8.11. In the event that any taxes are paid to the budget on the amounts of dividends and coupon income subject to reimbursement under REPO transactions, these tax amounts are subject to reimbursement at the expense of the Seller for the first part of the REPO.

## **9. Article. Peculiarities of accepting and executing orders for transactions in the over-the-counter market**

9.1. Transactions outside the organized securities markets can be carried out by the Broker on the basis of a standard Order, in the details of which the Client either expressly states that the transaction can be completed on the OTC market, or no TS is indicated.

9.2. The execution by the Broker of transactions in the over-the-counter market is carried out by concluding an agreement with a third party (counterparty). At the same time, the Broker has the right, if it does not contradict the Orders of the Clients, to conclude one agreement with the counterparty for the simultaneous execution of two or more Orders received from one Client. Also, the Broker has the right, if it does not contradict the Orders of the Clients, to conclude agreements with different counterparties for the execution of one Order received from one Client.

9.3. The execution by the Broker of Orders for transactions on the OTC market, as well as the execution of transactions on the OTC market, can be carried out through an agent. In such cases, the Broker assumes full responsibility for the actions of such agent. Payment for the services of the agent is made by the Broker independently, at the expense of the amounts received as a remuneration from the Client in accordance with the Broker's Tariffs.

9.4. The Broker shall not be liable to the Client for non-fulfillment of obligations by counterparties under concluded transactions, but undertakes to select counterparties in good faith and take all necessary actions to fulfill their obligations.

9.5. When concluding agreements with counterparties, the Broker acts in accordance with the Orders of Clients and business practices. Unless otherwise provided by the Client's Order, when concluding transactions with Securities of foreign issuers on the OTC market, the Broker has the right to be guided by the conditions under which participants in organized OTC trades make transactions without preliminary depositing securities and funds.

9.6. The execution of the Order for a transaction outside the TS can be carried out by the Broker only if the price conditions of the Order correspond to the market conditions, and additional conditions (the Client's instructions to the Broker) correspond to the business practices of the over-the-counter securities market.

9.7. When making a transaction at an unorganized auction, the Broker's employees must conduct a transaction in accordance with internal procedures, and also make sure that:

- availability of limits for the counterparty, approved in accordance with the procedure established by the Broker;

- availability of counterparty's authority to perform this operation;
- in the correctness of filling out the documents for the transaction;
- the person in whose favor the Broker purchases securities has appropriate grounds (permits) for their acquisition if the securities being purchased are limited in circulation.

#### **10. Article. Registration of transactions, settlements between the Broker and the Client, remuneration of the Broker and payment of expenses**

10.1. In all cases, an instruction for a transaction is considered by the Broker and the Client, including as an instruction to the Broker to settle the transaction and make settlements on it in accordance with the provisions of these Regulations.

10.2. Settlement of transactions concluded in the TS is carried out in the manner and within the time limits stipulated by the TS Rules.

10.3. If in the process of settlement of the transaction the Broker needs to receive additional documents from the Client, the latter is obliged to provide an electronic copy of the documents within 1 (one) day. The broker reserves the right to request originals or duly executed copies of such documents. The Broker sends such a request to the Client using one of the messaging methods provided in the Client's Questionnaire. The Broker has the right not to take any actions to settle the transaction until the Client provides the documents specified in this paragraph. If as a result of late submission of the specified documents the Broker incurs losses, the Client is obliged to reimburse them in full.

10.4. To settle transactions, the Broker exercises all rights and fulfills all obligations that have arisen to the counterparty and/or the Trading System and other third parties providing the transaction (depositories, registries, etc.) as a result of transactions made on the Client's Order. In particular, Broker produces:

- delivery/acceptance of securities, other Financial Instruments;
- transfer/acceptance of funds in payment for securities, other Financial Instruments;
- payment of tariffs and fees of the Customs Union, depositories, registrars, other third parties;
- other necessary actions, in accordance with the Rules of the relevant TS, business practices or the terms of the contract concluded with the counterparty.

10.5. The Broker collects remuneration from the Client in accordance with the Broker's Tariffs in force at the time of the actual provision of services. The procedure for charging and the amount of tariffs charged by the Broker for services provided on the basis of these Regulations may also be established by the relevant separate supplementary agreement to the Agreement concluded between the Broker and the Client.

10.6. Unless otherwise provided by an additional agreement of the parties, if the Broker announces several Tariff plans within the framework of these Regulations, the Broker charges the Client a fee in accordance with the Tariff plan chosen by the Client and specified in the Brokerage Agreement.

10.7. The amount of the Broker's current tariffs for the services provided for by these Regulations is fixed in the Tariff plans (tariffs) in Appendix No. 12 to these Regulations. Changes and additions to the tariffs are made by the Broker unilaterally, while the introduction of such changes and additions is carried out with prior notification of the Clients in the manner provided for in clauses 1.8.-1.10. of this Regulation.

10.8. When adding a new tariff plan to the Broker's tariffs, the Client has the right to choose it by concluding an additional agreement with the Broker to the Agreement. In the event that the tariff plan previously chosen by the Client was excluded from the Broker's tariffs, and the client did not conclude an additional agreement on the choice of another tariff plan, the Broker has the right, on its own initiative, either to transfer the Client, who was served on the excluded tariff plan, to another valid Broker's tariff

plan, or to continue servicing Client on the terms of an excluded tariff plan. Services not provided for by the tariff plan used by the Client are paid in accordance with the current version of the Broker's tariff plans.

10.9. Unless otherwise stipulated in a separate agreement, in addition to paying remuneration to the Broker, the Client pays expenses at the rates of third parties. Under the costs of third-party tariffs paid by the Client in addition to the Broker's own tariffs, in these Regulations are understood the fees and tariffs charged by the Broker in favor of third parties, whose participation is necessary for the conclusion and settlement of transactions and other operations provided for by the Regulations.

10.10. In addition to the Broker's tariffs, the following types of expenses are included in the expenses for the tariffs of third parties charged from the Client additionally:

- commissions charged by the TS, where the transaction was executed on the Client's Order, including the commission fees of the organizations clearing securities and funds in these TS - are charged according to the tariffs of the TS and the clearing organizations used in them.
- expenses for opening and maintaining additional depo accounts (sections) in authorized depositories opened by the Broker in the name of the Client - are charged at the rates of authorized depositories.
- Fees for depositing and delivering securities charged by authorized depositories and registrars (only if a transaction or other operation requires re-registration with these authorized depositories or directly in registers of registered securities) - are charged at the rates of authorized depositories (registrars).
- expenses for sending reports to the Client using express mail - are charged in the amount of actually incurred expenses according to mail tariffs.
- other expenses provided that they are directly related to the transaction (other operation) conducted by the Broker in the interests of the Client.

10.11. If it is expressly provided for by one of the Broker's tariff plans, then the above list of expenses can be reduced by absorbing certain types of expenses into the Broker's tariff.

10.12. In all cases, the amount of necessary expenses at the tariffs of third parties is charged by the Broker from the Client on the basis of invoices/statements submitted to the Broker by third parties or other supporting documents.

10.13. Unless otherwise provided by a separate agreement of the Parties, when determining the Client's planned obligations, the Broker recalculates the amounts of obligations and commissions of third parties expressed in foreign currency into soms at the rate established by the National Bank of the Kyrgyz Republic.

10.14. The Broker collects the remuneration provided for by these Regulations from the Client at the rates of the Broker and third parties without prior acceptance by the Client at the expense of the funds on the Client's account opened in accordance with these Regulations.

10.15. The broker reserves the right to write off the accrued commission not in full.

10.16. The Broker issues an invoice to the Client for the amount of accrued commissions, remuneration and other fees of the Broker no later than the 5th day of the month following the month in which the corresponding accruals were made.

10.17. Invoices for commissions and fees of third parties, subject to reimbursement by the Client to the Broker, are issued no later than the 15th day of the month following the month in which the corresponding invoices from third parties were issued.

10.18. Within 15 (Fifteen) working days of the month following the reporting month, the Client is obliged to pay off his debt on payment of remuneration and reimbursement of expenses for the reporting month by transferring funds to the Broker and/or selling assets (part of assets). If the Client fails to repay the specified debt within the specified period, the Broker has the right to suspend the execution of the Client's Orders.

## **11. Article. Ensuring the fulfillment of the obligations of the Client to the Broker**

11.1. If the Client fails to fulfill any obligations under these Regulations and / or other obligations to the Broker, the Broker has the right to suspend the acceptance for execution and execution of any Orders of the Client, as well as the performance of any other of its obligations under these Regulations until the fulfillment of the corresponding obligation.

11.2. By acceding to these Regulations, the Client authorizes the Broker to send funds held on the Client's accounts, as well as to sell securities recorded on the Client's accounts, to pay off any property debt of the Client to the Broker, both related and not related to the execution by the Parties of the provisions of this Regulation. The provision of this paragraph applies, in particular, in the event of the Client's debt for reimbursement of expenses, payment of the Broker's remuneration, payment of a penalty (fine) and other types of property debt of the Client.

11.3. The Broker sells the Client's securities in the amount necessary and sufficient to pay off the Client's debt. The Broker independently determines the place of sale of the Client's securities (TS, over-the-counter market).

11.4. Selling prices must correspond to prevailing market conditions at the time.

11.5. The Broker sells the Client's securities on the basis of an official Order, which is drawn up and signed by an authorized employee of the Broker.

11.6. Information about these sales is included in the Broker's report, provided in the manner prescribed by these Regulations.

11.7. The funds remaining after the repayment of the debt are credited to the Client's account.

11.8. The broker has the right to charge the Client remuneration for transactions for the sale of the Client's securities in order to pay off the debt of the latter, as well as to reimburse at the expense of the Client the expenses arising from the execution of these transactions.

11.9. If the proceeds from the sale of securities are insufficient to pay off the debt, the Broker shall submit a written request to the Client to pay off the remaining part of the debt.

11.10. The client is obliged to repay the resulting debt no later than the term specified in the repayment request.

11.11. In cases where, in accordance with the terms of the Brokerage Agreement with the Client or other conditions, the forced sale of the Client's securities is carried out, the Broker makes every reasonable effort to minimize the Client's losses.

## **Section IV. FUTURES AND OPTIONS**

### **12. Article. Terms and definitions**

This section uses the following terms and definitions:

**Derivatives Market** - Trading systems that conduct organized trading in Derivative financial instruments.  
**Derivative financial instrument (DFI)** – financial market instruments (Options and Futures/Forwards), the prices of which are determined by the price of the underlying asset (underlying asset), i.e. are a derivative of the price of this asset.

**Futures transaction** - is a transaction made during trading in the Trading System and registered by the Trading System, related to the mutual transfer of rights and obligations in relation to derivatives.

**Underlying asset of a term instrument** - is equity securities, a currency, an index or a commodity that is the subject of a derivative. The Futures Contract circulating in the Trading System can serve as the Underlying Asset of the Option Contract.

**Specification of a term instrument (Specification)** – a document that, together with the TS Rules, defines all the essential conditions of derivatives, its circulation and execution.

**Option contract (Option)** – a contract, the buyer of which acquires the right to buy or sell the Underlying Asset at the exercise price set at the time of the transaction, within the time period specified in the Specification, and the seller acquires the obligation to fulfill the buyer's requirements (if any) within the specified in the time period specification.

**Expiration** - is the procedure for the execution of an Option Contract, defined by the TS Rules and the Specification, carried out when the option buyer claims or when the position is Forced Closed.

**Futures Contract (Futures)** – a contract for the sale and purchase of the Underlying Asset of a term instrument concluded on standard terms with the fulfillment of obligations in the future within the period specified by the TS Rules and the specification of this Futures Contract.

**Forward (forward contract)** - differs from futures in that it is traded on the over-the-counter market.

**Execution** - is the standard procedure for terminating rights and obligations, as defined in the Specification of the Term Instrument.

**Settlement Price** – the price accepted as a base indicator for clearing settlements, determined in accordance with the TS Rules.

**Variation Margin** - the amount of money to be credited or debited from the respective sub-account of the Client's Brokerage Account following the results of each Trading Session in accordance with the Client's Open Positions on the Derivatives Market. The **Variation Margin** - is calculated on the basis of the difference between the prices of concluded deals and the Settlement Price of the session, as well as the change in the Settlement Price in relation to the Settlement Price of the previous Trading Day.

**One-time margin under an Option Contract** - is the amount of funds paid when making a purchase and sale transaction of an Option Contract, to be transferred from the option buyer's account to the option seller's account.

**Open position** - a set of rights and obligations of the Client arising from the purchase and sale of Futures and Option contracts. An open position is canceled (closed) when concluding contracts that are opposite to the existing Open position, as well as when contracts are executed.

**Long Position** – a set of rights and obligations arising from the purchase of a Derivative Instrument.

**Short Position** – a set of rights and obligations arising from the sale of a Derivative Instrument.

**Collateral** - the amount of funds to be deposited by the Client in accordance with these Regulations as security for the fulfillment of obligations under Open Positions.

**Clearing** - is a non-cash settlement procedure based on the offset of mutual financial obligations of participants based on the results of the Trading session.

**Forced Closing of Positions** - is the execution of a Trade Transaction, initiated independently, on the instructions of the Broker, closing the Client's open positions without the Client's instructions.

### **13. Article. General conditions for making transactions with derivatives**

13.1. By acceding to these Regulations, the Client authorizes the Broker:

- enter into transactions with derivatives on the Instruction and at the expense of the Client.
- make settlements with the Exchanges, settlement and clearing houses and the common clearing member for the Client's obligations.



13.2. The Client is obliged to comply with the requirements established in accordance with the Exchange Rules for the amount and composition of funds accounted for on the Client's sub-account on the Exchange.

13.3. The Client is not entitled to submit instructions to the Broker for transactions, the subject of which is the acquisition of foreign securities and (or) the conclusion of agreements that are derivative financial instruments, the underlying asset, which are securities of foreign issuers or indices calculated on such securities, until the moment the Client familiarizes with Appendix No. 8 to these Regulations. If the Broker makes the said transactions at the expense of the Client, it is considered that the Broker's Client has fully familiarized himself with Appendix No. 8 to these Regulations.

#### **14. Article. Order of the Client**

14.1. The Client's orders must be lawful, feasible and specific.

14.2. The Client submits to the Broker Orders of the following types:

- buy/sell a contract at the current exchange price.
- buy/sell a contract at the price specified in the Order.
- buy/sell a contract at a price not higher/not lower than the specified one.

14.3. The Client's order of any type must be executed in accordance with Appendix No. 5-2 to these Regulations.

14.4. If the Client's Order does not meet the specified requirements and/or contradicts other Client's Orders, the Broker has the right, at its own discretion, to refuse to execute the corresponding Order, or to execute it as it was understood.

14.5. The maximum allowable total number of previously opened and newly opened positions of the Client on the current exchange day on any Exchange depends on the amount of money and other funds deposited by the Client as a guarantee fee.

#### **15. Article. Performance of contracts**

15.1. In accordance with the Brokerage Agreement, the Client instructs the Broker to draw up on his behalf the necessary documents in case of execution of the Futures/Forward and Option contracts concluded at the expense of the Client.

15.2. At the end of trading on the penultimate day of circulation of the Futures/Forward (Option) contract, the Client, who has open positions under this contract, is obliged to organize and prepare everything necessary for the execution of the contract in accordance with the requirements of the Futures Instrument Specification or the terms of the contract.

15.3. Not later than 18:00 on the working day preceding the penultimate day of circulation of the contract providing for the delivery of the underlying asset (hereinafter referred to as the Delivery Contract), the Client having Open Positions under this Delivery Contract must ensure that the Broker has an application confirming the possibility of executing the Delivery Contract by buying/selling The underlying asset in the TS (Appendix No. 5-2 to these Regulations). Upon receipt of the above notification from the Client, the Broker has the right to block the assets necessary for the execution of the relevant Delivery Contracts until the fulfillment of obligations under these contracts. The fulfillment of delivery obligations means the fulfillment of obligations under a transaction for the purchase/sale of the underlying asset.

15.4. The absence of an application from the Broker within the specified period is considered by the latter as the Client's refusal to execute the Delivery Contract. In this case, the Broker has the right, starting from the penultimate day of circulation of the Delivery Contract, to forcibly close the Client's position.

15.5. The execution of contracts that do not provide for the supply of the underlying asset is carried out in accordance with the rules of the Customs Union or the terms of the contract.

15.6. In order to carry out the actions specified in this article, the Client authorizes the Broker to carry out without his additional will (Instructions, orders) all necessary related actions and operations, including the transfer of securities to the appropriate depo account (depo account section) in an external depository and etc.

## **16. Article. Terms and procedure for payments**

16.1. The Broker (without prior notice to the Client) has the right to make every day at the expense of the Client's free funds all necessary payments for the payment of:

- variation margin;
- exchange and clearing fees charged by the Exchanges;
- remuneration to the Broker;
- other necessary payments in accordance with these Regulations and the rules of organized markets.

16.2. In the event of a free balance of funds on the Client's sub-accounts in the amount of the difference between the amount of funds transferred to the Broker (separately for each Exchange) and the allowable minimum funds on sub-accounts (separately for each Exchange), the Client has the right to submit a written Instruction to transfer the free balance (or its parts) to the account specified by the Client.

16.3. Upon receipt of the specified Order from the Client, the Broker is obliged, within 1 (one) working day from the moment of its receipt, to give an order to the relevant Exchange to debit the specified amount to the account specified by the Client. The funds are debited by the Exchange in the manner and within the time limits stipulated by the Rules.

16.4. In the event of the formation of the Client's debt, the Broker has the right to carry out the forced closing of the Client's positions in order to repay it.

16.5. The guarantee fee and the initial margin are paid by the Client to their sub-accounts before they start trading on the Exchanges.

16.6. The types of financial instruments accepted by the Broker as collateral for guarantee fee and initial margin obligations are determined by the Broker.

16.7. The Broker has the right to forcefully close all or part of the Client's open positions on one or all Exchanges without the Client's consent in the following cases:

- if the Client violates the established limits on the number of open positions;
- if the Client violates the terms and volumes of the transfer of funds to the Broker, established in this section of the Regulations;
- when forced closing is provided for by the Rules of the respective Trading System.

16.8. The Broker has the right to forcibly close all or part of the Client's open positions on the Derivatives Market without the Client's consent and notification also in the following cases and in the following order:

- if, as a result of clearing on the Derivatives Market, the Client incurs a debt to the Broker due to the fact that the Client's own funds are insufficient to maintain the Client's open positions;
- at any time during the trading session, if the amount of the Client's own funds, taking into account the variation margin to be written off according to the Broker's calculations during the trading session, becomes less than the amount of margin required to maintain all open positions of the Client;
- at any time during the trading session, if the amount of the Client's own funds on the Derivatives Market is less than the amount required to complete the transaction.

16.9. Forced closing of the Client's positions is carried out at current market prices on the relevant Exchange. All possible losses in this case are borne by the Client.

16.10. If, in violation of the Rules, the forced illegal closing of the Client's positions occurs through the fault of the Broker, the Broker shall reimburse the Client for the incurred loss.

16.11. When the Client accepts or delivers the underlying asset during the execution of the contract, the Broker's remuneration is determined in accordance with the Tariff Plan (Tariffs) specified in the Brokerage Agreement with the Client.

16.12. The obligation to return funds is considered fulfilled by the Broker from the moment he submits a payment order to the credit institution to transfer funds to the account specified by the Client, provided that the funds on the Broker's account are sufficient to execute this payment order.

## **Section V. REPORTING AND INFORMATION SERVICES**

### **17. Article. Reporting of the Broker**

17.1. The Broker, on the basis of internal accounting records, draws up reports to Clients in accordance with the requirements of this article. The Broker sends to the Client a report containing information about the services rendered, in the manner, terms and in the form provided for by the Agreement and these Regulations, taking into account the requirements of regulatory documents.

17.2. When providing reporting documents to Clients, the Broker has the right to use symbols, if the Broker in the Agreement with the Client (Regulations) or in the Reporting for the Client, or by the methods established by the Brokerage Agreement with the Client (Regulations), unambiguously defines the meanings of such symbols.

17.3. The Broker's reporting must meet the requirements of reliability, clarity and timeliness. The Broker shall ensure the possibility of confirming the fact of reporting to the Client.

17.4. The Broker provides the Client with primary reporting documentation (a contract, a copy of the payment order, an extract from the register, etc.) for accounting and taxation purposes in accordance with the existing practice of accounting and document flow and the settlement procedure in the Kyrgyz Republic, provided for by the Brokerage Agreement with the Client.

17.5. In addition, the Broker provides the Client with periodic reports to inform him about the operations carried out with his funds.

17.6. When maintaining the Client's Brokerage Account (on the basis of a brokerage agreement), the Broker shall provide the Client with a regular account status report. The statement of account status in terms of information on securities includes only the Client's securities that are in nominal holding or in custody of the Broker.

17.7. In the event that more than one Brokerage Account is opened for the Client, and also if, in addition to activities on this/these accounts, the Broker executes one-time instructions for this Client, information on each of the Brokerage Accounts, as well as on one-time transactions, is not mixed.

17.8. The information contained in the account statement is confidential. The Broker and the Client are mutually responsible for not disclosing the report data to third parties. Information about the name of the Client is confidential and is not subject to disclosure to third parties.

17.9. The account statement contains the following information:

- all securities transactions on the Client's account, including completed purchase and sale transactions and pending transactions;

- payments for the period since the submission of the last report;
- commission fees paid by the Client;
- dividends and interest paid by the company to the Client;
- registration fees and other costs paid by the company and reimbursed by the Client;
- other amounts withheld from the Client in the process of fulfilling the terms of the agreement with him;
- the number of securities owned by the Client and in nominal possession of the Brokerage Company, as well as the number of the Client's Securities transferred to the custody of the Brokerage Company in accordance with the Brokerage Agreement with the Client;
- data on the market value of the Client's Portfolio. The method of assessing the market value of the Portfolio is determined by the Brokerage Agreement between the company and the Client. In the absence of such, an asset valuation methodology using prices at the end of the reporting day may be used;
- the cash balance of the Client's account as of the date of the report.

17.10. In addition to the specified information and information, the Broker's reporting may contain other information that does not contradict the requirements of the legislation of the Kyrgyz Republic.

17.11. The report on the status of the Client's account is submitted to each Client of the company with the following frequency:

- at least once a month, if during this period operations were carried out on the Client's account;
- at least once a quarter, if during this period there were no transactions on the account, but there is a balance of funds and/or securities on the account;
- a report on the status of the Client's account is submitted within 5 working days following the end of the reporting period.

17.12. The report on the state of the account in electronic form can be provided by e-mail (E-mail), or by providing the Client with access to the information resource of the Broker, where such documents are placed (compiled).

17.13. If the Report is sent on paper, it must be certified by the Broker's seal, signed by the Broker's manager or the Broker's employee authorized to sign the Report, or the Broker's employee responsible for maintaining internal records.

17.14. If the Report is sent in electronic form, the Report shall contain designations equivalent to the signature of the Broker's manager or the Broker's employee authorized to sign the Report, as well as the signature of the Broker's employee responsible for maintaining internal records, and representing the full names and initials of the indicated signatories.

17.15. The way of providing the Reports is indicated by the Client in the Brokerage Agreement. If the Brokerage Agreement by the Client specifies several ways of providing Reports, the Broker has the right to choose the method of providing Reports to the Client at its own discretion.

17.16. Unless otherwise specified by the parties to the Brokerage Agreement in a separate written agreement, as a general rule, the Reports are sent to the Client in electronic form by e-mail (e-mail) or fax specified in the Agreement or the Client Questionnaire to the Brokerage Agreement.

17.17. In the event that the Client has not provided the Broker with the details of his e-mail address (e-mail) and fax, the method of delivery of the Report is to provide the Client with a written Report at the Broker's office at the address published on the Broker's website. If the Reports are provided to the Client at the Broker's office, the Client is obliged to visit the Broker's office in a timely manner to receive them.

17.18. The Broker is considered to have fulfilled its obligation to provide the Report to the Client if any of the conditions below are met:

- when submitting the Report to the Client or his authorized employee against signature when submitting the Report;
- when the Report is sent via e-mail (e-mail) at the time of fixing such a direction by the Broker's messaging system;
- when sending the Report by fax at the time of fixing such a direction in the report on the sent fax;
- when sending the Report to the Client by registered mail with acknowledgment of receipt at the time of acceptance of the registered letter with the Report at the relevant post office.

17.19. The Client bears the risk of non-receipt of reporting due to failure to notify the Broker about changes in his details and contact information. The Client acknowledges and accepts the risks associated with sending the Broker's Reports in electronic form via e-mail (e-mail), fax, etc.

17.20. At the written request of the Client, the Broker is obliged to provide the Client with reporting documents within a period not exceeding 10 (ten) working days from the date of receipt of the request. In this case, such reporting documents must contain reporting for the period of time specified in the Client's request.

17.21. The broker also submits to the person with whom he terminated the relevant contract, at his written request, reporting documents within a period not exceeding 10 (ten) business days from the date of receipt of the request. The requirements of this paragraph do not apply to reporting compiled on the basis of internal accounting records for which the storage period has expired, or to reporting for which the storage period has expired. Requests referred to in this clause must be made in writing and may be sent to the Broker in paper or electronic form in a way that allows recording the fact of sending a request.

17.22. The Broker responds to the request and sends the Reporting in the manner agreed with the Client, or sends the original Broker Reporting by mail within a period not exceeding 10 (ten) working days from the date of receipt of the request.

17.23. The Client acknowledges that sending the Broker's Report in hard copy via postal service requires expenses on the part of the Broker. The Client undertakes to reimburse the said costs to the Broker.

17.24. Reporting is considered approved by the Client:

- if it is signed by the Client;
- if there are no objections from the Client within 5 (five) working days from the date of sending the Reporting by the Broker.

17.25. The Client has the right to submit objections to the Broker regarding the Statements provided to the Client within 5 (five) working days from the date of sending the Statements by the Broker. The Client's objections to the Reporting shall be sent in any way available to the Client that allows recording the fact of timely informing the Broker about the Client's objections to the submitted Reporting, including to the Broker's corporate e-mail, in paper form against signature.

17.26. If the Client has objections to the Broker's reporting, the Parties shall take measures to resolve the dispute within 5 (five) working days from the date of receipt of the objections by the Broker. The Broker's response (explanations, corrected reporting, etc.), containing the result of consideration of the Client's objections and explanations of the further procedure for resolving the dispute, is sent to the Client in writing or electronically. If after 5 (five) business days following the day the Broker provides the Client with explanations or corrected statements, the Broker does not receive any comments and objections to the provided explanation or statements from the Client in writing, the statements are considered accepted (approved) by the Client.

17.27. The Broker keeps copies of the reporting provided to the Client, as well as the objections received from the Client and the answers to them for at least 5 (five) years.

17.28. The Client agrees that if the Broker duly sent the Report to the Client in accordance with the procedure provided for in this article, and the Client did not fulfill his obligations to receive this report and familiarize himself with it, including the obligation to receive the report in a timely manner at the Broker's office, all risks of possible losses of the Client related to the fact that the Client did not read the report within the time limits established by this article of the Regulations for filing objections to the Report, are entirely borne by the Client.

17.29. If the Client does not receive the Reports sent by the Broker within the terms specified in this article, the Client is obliged to notify the Broker in writing no later than the working day following the deadline for sending the Reports by the Broker, otherwise the Client is not entitled to refer to their non-receipt or untimely receipt.

17.30. Other forms of reporting according to standards other than those provided for in this section of the Regulations are provided by the Broker only on the basis of bilateral agreements.

17.31. In accordance with the Tax Code of the Kyrgyz Republic, the Broker is a tax agent for determining the tax base, calculating and paying personal income tax on transactions with Securities and transactions with financial instruments of Futures Transactions, the underlying asset for which are Securities. Calculation and payment of personal income tax is made upon receipt of the Order for the withdrawal of Cash / Securities from the Client and after the expiration of the tax period (recognized as equal to a calendar year). If it is impossible to withhold the calculated amount of tax from the Client, the Broker is obliged, within 1 (one) month from the moment the relevant circumstances arise, to inform the tax authority at the place of its registration in writing about the impossibility to withhold tax and the amount of the Client's debt. In this case, the Client is obliged to independently submit the relevant tax declaration to the tax authority at the place of its registration and independently pay the amount of tax payable.

17.32. For the correct calculation of personal income tax, the Client provides the Broker with documents confirming the expenses actually incurred by the Client for the acquisition and storage of Securities, when the Securities are credited to the Client's Account with the Broker in accordance with clauses. 4.2. Regulations.

17.33. When maintaining tax records of income and withholding the amount of calculated taxes on the income of the Broker's Clients, the taxable base is calculated using the FIFO method, in which the book value of the Securities sold by the Client is taken in an amount equal to the book value of the first similar Securities acquired by him.

## **18. Article. Information services**

18.1. In addition to the reporting provided for in the previous article of these Regulations, the Broker prepares and provides Information Materials at the request of the Clients, including:

- official TS information for bidders, including official announcements about the parameters of upcoming auctions;
- information on corporate actions of issuers of securities available on the Client's depo accounts, sent to TS participants;
- results of trades in the TS, according to the rules of the TS;
- information about changes in tariffs and operating conditions of the vehicle.

18.2. Unless otherwise provided by the legislation of the Kyrgyz Republic, the Broker notifies the Client about changes in the operation of the TS within 3 (three) business days from the date the Broker receives the relevant notification from the TS. Notification of the Client about such changes is carried out by the

Broker by publishing a message on the official website of the Broker. The date of notification is the date of posting information on the Broker's website.

18.3. The Broker provides the Client, at his request, with information in connection with the circulation of securities in the amount and in the manner prescribed by the Law of the Kyrgyz Republic “On the Securities Market”. By this provision of the Regulations, the Broker notifies the Client of his right to receive the specified information.

18.4. In accordance with the Law of the Kyrgyz Republic “On the Securities Market”, the Broker, as a professional participant in the securities market, at the request of the Client, is obliged to:

- disclose to the Client information affecting his rights and interests;
- provide the Client with the opportunity to familiarize himself with all available information about securities and their issuer (except for information constituting commercial and official secrets in the securities market) when receiving an order to make a transaction with securities;
- notify the Client about the possibilities and facts of a conflict of interest in the process of making a transaction with financial instruments on the order of this Client;
- notify the Client about the restrictions and special conditions established by the legislation of the Kyrgyz Republic in relation to a transaction with financial instruments that is supposed to be completed;
- explain to the Client the reasons for refusal to fulfill his demand;
- bring to the attention of the Clients information received from issuers and intended for dissemination;
- to disclose to the Clients information relating to the activities of the licensee, in the amount and manner established by the regulatory legal acts of the Kyrgyz Republic.

18.5. For the provision of information materials, the Broker charges a fee in accordance with the Broker's tariffs or an additional agreement of the Parties.

## **Section VI. METHODS AND PROCEDURE FOR TRANSMISSION OF MESSAGES**

### **19. Article. Message passing rules**

19.1. The transmission of messages between the Broker and the Client, including the issuance of confirmations and reports by the Broker, as well as the submission of Orders by the Client, taking into account the specifics established by this Section, can be carried out in the following ways:

- transfer of originals on paper, including sending documents by mail;
- transmission of messages through the Personal Account;
- transmission of messages via other electronic communication systems (e-mail, E-mail, etc.).

19.2. The specified methods of message transmission are determined by the Client. When sending any messages to the Client, the Broker uses the method specified by the Client in the Brokerage Agreement on accession to the Regulations or the Client's Questionnaire.

19.3. The general procedure for the provision of reports by the Broker to the Client by e-mail is prescribed in article 18 of these Regulations.

19.4. The Broker is obliged to identify the Client when accepting Orders. The identification rules applied by the Broker shall ensure proper identification of the Client when submitting Orders.

### **20. Article. Transfer of originals on paper**

- 20.1. Any types of messages and documents provided for by these Regulations can be sent by this method.
- 20.2. The transfer of original documents on paper is carried out at the place of provision of services by the Broker by handing over the documents to the Client or his authorized representative against signature.
- 20.3. The Client may send any messages to the Broker by sending them by mail. To forward messages, the Broker and the Client must use only registered mail or express mail.
- 20.4. The Broker may also send his messages by registered mail with postage charged to the Client.
- 20.5. The original reports and statements, copies of which were sent to the Client by E-mail, are kept by the Broker for 5 (five) years and are provided to the Client upon his first request.

## **21. Article. Transmission of Orders in electronic form through the Personal Account**

- 21.1. The conditions for using the Personal Account for the transfer of the Client's Orders in electronic form are specified in Appendix No. 11 to these Regulations.
- 21.2. The Client is obliged to provide the Broker with a hard copy of the Order transmitted through the Personal Account within the time limits specified in clauses. 5.4.1-5.4.2 of this Regulation.

## **22. Article. Procedure for exchanging messages by e-mail**

- 22.1. The exchange of messages by e-mail (E-mail) can be carried out by the parties to the Brokerage Agreement if it is enshrined in the provisions of these Regulations and / or subject to the Client choosing a method for exchanging messages by e-mail when concluding the Brokerage Agreement of joining the Regulations, specifying the e-mail address in Questionnaire of the Client to the Brokerage Agreement or in other documents drawn up within the framework of these Regulations or the Brokerage Agreement.
- 22.2. By acceding to these Regulations and / or choosing a method for exchanging messages by e-mail, the Client thereby recognizes electronic messages, documents in electronic format, scanned copies of documents sent and received by e-mail, having the same legal force as documents issued on paper, including as sufficient evidence suitable for presentation in resolving disputes in court. The Client also recognizes as sufficient evidence suitable for presentation in resolving disputes in court files of electronic messages.
- 22.3. Unless otherwise provided by a separate agreement of the Parties, the Broker accepts the following types of Orders from the Client by e-mail:
- trading Orders (Appendices #5-1, #5-2);
  - non-trading Orders (Appendices #6, #7, #7-1, #7-2).
- 22.4. The Parties may exchange by e-mail all types of information messages provided for by these Regulations.
- 22.5. Sending messages (Orders, Reports, etc.) by e-mail should be carried out by the parties to the Brokerage Agreement from the addresses / to the e-mail addresses of the Broker specified in the Notice of opening a Client Account with the Broker or these Regulations, from the addresses / to the e-mail addresses of the Client specified in the Brokerage Agreement or the Client Questionnaire to the Brokerage Agreement.
- 22.6. The parties to the Brokerage Agreement agreed to use the PES when exchanging documents and any additional information by e-mail within the framework of the Brokerage Agreement concluded between them.
- 22.7. The Broker considers any person exchanging messages with him by e-mail as a duly authorized representative of the Client and interprets any messages of this person (orders, requests, etc.) as messages



from the Client, if this person sent messages from the Client's e-mail address specified in the Brokerage Agreement or the Client's Questionnaire to the Brokerage Agreement.

22.8. The Client considers any person who exchanges messages with him by e-mail as a duly authorized representative of the Broker and interprets any messages of this person (reports, inquiries, etc.) as messages of the Broker if this person sent messages from the Broker's e-mail address specified in Notice of opening a Client Account with a Broker or these Regulations.

22.9. Each party to the Brokerage Agreement shall access its e-mail using a password. Each party to the Brokerage Agreement undertakes to keep the password confidential, namely not to disclose it to other persons.

22.10. The parties to the Brokerage Agreement recognize the legal force behind e-mails and recognize them as equivalent to documents on paper, signed with a handwritten signature, certified by a seal (for legal entities).

22.11. The Parties to the Agreement are aware of and accept the risk of electronic document management - the risk associated with the possibility of losses in the exchange of messages between the parties to the Brokerage Agreement through electronic files using e-mail systems.

22.12. The use of unsecured communication channels, such as e-mail, may lead to unauthorized access of third parties to received/transmitted information, and therefore, the confidentiality regime of transmitted/received information may be violated. These circumstances may lead to losses for the parties to the Brokerage Agreement related to the unlawful use by third parties of the information received about transactions, operations and information about the assets of the parties to the Brokerage Agreement.

22.13. The party to the Brokerage Agreement that sent the e-mail is not responsible for the delay in its delivery if such a delay was the result of a malfunction of communication systems, action / inaction of providers or other force majeure circumstances.

22.14. As the date and time of receipt by the Broker of a message (Instruction) by e-mail, the date and time recorded by the Broker's mail program on an electronic document or entered by an authorized employee of the Broker at the time of receipt of the message (Instruction) are accepted. Discrepancies in the indicated marks are interpreted in favor of the mark put down by an authorized employee of the Broker.

22.15. If the Client does not receive correspondence at the e-mail address specified in the Questionnaire to the Brokerage Agreement, then the corresponding message (Report) is considered received by the Client on the day the message was sent by the Broker using e-mail.

22.16. The Client is obliged, after sending the Message (Instruction) by e-mail (E-mail), to confirm by phone the receipt of the Message (Instruction) by an authorized employee of the Broker.

22.17. Using e-mail to deliver Orders and receive Reports, the Client agrees that all risks of possible losses of the Client associated with the use of this type of communication are entirely borne by the Client, including its features such as:

- open communication of information;
- possibility of message substitution (Order, Report);
- possibility of failure of software and hardware;
- failure of software and hardware to receive a message (Report, etc.) sent by the Broker, etc.

## **SECTION VII. RESPONSIBILITIES OF THE PARTIES**

### **23. Article. General provisions on liability**

23.1. In case of non-fulfillment or improper fulfillment by one of the Parties of its obligations under these Regulations (Brokerage Agreement), the guilty Party is obliged to compensate the other Party for the losses incurred.

23.2. The Parties shall not be liable for full or partial non-performance and (or) improper performance of obligations under these Regulations (Brokerage Agreement), if such non-performance (improper performance) is the result of the actions of the other Party.

23.3. The Broker is not liable for any losses of the Client (including non-receipt of dividends) in cases where the inclusion of the Broker and (or) the Client in the register of shareholders of a joint-stock company occurred less than 10 (ten) days before the date the authorized body of the company made a decision to pay dividends.

23.4. The Broker shall not be liable for the Client's losses caused by the termination of the registry agreement between the issuer and the relevant registrar.

23.5. The Broker is not responsible for the Client's losses caused by the action and (or) inaction of the Broker, who reasonably relied on the received Orders of the Client (the Client's representative).

23.6. The Broker is not responsible for the results of investment decisions made by the Client on the basis of analytical information materials provided by the Broker.

23.7. The Client shall be liable for the Broker's losses arising from the untimely completion or distortion of the information provided by the Client to the Broker, as well as due to the untimely and incomplete submission of the necessary documents to the Broker.

23.8. Payment of penalties and compensation for losses does not release the Parties from the performance of obligations in kind.

23.9. The responsibility of the Parties, not defined by this section, is determined by the current legislation of the Kyrgyz Republic.

## **24. Article. Force majeure circumstances**

24.1. The Parties are released from liability for full or partial non-performance (improper performance) of obligations under these Regulations (Brokerage Agreement), if this non-performance (improper performance) was the result of force majeure circumstances that arose after the conclusion of the Brokerage Agreement.

24.2. In the event of force majeure circumstances, the deadline for the Parties to fulfill their obligations under these Regulations (Brokerage Agreement) is extended in proportion to the time during which these circumstances are in force.

24.3. The Party for which it became impossible to fulfill its obligations under these Regulations (Brokerage Agreement) must, within 3 (three) business days from the date of occurrence of such circumstances, notify the other Party in writing of the occurrence, expected duration and termination of these circumstances.

24.4. Failure to notify or untimely notification of the other Party of the occurrence of force majeure circumstances entails the loss of the right to refer to these circumstances.

24.5. If the impossibility of full or partial fulfillment of obligations by the Parties under these Regulations (Brokerage Agreement) due to force majeure circumstances exists for more than one month, then each of the Parties has the right to terminate the Brokerage Agreement. In this case, none of the Parties acquires the right to compensation for losses caused by such termination.

24.6. The absence of securities and (or) funds in the accounts of the Parties is not a force majeure event.

## **25. Article. Resolution of controversial issues**

- 25.1. When considering disputes related to the Brokerage Agreement, the Parties will be guided by the current legislation of the Kyrgyz Republic.
- 25.2. The Parties will take all necessary measures to resolve disputed issues through negotiations.
- 25.3. Disputable issues between the Parties that are not resolved through negotiations are subject to consideration in the complaint procedure, the period for considering claims is 30 (thirty) calendar days. Unresolved disputes are subject to consideration in court at the location of the Broker.

## **Section VIII. VALIDITY OF THIS REGULATION IN RELATIONS WITH CLIENTS**

### **26. Article. Waiver of the Regulations**

- 26.1. After the conclusion of the Brokerage Agreement, the Parties enter into the relevant contractual relationship for an indefinite period.
- 26.2. Each of the Parties has the right to terminate the contractual relationship by notifying the other Party 30 (thirty) calendar days prior to the date of termination of the Brokerage Agreement by registered mail with a list of attachments and a return receipt by mail or by handing the other Party a notice in person against signature, while sending by mail the Client's postal address specified in the Client Questionnaire and the Broker's postal address specified in these Regulations are used.
- 26.3. If the Broker sends a notice of termination of the Brokerage Agreement to the Client by mail, the notice of termination of the Brokerage Agreement is considered received by the Client after 10 (ten) calendar days from the date of acceptance of the Broker's registered letter in the relevant post office and the obligation to notify the Client of the termination of the Brokerage Agreement is considered duly executed by the Broker.
- 26.4. In order to notify the Client about the termination of the Brokerage Agreement, the Broker may also send a corresponding message to the Client's contact details specified in the Client's Questionnaire or other documents of the Client, using notification methods that can be fixed by software and hardware. In this case, the notice of termination of the Brokerage Agreement is considered received by the Client after 10 (ten) calendar days from the moment the notice was sent by the Broker in the specified way, and the obligation to notify the Client of the termination of the Brokerage Agreement is deemed to be properly performed by the Broker.
- 26.5. The Broker has the right to simultaneously use several methods of notifying the Client about the termination of the Brokerage Agreement, while the beginning of the period until the termination of the Brokerage Agreement is determined by the earlier date of receipt by the Client of the notice of termination of the Brokerage Agreement.
- 26.6. Termination of contractual relations does not release the Parties from the fulfillment of obligations that arose prior to the said termination, and does not relieve from liability for non-fulfillment (improper fulfillment) of such obligations, including those established in these Regulations and the Brokerage Agreement.

## **Section IX. FINAL PROVISIONS**

### **27. Article. Final provisions**

27.1. The provision of brokerage services in accordance with these Regulations is carried out taking into account the fact that the Client - an individual / representative of the Client / beneficiary - an individual gives his consent to the Broker for the processing of his personal data in accordance with the Law of the Kyrgyz Republic "On Personal Information", consent for the processing of personal data is considered received upon submission to the Broker of the Statement of consent to the processing of personal data (Appendix No. 10).

27.2. Conducting operations on the Account of the Client - foreign legal entities and foreign citizens is carried out by the Broker, taking into account the restrictions provided for by the current legislation of the Kyrgyz Republic.

27.3. All annexes to these Regulations are its integral part.

27.4. In the event of a discrepancy between the texts in Russian and English, preference shall be given to interpretation in accordance with the version of the text of the Regulations and its annexes in Russian.

The number and content of the Applications are not final and may be changed and/or supplemented by the Broker in the manner provided for in Article 1 of Section I of these Regulations.