

Law of banks and banking activities in the Republic of Kazakhstan

Law of the Republic of Kazakhstan from August 31,
1995 N 2444

Section I. Grounds and conditions for the establishment and the activities of banks

Chapter 1. General Provisions

Article 1. The Bank, its status and location

1. Bank - legal entity, a commercial organization, which is in accordance with this Act is authorized to conduct banking activities.

2. The official status of the bank is determined by the state registration of legal entity as a bank in the organs of Justice (registration authority) (hereinafter - the judiciary) and the availability of a license authorized body on regulation and supervision of financial markets and financial institutions (hereinafter - the authorized body) to conduct banking transactions.

3. No legal person who has no official status of the bank, cannot be called a "bank" or characterize themselves as engaged in banking activities.

4. The location of the bank recognizes the location (address) of its Board.

Article 2. Basic concepts used in this Act

In this Act, the following basic concepts:

1) control - the possibility of one entity to determine the decisions of another entity, which arises if one of the following conditions:

direct or indirect ownership by one person alone or jointly with one or more persons over fifty percent of the shares in the authorized capital of legal entities or outstanding (net of preferred shares and repurchased by the Company) of shares of another person or the presence of autonomy vote more than fifty percent of the shares of another legal entity;

availability features of one legal entity to elect at least half of the board of directors or board of another entity;

the inclusion of financial statements of one entity, with the exception of the financial statements of the special purpose company, established in accordance with the laws of the Republic of Kazakhstan on securitization, the financial statements of another entity in accordance with the auditor's report;

availability features of one legal entity to determine the decisions of another entity by virtue of the contract (supporting documents) or otherwise in the cases stipulated by normative legal act of the authority;

2) indirect ownership (voting) shares of the bank - to define the decisions of the bank, a major participant of the bank, bank holding company or persons together being a major member of the bank, bank holding company, through ownership of shares (stakes in the authorized capital) of legal persons;

3) banking conglomerate - a group of entities comprising the parent organization and its affiliated organizations, as well as organizations in which a parent organization and (or) its subsidiaries have significant involvement in the capital, and which corresponds to one of the following conditions:

Bank is the parent company or one of the subsidiaries of a bank;

Bank is not a parent organization, but the group's activities are mainly concentrated in the banking sector, ie the ratio of total assets from banks and institutions performing certain types of banking groups to total assets of the group is forty percent or more;

Bank is not a parent organization, but the group has one bank and another financial institution.

If a group of legal entities, which includes a bank, the parent organization is the national managing holding, the bank conglomerate is recognized:

Bank;

bank holding company, which is the parent company of the bank;

subsidiaries of the bank, bank holding company, which is the parent company of the bank;

organization in the capital which a bank, a subsidiary of the bank, bank holding company, which is the parent organization of the bank, have substantial involvement.

If a group of legal persons present parent organization - the non-resident bank of the Republic of Kazakhstan, the banking conglomerate admits child resident bank of the Republic of Kazakhstan and its subsidiaries, as well as organizations in which the subsidiary bank and its subsidiaries have significant involvement in capital;

4) The bank holding company - a legal entity (except in cases where such owner is a state or national management holding), which is in accordance with the written consent of the authorized body may own, directly or indirectly, twenty-five percent or more of outstanding (excluding preference shares and repurchased by the bank) shares or be able to:

vote directly or indirectly, twenty-five percent or more of the voting shares;

determine the decisions taken by the bank, by contract or otherwise, or to have control;

5) the regulatory capital (hereinafter - the equity capital) of the bank - the amount of capital, net of investment bank;

6) a major participant of the bank - a natural or legal person (except where such owner is a state or national management holding company, as well as the cases stipulated by this Act), which is in accordance with the written consent of the authorized body may own, directly or indirectly, ten or more percentages (excluding preference shares and repurchased by the bank) the bank's shares, or be able to:

vote directly or indirectly ten percent or more of the voting shares;

influence the decisions taken by the Bank by virtue of contract or otherwise in the order determined by the regulations of the authority;

7) the parent organization - the legal entity which has control over another entity;

8) deposit - money sent from one person (the depositor) to another person - the bank, including the National Bank of Kazakhstan (hereinafter - the National Bank) and the National mail operator, under the conditions of their return in nominal terms (with the exception of investment deposit in an Islamic bank) regardless of whether they should be returned upon request or through any time, in whole or in part with a predetermined mark-up or without it directly to the depositor or transferred on his behalf to third parties;

9) subsidiary organization - a legal entity with respect to which another entity has control;

10) indirect ownership stakes in the authorized capital or ownership (voting) shares of a legal entity - can determine the decisions of a legal entity, the major participant of the legal person or persons who together are a major member of the legal entity through ownership (voting) shares (shares in the authorized capital) other legal entities;

11) major party entity - person or entity (except in cases where such owner is a state or national management holding company) which owns, directly or indirectly ten percent or more shares in the share capital or voting shares of a legal entity;

12) a significant part in the capital - is the possession, directly or indirectly, alone or together with one or more persons and more than twenty percent of the voting shares (participation in the share capital) or the presence of the opportunity to vote twenty percent or more of shares;

13) impeccable business reputation - the existence of facts supporting the professionalism, honesty, no unwithdrawn or outstanding criminal record;

14) Bank Stabilization - second-tier bank, created by the decision of the authorized body for the purposes of the transaction for the transfer of assets and liabilities of the bank, located in a conservation regime. Features of creation of a stabilization of the bank established by this Act.

Article 2-1. Affiliated persons of the bank

1. Affiliates of the bank are the entities specified in Article 64 of the Law of the Republic of Kazakhstan "On Joint Stock Companies, as well as members of the banking conglomerate.

Unless otherwise established by this article, is not the basis for determining the bank's affiliates in accordance with Article 64 of the Law of the Republic of Kazakhstan "On Joint Stock Companies" the presence of signs of the major shareholder of the bank at the National Holding.

2. Unless otherwise established by this article, affiliates of the bank, whose largest shareholder is the national manager of the holding is not the national managing holding legal persons, one hundred percent of voting shares (participation), which belong to National Holding on a list approved by the Government of the Republic of Kazakhstan, and as officials of National Holding and the aforementioned entities.

Is not the basis for the recognition of the banks affiliated with respect to each other in the presence of the shareholders of the banks managing the national holding company.

3. The provisions of the second part of paragraph 1 and paragraph 2 of this article do not count for purposes of the tax legislation of the Republic of Kazakhstan and the Republic of Kazakhstan legislation on transfer pricing.

Article 3. The banking system of the Republic of Kazakhstan

1. The Republic of Kazakhstan has a two-tier banking system.

2. National Bank is the central bank of the state and represents the upper (first) tier of the banking system.

Objectives, principles of activity, legal status and powers are defined by the National Bank of Republic of Kazakhstan Law "On National Bank of Kazakhstan."

The National Bank carries out regulation and supervision on specific issues of banking activities within its competence, and promotes the general conditions for the functioning of banks and institutions performing certain types of banking operations.

Regulatory and supervisory functions of the National Bank for banks and institutions performing certain types of banking operations aimed at maintaining the stability of the monetary system of the Republic of Kazakhstan, the protection of the interests of creditors of banks, their depositors and clients. P090006

3. All other banks are lower (second) tier of the banking system with the exception of the Kazakhstan Development Bank, which has a special legal status, defined by legislation of the Republic of Kazakhstan.

4. (Excluded - N 162 of 02.03.2001, the)

5. A bank with foreign participation - second-tier bank, more than one-third of outstanding shares of which are in the possession, ownership and / or management:

a) residents of the Republic of Kazakhstan;

b) legal entities - residents of Republic of Kazakhstan, more than one-third of the issued shares or shares in the authorized capital of which are in the possession, ownership and / or management of non-residents of the

Republic of Kazakhstan, or their equivalent entities - residents of Republic of Kazakhstan;

a) residents of the Republic of Kazakhstan, is the manager of funds (trustees), residents of the Republic of Kazakhstan or legal persons referred to in subparagraph b) of this paragraph.

5-1. Islamic bank - a bank in the second level, carry out banking activities provided for in Chapter 4-1 of this Act, under license from the authority. P090857

Islamic bank is not party to the system of compulsory deposit insurance, and deposits in an Islamic bank cannot be guaranteed obligatory deposit insurance system.

Features of the establishment and operation of an Islamic bank specified in Chapter 4-1 of this Act.

6. Interstate Bank - a bank created and operating under the international treaty (agreement), whose founders are the Government of the Republic of Kazakhstan (or authorized by the state agency) and government (the government) State (s) who signed the contract (agreement).

Article 4. Banking laws of the Republic of Kazakhstan

1. Banking laws of the Republic of Kazakhstan is based on the Constitution of the Republic of Kazakhstan consists of this Law and other legislative acts of the Republic of Kazakhstan, as well as legal acts of the authorized body and the National Bank issued under and pursuant to legislative acts and acts of the President of the Republic of Kazakhstan on the issues related to their competence.

2. If an international treaty ratified by the Republic of Kazakhstan stipulates other rules than those stipulated in this Law, the rules of international agreement.

Article 5. Organizations engaged in certain kinds of banking

Organization that carries out certain banking operations - a legal entity, not a bank, which is under license from the authorized body and (or) the National Bank or in accordance with the legislative act of the Republic of Kazakhstan the authority to conduct certain types of banking operations stipulated by this law.

Article 6. A ban on unauthorized activities

1. No person who does not have the appropriate licenses from the authorized body and (or) the National Bank has the right to:

a) carry out banking operations as a primary or subsidiary activities;

b) (excluded by the Law of RK as of May 5, 2006 N 139);

c) to use in their names, documents, announcements and advertisements the word "bank" or its derivative word (expression) creates the impression that it performs banking operations. This prohibition does not apply to

National Bank branches and representative offices of banks, subsidiaries of banks, international financial institutions.

2. Banking transactions carried out without a license authorized body and (or) the National Bank, are null and void, except for the activities (operations) conducted by public authorities, credit unions, the national carrier-mail, the operator of a payment gateway e-government, as well as the Development Bank of Kazakhstan within the powers laid down laws of the Republic of Kazakhstan.

Article 7. Delineation of responsibilities of banks and state. Independence of banks

1. Banks are not liable for the obligations of the state, as well as the state is not responsible for their obligations, except as provided in paragraph 2 of this article, as well as cases where the banks or the state take on that responsibility.

2. The state guarantees the safety of deposits accepted by interstate banks - residents of the Republic of Kazakhstan, and is responsible for their obligations in proportion to the Government of the Republic of Kazakhstan (or authorized authority) in the share capital of such banks.

3. The interference in any form of government bodies and their officials in the activities of banks, except as otherwise expressly provided by the legislation of the Republic of Kazakhstan.

In order to protect the interests of creditors of banks and ensure the sustainability of the banking system of the authority may by agreement with the Government of the Republic of Kazakhstan, in accordance with the requirements of the banking legislation of the Republic of Kazakhstan, to take decisions on compulsory restriction of the rights and obligations of shareholders of banks with negative capital stock, by applying to These sanctions established by law.

Article 8. Activities are prohibited or restricted for Banks

1. Banks are prohibited from conducting transactions and transactions as a business, non-banking activities are either not provided for in paragraph 6 of this article, article 12, paragraph 30 of this Law, as well as the acquisition of shares in the authorized capital or shares of legal persons, the creation of and participation in profit organizations, except as provided by this Act, and transactions in securities in cases provided for in paragraph 5 of this article.

2. The prohibition established by paragraph 1 of this Article shall not apply to the following cases the acquisition of bank shares or shares in the authorized capital:

1) financial institutions and organizations that purchase doubtful and loss requirements of banks to manage and (or) their subsequent sale, restructuring, and (or) the securitization;

2) legal entities that are not financial institutions whose shares are listed stock exchange, operating in the Republic of Kazakhstan, on the Stock Exchange list categories established by the regulations of the authority;

3) credit bureaus, pawn shops, special purpose company, established in accordance with the laws of the Republic of Kazakhstan on securitization, special organizations - residents of the Republic of Kazakhstan, established

for the placement of securities, leasing organizations, and organizations, whose sole activity is the ownership and management immovable property used for operating activities of the bank, legal persons carrying out the automation of banking activities;

4) legal persons, when taken as collateral shares or a stake in the authorized capital of these institutions become the property of the banks in accordance with civil legislation of the Republic of Kazakhstan;

5) legal persons referred to in Article 10 of this Act;

6) joint stock investment funds - residents of Republic of Kazakhstan;

7) legal entities - residents of the Republic of Kazakhstan, having the status of banks, insurance companies, pension funds, professional securities market participants;

8) other legal persons - in the implementation of an Islamic bank banking activities under Chapter 4-1 of this Act.

Number of shares of legal persons referred to in subparagraphs 2) and 6) of this paragraph, belonging to the bank should not exceed ten percent of the total number of shares of one legal entity.

3. Acquisition of bank shares in the authorized capital or shares of legal persons referred to in subparagraphs 1) - 3), 6) and 7) of paragraph 2 of this Article shall not exceed in a single legal entity:

1) for the organizations referred to in subparagraphs 1), 3) and 7), - fifteen percent of the bank's equity capital;

2) for legal persons referred to in subparagraphs 2) and 6) - ten percent of the bank's own capital.

When acquiring banks shares or shares in the authorized capital of legal entities when taken as collateral shares or a stake in the authorized capital of these institutions become the property of the banks in accordance with civil legislation of the Republic of Kazakhstan, the Bank's involvement in such legal persons shall not exceed twenty-five percent of equity of the bank, and the implementation period of shares in the authorized capital shall not exceed one year.

Total cost of shares in the bank's authorized capital of legal entities or shares shall not exceed:

for legal entities that are not financial institutions - sixty percent of the bank's equity capital;

for insurance companies - Forty percent of bank's equity capital.

Banks are required to notify the authority within ten days from the date of establishment of the fact of increase or decrease the level of fifteen, thirty or forty per cent:

percentage of shares to total outstanding shares (excluding preference shares and redeemed by the company) entity shareholder is a bank;

stake in the authorized capital of a legal entity owned by the bank.

4. Restrictions imposed by paragraph 2 of this Article shall apply to the activities of subsidiaries of banks and institutions in which the Bank and its subsidiaries have significant involvement in the capital.

5. The prohibition established by paragraph 1 of this Article shall not apply to transactions in:

bonds of international financial organizations, the list is determined by the authority;

bonds, which have a minimum required rating of the rating agencies, established by the authority;

bonds of the special purpose company, established in accordance with the laws of the Republic of Kazakhstan on securitization, issued within the framework of securitization transactions between the bank and the special purpose company;

the bank's own bonds and bonds issued by subsidiaries of the bank, the liabilities guaranteed by the bank. Procedure for transactions with such bonds is determined by the regulations of the authority.

6. Apart from the activities and the acquisition of the bank stocks or shares in the authorized capital of legal persons referred to in paragraphs 1 and 2 of this article, banks are entitled to pursue the following activities:

1) implementation of specialized software used to automate the activities of banks and institutions performing certain types of banking operations;

- 2) implementation of the literature on banking at all kinds of media;
- 3) the realization of its own property;
- 3-1) issuance, sale and distribution of payment cards and checkbooks;
- 3-2) the implementation of the Interbank Clearing (collection, verification, collation and verification of payments, as well as for their netting and the definition of net positions of clearing participants - banks and institutions performing certain types of banking operations);
- 4) the implementation of this Law and other laws of the Republic of Kazakhstan of the pledged assets by borrowers;
- 5) provision of advisory services on matters related to financial activities;
- 6) representation of the interests of other persons on matters relating to banking activities, the bond holders of the special purpose company, established in accordance with the laws of the Republic of Kazakhstan on securitization, infrastructure bonds, and mortgage and other secured bonds;
- 7) provide training to improve the skills of specialists in banking and financial activities;
- 8) the conclusion of insurance contracts on behalf of insurance companies-residents of Kazakhstan, as well as contracting ERISA on behalf of pension funds.

Article 9. Ban on advertising that does not meet reality

1. Banks are prohibited from advertising their activities do not correspond to reality on the day of its publication.
2. The authority may require the bank's change in advertising, not corresponding to reality, its termination or publishing a rebuttal.
In case of failure of this requirement within the prescribed period of the authorized body the authority may publish information on non-compliance actually the information contained in advertisements or to clarify them for their bank account, publish such advertisements.
3. Legal persons who are not licensed authorized body and (or) the National Bank to conduct banking transactions, prohibited advertising undertaken by the services fall under the category of banking operations.

Article 10. Associations (unions) of banks

1. To coordinate their activities, protection and representation of common interests, joint projects and solve other common problems banks may form in accordance with applicable law associations and unions of banks.
2. Associations (unions) banks are non-profit organizations.
3. Associations (unions), banks may not be used to restrict competition in the banking system, the manipulation of rates of remuneration, conditions of supply of loans and other banking services.

Article 10-1. Consortia and other groups with participation of banks

In order to implement joint projects to provide loans and solution of other problems, banks may form consortia on the basis of an agreement on joint activities and participate in other consortia and associations.

Article 11. Subsidiary banks, branches and representative offices cash settlement units (savings banks) banks

Article 11 excluded - the Law of RK as of December 23, 2005 N 107).

Article 11-1. Subsidiaries of banks and large banks' participation in authorized capital of organizations

1. Bank to implement the authority granted by Article 8 of this Act, may create or have a subsidiary only with the permission of the authority.
The procedure for issuing permits for building or acquiring a subsidiary is defined by regulations of the authority.
Go to the subsidiary bank shall not include entities whose shares or

stake in the authorized capital of which become property of the bank in case of their acceptance as collateral in accordance with civil legislation of the Republic of Kazakhstan, at the same time period of implementation of such shares or shares in the authorized capital must be not exceeding one year, as well as legal entities whose shares or a stake in the authorized capital acquired by an Islamic bank in the financing of production and trading activities through participation in the authorized capital of legal entities and (or) on a partnership basis.

2. Subsidiaries of banks have no right to create and (or) have subsidiaries.

Subsidiary of the Bank is obliged to specify its full name, the word "affiliate" and use the name of the parent bank.

3. An application for a permit to enclose the following documents:

1) the constituent documents of the subsidiary, reports on the approval of the statute;

2) the decision of the authorized body of the bank on the establishment or acquisition of a subsidiary;

3) information on leading people of the subsidiary;

4) the organizational structure of the subsidiary and information about the affiliates.

In the absence of a bank in the bank holding company additionally provides information about organizations related subsidiaries:

running their operations on a consolidated basis in accordance with the terms or provisions of the memorandum of association of these organizations;

If the board of directors or board of such organizations in more than one-third represented by the same persons;

5) information on the form or the activities of the subsidiary in the submission of a business plan;

6) information about the size of the advance payment of shares to be deposited by the founders created a subsidiary organization;

7) information on the percentage and amount of the Bank's participation in the authorized capital created by the subsidiary, as well as the number of shares purchased and the amount of pre-payment for the shares;

8) information about the conditions and procedure for acquisition of subsidiary;

9) Report of the audit organization and financial statements of the acquired subsidiary, certified by the auditing firm;

10) a notarized copy of certificate of participation in the acquired subsidiary of the state registration (re-) as a legal entity;

11) information about the size of the authorized capital of the acquired subsidiary (if such information is not contained in the audit report), and the percentage of the Bank's participation in the share capital or number of shares of the acquired subsidiary, the price of their purchase;

12) data on the legal entity through the purchase of a stake in the share capital or shares which the bank acquired the subsidiary, including: name and location of legal entity;

information about the size of a stake in the bank's authorized capital of a legal person, the price of its acquisition, the founder (participant), which is a bank;

information on the number of shares, purchase price, their percentage of the total number of outstanding shares (excluding preference shares and redeemed by the company) entity shareholder is a bank;

information about the size of the share of legal entity (founder, member, shareholder of which is the bank), the price of its acquisitions in the authorized capital of another legal entity;

information on the number of shares, purchase price, their percentage of the total number of outstanding shares (excluding preference shares and redeemed by the company), acquired a legal entity, the shareholder (founder member), which is a bank;

13) documents confirming the availability of risk management and internal controls, including the risks associated with the activities of the subsidiary;

14) documents confirming the base control and control of a subsidiary company;

15) in the case of creation or acquisition of a subsidiary bank - a bank, insurance (reinsurance) organizations, public pension fund - the residents of the Republic of Kazakhstan - the documents to obtain consent to acquire the status of bank holding company, a major participant of the bank, insurance (reinsurance), open storage Pension Fund provided for in this Law and (or) the law of the Republic of Kazakhstan on insurance and insurance, pensions.

4. The Bank may establish a subsidiary, subject to break-even up to the last two fiscal years and compliance with prudential standards established by competent authority, within the last three months preceding the date of application to the authority for a permit.

5. Grounds for refusal to issue a permit to build, purchase of the subsidiary are as follows:

1) failure to submit documents required for obtaining a permit;

2) discrepancy between senior officials of the subsidiary (or the candidates recommended for appointment or election to office managers) with the requirements of paragraph 3) - 5) of paragraph 2 of Article 20 of this Act;

3) failure to comply with prudential banking conglomerate, which includes a bank, as a result of the alleged presence of subsidiaries of the bank;

4) analysis of financial implications, suggesting worsening financial condition and (or) damage to the interests of bank depositors as a result of the activities of the subsidiary or planned Bank investments;

5) The discrepancy of the documents confirming the existence of risk management and internal controls, including the risks associated with the activities of the subsidiary, the requirements of the authorized body to the systems of risk management and internal controls;

6) non-bank established prudential standards and other mandatory standards and limits for the last three months preceding the date of application to the authority for a permit and (or) during the application process;

7) limited availability of existing measures and sanctions against the bank on the date of application and during the examination of documents;

8) in the case of creation or acquisition of a subsidiary bank - a bank, insurance (reinsurance) organizations, public pension fund - the residents of the Republic of Kazakhstan - the non-compliance under this Act, the legislation of the Republic of Kazakhstan on insurance and insurance, pensions on the issue of consent to the status of bank holding company, a major participant of the bank, insurance (reinsurance) organizations, public pension fund - residents of Republic of Kazakhstan.

5-1. In the case of an entire package of documents and meet all the requirements stipulated in this Article, the authority shall issue a permit to build or acquire a subsidiary, and both agreed to acquire the status of bank holding company, a major participant of the bank, insurance (reinsurance) organizations or public pension fund - residents of the Republic of Kazakhstan in accordance with this Act, the legislation of the Republic of Kazakhstan on insurance and insurance or pensions.

6. The authorized body shall issue a permit or deny a permit within three months after application.

In case of refusal to issue the permit authority shall notify the applicant of the grounds for refusal.

7. Subsidiary of the Bank is obliged to notify the authority of all changes and amendments to the articles of incorporation.

8. In the event that no permit of the authority bank shall, within three months to dispose of his shares (equity) of the subsidiary entities are not bound by a special relationship with the bank and submit supporting documents to the authority.

In the case of acquisition by the bank control rights over the subsidiary organization beyond his reasons the bank should, within one month from the date of discovery of this fact to submit documents as provided in paragraph 3 of this article, to obtain permission of an authorized agency for the acquisition of a subsidiary.

9. A significant part of the bank in the authorized capital of

organizations is permitted only with the permission of the authority. Permit the authorized body for a significant part in the authorized capital of organizations is not required for an Islamic bank in the event of acquisition of shares (interest) to finance production and trading activities through participation in the authorized capital of legal entities and (or) on a partnership basis.

Authorizing a significant equity participation by organizations in the order determined by the regulations of the authority.

In the event that no permit the authorized body to the significant presence of the bank shall, within three months to dispose of his shares (equity) company to persons not related to a special relationship with the bank and submit supporting documents to the authority. If the bank has acquired a substantial part beyond the control of the bank's reasons, he shall, within one month from the date of discovery of this fact to submit documents as provided in paragraph 10 of this article, to obtain the appropriate permission of an authorized body.

10. Permit application is submitted with the documents referred to under 2), 3), 5) - 8) of paragraph 3 of this article.

Refusal to grant permission for a significant part in the authorized capital of organizations is made on the grounds provided by paragraph 5 of this article.

Discrepancy of the documents confirming the existence of risk management and internal controls, including the risks associated with the activities of the subsidiary, the requirements of the authorized body to the systems of risk management and internal control is not a ground for denying a permit for substantial equity participation organizations.

11. The authorized body shall revoke the authorization for establishment, acquisition of a subsidiary, a significant equity participation organization in the following cases:

- 1) to identify inaccurate information on which the permit was issued;
- 2) the adoption of a subsidiary organization, an organization in which the bank has a significant equity participation, or a court decision to terminate the activities of these organizations by way of reorganization or liquidation;
- 3) no evidence of control of a subsidiary organization, an organization in which the bank has a significant equity participation, within one year from the date of issuance of the permit;
- 4) identify inconsistencies of subsidiary organizations, in which the bank has a significant equity participation, the requirements of paragraph 2 of Article 8 of this Act.

In case of withdrawal of permission to establish, purchase of the subsidiary, a significant part in the authorized capital of organizations the bank shall, within three months to dispose of his shares (equity), a subsidiary organizations, in which the bank has a significant equity participation, persons not affiliated According to the Bank a special relationship, and submit supporting documents to the authority.

The order of revocation of permission to establish, purchase of the subsidiary, a significant part in the authorized capital of organizations is determined by the regulations of the authority.

Chapter 2. Creation of the bank and banking activities

Article 12. Organizational and legal form of banks

excluded - by the Law of the Republic of Kazakhstan dated 10 July 2003 N 483

Article 13. Permission of the authorized body on Opening Bank

1. The procedure of extradition and the grounds for refusal to issue a permit to open a bank determined by the banking legislation of the Republic of Kazakhstan.

2. Permission to open the bank is legally binding until the authority

makes the decision to grant bank licenses to conduct banking operations.

Issued a permit to open a bank may be withdrawn by the authority.

3. Permission to open a bank to be returned by the bank to the authority for issuing licenses to banks to conduct banking transactions or when the court decides to terminate the activities of the bank, as well as in the case of withdrawal of permission on the grounds provided by paragraph 2 of Article 49 of this Law.

4. The Bank has the right to voluntarily return the permit issued to him to open the bank and re-register in accordance with legislation.

Article 14. Constituent documents of the bank

1. The Bank is created in the order determined by civil legislation of the Republic of Kazakhstan for legal persons, taking into account the specifications prescribed by the banking legislation of the Republic of Kazakhstan.

2. Founding agreement on the establishment of a bank shall, in addition to information provided by applicable law, include a mandatory basis:

information about the founders, including full name and location of each of them, as well as data on their state registration (for legal persons), name, nationality, place of residence and details of the identity card (for individuals);

information about the number, categories and price offerings.

3. Bank charter must, in addition to information provided by applicable law, contain mandatory:

full and abbreviated name of the bank;

information on the types and terms of use of funds (capital reserve) of the bank;

order decision-making bodies of the bank.

information provided for in Article 52-4 of this Act (for Islamic bank).

Article 15. Organizational-legal form and name of bank

1. Banks are in the form of joint stock companies.

1-1. The Bank uses as its naming that which is written in its charter. Bank Name must contain the word "bank" or its derivative word.

2. All banks except the National Bank, is prohibited to use in its name the words "national," "central" in full or abbreviated form in any language.

3. All banks are prohibited from use in its name the word "State" in full or abbreviated form in any language.

3-1. The name of the Islamic bank must contain the phrase "Islamic Bank".

4. You may not use as names that are identical or confusingly similar to its degree of confusion with the name of the previously established banks, including banks - residents of the Republic of Kazakhstan, with the exception of subsidiary banks.

Subsidiaries in its name must use the name of the parent banks.

Article 16. The charter and the bank's own capital

1. The authorized capital is formed in the currency of the Republic of Kazakhstan for the sale of shares, except in cases specified in subparagraphs 1) and 2) of paragraph 2 of this article.

2. Shares of the bank when placing shall be paid exclusively in cash. This requirement does not apply to banks, whose shares have posted:

1) among the creditors of the bank and paid for by offsetting any law (requirements) of a monetary obligation of the bank to the appropriate lender during bank restructuring in the cases stipulated by this Law and other laws of the Republic of Kazakhstan;

2) when converting the securities into common shares of the bank based on the prospectus or securities convertible into common shares of the bank.

3. In the case of converting securities into shares of the bank as part of its restructuring of the right of first refusal is not provided to

shareholders of the bank when placing its shares through the conversion of securities and (or) the liabilities of the bank in its shares.

4. The authorized capital of the newly created bank must be paid by its shareholders to fifty percent of the time of his registration and completely - in one calendar year from the date of its registration.

5. Method of calculating the equity and investment bank is determined by the authority.

If the sum of the bank's liabilities exceed its assets, shareholders' equity of the bank is negative.

6. In establishing the amount of negative equity from the bank the authority may by agreement with the Government of the Republic of Kazakhstan to take a decision on the compulsory redemption of shares of its shareholders, and immediately implement their new investor on the purchase price, on terms that guarantee an increase in bank capital and its normal functioning, taking into account assumed by investors obligations.

Compulsory acquisition by the authorized body of the bank's shares at the price determined based on the value of bank's assets minus the sum of its liabilities at the date of its decision on the compulsory redemption of shares (shareholders) of the bank for their follow-up of a new investor. Implementation of repurchased shares is made by the authorized body shall immediately at the price of their purchase. Rights and obligations of owners of all forcibly bought back shares transferred to the new investor.

In case the date for performance of obligations, which may be required to bank, but have not filed until a decision on compulsory redemption of shares, such claims are extinguished, except for requirements on deposits of individuals and entities.

Procedure for compulsory buy bank shares and the mandatory sale to investors is set by the authority.

Article 17. The founders and shareholders of the bank

1. The founders and shareholders can be legal and physical persons - residents and nonresidents of the Republic of Kazakhstan (subject to the restrictions imposed by paragraph 5 of this Article and Article 18 of this Act).

2. State may be a founder and shareholder of the bank only in the face of the Government of the Republic of Kazakhstan, except as provided in this Article. State enterprises and organizations, more than fifty percent of the shares in the authorized capital or outstanding shares are owned by the state, may not be founders and shareholders of the Bank, except for national control of the holding.

The authorized body to implement the operation for the transfer of assets and liabilities of the bank, located in the mode of preservation may be the sole founder of the stabilization of the bank.

3. (excluded - by N 162 of 02.03.2001,)

4. In order to protect the interests of bank creditors and to ensure stability of the banking system of Kazakhstan if the measures introduced by the authorized body, have not improved the financial condition of the bank:

1) for a single violation of bank capital adequacy ratio and (or) the liquidity ratio, or violation of other prudential standards and (or) other mandatory standards and limits of two or more times within twelve consecutive calendar months, the Government of the Republic of Kazakhstan on coordination with the authorized Authority may decide to acquire the Government of the Republic of Kazakhstan or the National Holding announced the bank's shares in the amount necessary to improve its financial condition and performance bank prudential regulation and (or) other mandatory standards and limits, in the manner provided in Article 17.2 this Act;

2) if the bank has negative capital amount the authority may by agreement with the Government of the Republic of Kazakhstan to carry out compulsory acquisition of shares of the bank with their compulsory subsequent immediate implementation of the purchase price to a new investor provides the required improvement in the financial position of the bank.

5. Legal entities registered in offshore zones, or have affiliates that are registered in offshore zones, or individuals who are members (founders,

shareholders) of legal entities registered in offshore zones, the list is determined by the authorized body, may not directly or indirectly own, and (or) use and (or) to dispose of the voting shares of banks resident of the Republic of Kazakhstan.

This restriction does not apply to banks that are subsidiaries of non-resident banks of the Republic of Kazakhstan, with an individual's credit rating no lower than A rating of one of the rating agencies, the list is determined by the authority.

5-1. Shareholders participating at the general meeting of shareholders, is a statement which specifies the implementation requirements of the first part of paragraph 5 of this Article by its shareholders (members), if the information on the country of registration of such shareholders (participants) is not in the bank.

A shareholder does not submit the declaration is not allowed to participate in the AGM.

In identifying the unreliability of the information specified in the application or identify violations of the requirements specified in the first part of paragraph 5 of this Article:

1) if the decision to vote for the majority of voting shares (without voting shares of the shareholder submitting the application), the decision of the general meeting of shareholders shall be deemed adopted without vote of the shareholders;

2) if the votes of shareholders who filed the petition, was crucial, this circumstance is a ground for annulment of decisions of the general shareholders' meeting at the request of the authorized body or other interested parties in the legislation of the Republic of Kazakhstan.

6. (excluded - from December 23, 2005 N 107)

7. Directly or indirectly owning shares of a bank or influencing the decisions taken by the shareholder, except for national control of the holding shall at the request of the authorized body to represent the constituent documents and other information necessary to determine the major participants of the bank and their financial condition.

Article 17-1. Bank holding company and a major participant of the bank

1. No person shall own or jointly with others (other) person (s) may not be a bank holding company, a major member of the bank without the written consent of the authority.

Non-resident legal entities of the Republic of Kazakhstan may obtain the consent of the authorized body to acquire the status of bank holding company or a large party of the bank if the minimum required rating of the rating agencies. The minimum rating and a list of rating agencies, established by the regulations of the authority.

The presence of this rating is not required for a nonresident legal entity of the Republic of Kazakhstan, involving indirectly own ten percent or more of outstanding shares of the bank or indirectly, to vote ten percent or more of the voting shares of the bank through ownership (voting) shares (shares) a nonresident legal entity of the Republic of Kazakhstan which is the largest member of the bank directly owns ten percent or more of outstanding shares of the bank or having the opportunity to vote ten percent or more of the voting shares having a minimum required rating.

Large parties of the bank - individuals pay the bank's shares in an amount not exceeding the value of property owned by him on the right of ownership.

2. Rules governing the granting, withdrawal of consent for the acquisition of a big shareholder of a bank or bank holding company, the requirements for documents submitted for the receipt of the agreement, determined by the authority.

3. To obtain the consent of the person wishing to become a major participant of the bank shall submit to the authority an application to acquire a big shareholder of the bank with the documents and information specified by paragraphs 4, 5, 6, 7, 7-1 of this article.

4. To obtain consent for the acquisition of a big shareholder of the bank's individual shall submit the following documents:

1) information on the conditions and modalities for the acquisition of bank shares, including previously purchased, including a description of the sources and means used to acquire shares, with copies of supporting documents;

2) Power of Attorney for the applicant's representative, who requested to represent the interests of the applicant (if any);

3) list of entities in which it is a major participant, and notarized copies of constituent documents;

3-1) plan to recapitalize banks in cases of possible deterioration of the bank's financial position;

3-2) information on good business reputation with copies of supporting documents;

3-3) data on income and property, as well as a copy of the declaration of individual income tax, the tax authorities in the cases stipulated by legislative acts of the Republic of Kazakhstan, and other documents, certified by the authorized representatives of the country of residence of an individual;

4) brief information on the applicant on the form required by regulations of the authorized body, including information about education, about the work;

5) a written confirmation of the relevant public authority in the country of residence of an individual non-resident of the Republic of Kazakhstan that the acquisition of shares of the resident of the Republic of Kazakhstan is permitted by national laws or the application of the authorized body of the State concerned that such a permit under the law of the said parent is not required .

5. To obtain consent for the acquisition of a big shareholder of the bank's resident legal entity of the Republic of Kazakhstan shall submit the following documents:

1) copy of the decision of the supreme body of the applicant to acquire shares of the bank;

2) information and documents referred to in subparagraphs 1), 2), 3) and 3-1) of paragraph 4 of this article;

2-1) information on good business reputation of its managers;

3) notarized copies of constituent documents, the summary data on the major parties of the applicant, as well as the major parties major players of the applicant;

4) brief data on the managers of the applicant on the form required by regulations of the authorized body, including information about education and employment;

5) The annual financial statements for the last two completed fiscal years, certified by the auditing firm, as well as financial statements for the last complete quarter before submission of application;

6) analysis of the financial implications of becoming a major participant of the bank, including the alleged balance of payments of the applicant and the bank after the acquisition, plans and proposals of the applicant, if any, for the sale of bank assets, reorganization or important changes in operations or management of the bank, including an action plan and organizational structure.

6. To obtain consent for the acquisition of a big shareholder of the bank's legal entity, non-resident of the Republic of Kazakhstan shall submit the following documents:

1) information and documents referred to in subparagraphs 1), 2), 3) and 3-1), paragraph 4, subparagraphs 1), 2-1), 3), 4), 5) and 6) of paragraph 5 of this article;

2) information about the credit rating of entity that is assigned to one of the international rating agencies, the list is established by competent authority, except as provided for in paragraph 1 of this article.

7. To obtain consent for the acquisition of a big shareholder of the bank's financial institution, non-resident of the Republic of Kazakhstan shall submit the following documents:

1) information and documents referred to in paragraph 6 of this article;

2) written confirmation from the Financial Supervisory Authority of the

country of origin where the applicant that the applicant was authorized to carry out financial activities under the laws of this country, or statement of financial supervision authorities of the country of origin of the applicant that such a permit under the laws of this country is not required.

7-1. To obtain consent to acquire the status of bank holding financial institution, non-resident of the Republic of Kazakhstan, subject to consolidated supervision in their country of location, shall submit the following documents:

1) a document proving that the minimum required rating of the rating agencies, a list which is established by regulations of the authority, except as provided for in paragraph 1 of this article;

2) written confirmation from the Financial Supervisory Authority of the country of origin of the applicant that the financial organization is a non-resident of the Republic of Kazakhstan is subject to consolidated supervision;

3) written authorization (consent) of the Financial Supervision Authority of the country of origin of the applicant's financial institution to purchase non-resident of the Republic of Kazakhstan the status of bank holding company or a statement authorized agency of the State concerned that such a permit (consent) under the laws of that State is not required.

8. Persons jointly being a major member of the bank, as persons in the amount owning ten percent or more of outstanding (excluding preference shares and repurchased by the bank), or have directly or indirectly, to vote ten percent or more shares and:

1) jointly influence the decision of the Bank by virtue of an agreement between them or otherwise;

2) being individually or mutually major players of each other;

3) One of them is an officer or agent of another person;

4) one of them granted to another person the opportunity to purchase shares in accordance with the agreement concluded between them;

5) are close relatives or spouses.

9. Grounds for refusal to issue the authorized body of the consent of the individuals wishing to become a major participant of the bank are:

failure to comply with requirements of subparagraphs 3) -5) of paragraph 2 of Article 20 of this Act (in relation to an individual or managers of the applicant - legal person);

precarious financial situation of the applicant;

Failure of the documents mentioned in this article;

violation of the acquisition by the applicant status of the major party of the bank of the antimonopoly legislation;

cases where one party to a transaction to acquire a big shareholder of the bank is a person (its affiliated entity) is registered in an offshore area or a natural person who is a member (founder, shareholder) legal entities registered in offshore zones, the list is determined by the authorized body;

failure by the applicant of other requirements established by this Act, the founders and shareholders of banks;

analysis of the financial consequences of the acquisition by the applicant a big shareholder of the bank involves deterioration of the financial condition of the bank;

the absence of the applicant - non-resident financial institution of the Republic of Kazakhstan authority for the financial activities within the country of origin;

the absence of the applicant - legal person of non-resident of the Republic of Kazakhstan minimum required rating of one of the international rating agency, listed by the competent authority, except as provided for in paragraph 1 of this article;

ineffectiveness of the plan submitted by the recapitalization of the bank in case of a possible deterioration in the financial condition of the bank;

the absence of the applicant - natural person, the manager of the applicant - legal person impeccable reputation;

cases where the person previously was or is a major participant - an individual or the first head of a major party - a legal entity and (or) the

governing employee of a financial institution in a period of not more than one year before the authority makes decisions about the preservation of financial organizations, compulsory redemption of its Stocks revoked the licenses of financial organizations, as well as the forced liquidation of a financial institution or a recognition of the bankrupt law of the Republic of Kazakhstan. This requirement shall apply five years after the authority makes a decision on preservation of the financial institution, compulsory redemption of its shares, the deprivation of licensed financial institution, as well as the forced liquidation of a financial institution or a recognition of the bankrupt law of the Republic of Kazakhstan.

10. Sign of the precarious financial situation of the applicant - legal person is having one of the following conditions:

legal entity created by the applicant in less than two years before the date of application;

obligation of the applicant exceed its assets minus the sum of assets in stocks and shares in the authorized capital of other entities, and alleged to the acquisition of shares in the bank;

losses on the results of two completed fiscal years;

amount of liabilities of the applicant poses a significant risk to the bank's financial condition;

the presence of delayed and (or) classified for balance sheet debt of the applicant to the bank;

analysis of the financial consequences of the acquisition by the applicant a big shareholder of the bank involves deterioration of the financial status of the applicant;

other grounds, indicating the possibility of damage to the bank and (or) its depositors.

11. For non-party agreement on the status of the major participant of the bank the authority may apply to the person coercive measures under Article 47-1 of this Act.

12. Issue of consent of the authorized body to persons wishing to become a bank holding company, shall be as specified for the major participant of the bank.

A person wishing to become a bank holding company, in addition to documents and information provided by paragraphs 5-7 of this Article shall submit the documents confirming the existence of risk management and internal controls, including the risks associated with the activities of the subsidiary.

The grounds for refusal of consent authorized agency person who wishes to become a bank holding company, in addition to the grounds provided for in paragraph 9 of this article are:

cases where the applicant - a financial institution not subject to supervision on a consolidated basis in their country of location;

inability to conduct consolidated supervision over the banking conglomerate in connection with the fact that the laws of the countries to find members of the banking conglomerate - residents of the Republic of Kazakhstan is making it impossible to execute them, and banking conglomerate under this Act requirements.

12-1. Are not major participants in the bank's shareholders, who collectively owned by ten or more percent of the voting shares of the bank and acting on the basis of agreement made between them, providing for the adoption of decisions on the following issues:

1) convene an extraordinary general meeting of shareholders or appeal to the court to convene it in the event of the Board of Directors to convene a general meeting of shareholders;

2) the inclusion of additional items on the agenda of the general meeting of shareholders;

3) convening of a meeting of the Board of Directors;

4) conducting an audit firm auditing the company for its own account.

13. Persons jointly being bank holding company, are persons in the amount of holding twenty-five percent or more of outstanding (excluding preference shares and repurchased by the bank), or have directly or indirectly, to vote twenty-five percent or more shares and:

1) jointly influence the decision of the Bank by virtue of an agreement

between them or otherwise;

- 2) being individually or mutually major players of each other;
- 3) One of them is the representative of another person;
- 4) one of them granted to another person the opportunity to purchase shares in accordance with the agreement concluded between them.

14. Decision on the application filed to obtain the status of bank holding company or a large party of the bank in accordance with the requirements of this Article shall be adopted by competent authority within three months from the date of submission of the full package of documents.

15. The authority may revoke the consent issued pursuant to this article, in case of false information upon which it was granted consent, or violation of the acquisition by the applicant status of a major party or a bank holding company of the antimonopoly legislation of the Republic of Kazakhstan, or non-major parties, or by bank holding requirements of this Act. In this case, the person to whom the measure is required to reduce the number of shares owned bank to a level below the present article.

16. The requirements of this article about the necessity of compulsory prior consent of the authorized body shall not apply to cases where the person is a match featured the major participant of the bank or bank holding company for reasons beyond his control or has acquired the ownership of the bank's shares in an amount equal to or exceeding the limits established by this article as a result of the transfer to it the mortgaged property for a debt obligation in which the security is the bank's shares.

In these cases the person complying with the signs of the major party of the bank or bank holding company must notify the authority within thirty days from the date of acquisition of shares or when it became known that it corresponds to the grounds of the major participant of the bank or bank holding company, and take no action to influence the management or policies of the Bank or not to vote shares acquired in this way, until then, until it receives the written consent of the authorized body in accordance with the provisions of this article.

Statement of purchasing appropriate status appears to the authority within sixty days from the date of acquisition of shares or the moment when he became aware that it corresponds to the grounds of the major participant of the bank or bank holding company unless that person is not going to alienate the shares within the specified period. Information about making a decision on the alienation of shares within sixty days from the date of purchase available to the authority immediately from the date of the decision.

17. The authority may request information from individuals and legal entities when there is information indicating that the person meets the grounds of bank holding company or a large party of the bank or is a direct, indirect owner of shares, or has the ability on the basis of agreement or otherwise to vote shares bank in an amount equal to or exceeding the limits established by this Article without the consent of the authorized body in accordance with the requirements of this Act. Information may be claimed from any person who has it, and also from the organizations under the control of these entities.

18. A major participant of the bank, bank holding company shall, within thirty days from the date of the decision to notify the authority to change the percentage of shares owned bank to the amount of outstanding (excluding preference shares and repurchased by the bank) shares and (or) to the number of voting shares, which he owns, directly or indirectly or has the opportunity to vote directly or indirectly, with supporting documents.

If you change the percentage of shares owned by a major party of the bank, bank holding company to the number of outstanding (excluding preference shares and repurchased by the bank) shares and (or) to the number of voting shares in the direction of increasing major participant of the bank, bank holding company must provide a authority information on the sources of funds used to purchase shares of the bank, with copies of supporting documents.

If you change the percentage of shares to an amount less than ten or twenty-five percent owned by a major party of the bank, bank holding company to the number of outstanding (excluding preference shares and repurchased by the bank) shares and (or) to the number of voting shares of the bank's

authority on the application major participant of the bank, bank holding company or in the case of independent discovery of this fact takes the decision to declare null and void the previously issued written approval within one month after the discovery of this fact in the manner provided for the issue of consent for the acquisition of a big shareholder of a bank or bank holding company.

19. The Bank is obliged to provide quarterly to the authority a list of all of its major participants or bank holding companies with an indication of the percentage of the number of shares of the bank to the amount of outstanding (excluding preference shares and repurchased by the bank) shares and (or) to the number of voting shares of the Bank not later than the tenth day of the month following the reporting quarter.

20. Banks are obliged to inform the authority to change the composition of shareholders owning ten percent or more of the voting and (or) outstanding (net of preferred shares and repurchased by the bank) the bank's shares, within fifteen calendar days from the date of establishment of this fact.

21. Failure, as well as repeated late submission or submission of false information by banks, large parties of the bank, bank holding companies, as well as natural and legal persons, the relevant characteristics of bank holding company or a large party of the bank, as well as information required in accordance with paragraphs 16-20 of this article within a specified time, punishable under the laws of the Republic of Kazakhstan.

Article 17-2. Features of the acquisition of authorized shares Bank of the Republic of Kazakhstan

1. In the case stipulated by paragraph 1) of paragraph 4 of Article 17 of this Law, the Government of the Republic of Kazakhstan may decide to acquire the Government of the Republic of Kazakhstan or the National Holding announced the bank's shares in an amount not less than ten percent of the total number of outstanding shares, including acquired by the Government or the national governing Holding shares.

The right of state ownership of the shares of the bank registered a government agency authorized by the Government of the Republic of Kazakhstan at the disposal of Republican state property.

2. Decision of the Government of the Republic of Kazakhstan on the purchase of shares shall include:

number of shares by which to increase the total number of authorized shares of the bank, in the absence of declared unplaced or redeemed shares of the bank or in case of insufficiency of their number;

offering price (selling) and the amount of force being placed (sold) shares.

3. The placement price (selling) and the amount of force being placed (sold) shares shall be determined by the Government of Kazakhstan on the basis of the conclusion of the authorized body in coordination with the National Holding a public body authorized by the Government of the Republic of Kazakhstan for the disposal of Republican state property, the market price prevailing at the date of decision on placement (sale) of shares.

At the initiative of the State body authorized by the Government of the Republic of Kazakhstan at the disposal of Republican state property, or national manager holding shares in the offering price may be determined by an appraiser in accordance with the laws of the Republic of Kazakhstan.

In the case of determining the offering price of shares appraiser costs associated with the assessment, borne by the bank.

4. Within three working days from the date of the decision by the Government of the Republic of Kazakhstan on the acquisition and to increase the authorized shares in the bank's authorized body:

1) makes changes to the prospectus of issue of shares on the terms and conditions stipulated by the legislation of the Republic of Kazakhstan;

2) carry out state registration of alterations and additions to the prospectus;

3) sends the bank a certificate of state registration of shares and shall notify the registrar and the Central Depository to increase the number of authorized shares.

Bank within five calendar days from the date of receipt of the certificate on state registration of the shares shall return the original previously issued certificate of state registration of the shares.

5. Following the acquisition of shares of State authority empowered by the Government of the Republic of Kazakhstan at the disposal of Republican state property, or national management holding appoints the members of the executive body and (or) the governing body of the bank in an amount not more than thirty percent of their staff, who will represent the interests of the state or national control of the holding.

State authority empowered by the Government of the Republic of Kazakhstan at the disposal of Republican state property, or national management holding convene an extraordinary general meeting of shareholders to consider the change of officers or employees of the bank, the bank's asset optimization, increase the share capital and other matters in accordance with the legislation of the Republic Kazakhstan.

6. In the case of improving the financial condition of the bank, which led to the implementation of prudential regulations and (or) other mandatory standards and limits, the Government of the Republic of Kazakhstan is taking steps to implement the acquired in accordance with this article shares through a direct address or by selling stock trades Exchange.

The Government of the Republic of Kazakhstan is implementing the bank's shares acquired in accordance with this Article, within one year from the date of acquisition.

In the absence of improving the financial condition of the bank within one year of the Government of the Republic of Kazakhstan shall have the right to extend the sale of shares in the bank.

7. Increasing the number of authorized shares of the bank, announced the acquisition of shares by the Government of the Republic of Kazakhstan or the National Holding, and the appointment of members of the executive body and (or) the governing body of the bank pursuant to this Article shall be implemented without a decision-making bodies of the bank.

Shareholders have no pre-emption right on the declared shares of the bank when they appear (sold) in accordance with paragraph 1 of this article.

Article 18. Features of creation of subsidiaries

banks - non-residents of the Republic of Kazakhstan

1. The parent bank in relation to the subsidiary bank may be non-resident banks of the Republic of Kazakhstan, having a specific rating of one of the major rating agencies. A list of the major rating agencies and the minimum required rating set by the authority.

2. excluded - the Law of the Republic of Kazakhstan dated 10 July 2003 N 483

Article 19. Application for a permit to open a bank

1. Legal or natural person may apply to the authority an application for a permit to open a bank.

2. The application is submitted to the Kazakh and Russian languages and shall contain the address of the applicant.

3. An application for a permit to open a bank must be accompanied by the following documents:

a) four copies of constituent documents (statute, constituent agreement), a copy of the minutes of the constituent assembly, witnessed by a notary and registered in accordance with legislation of the Republic of Kazakhstan;

b) information on the founders (the list by that authority), financial reporting, including consolidated over the last two completed fiscal years, the report of the audit organization's financial state of the founders;

b-1) documents and information stipulated in article 17.1 of this Act, if a person becomes a major member of the bank or bank holding company;

b-2) information on conditions and modalities for the acquisition of bank shares, including a description of the sources and means used to acquire shares, with copies of supporting documents;

- a) (excluded - The Law of RK as of December 23, 2005 N 107)
- g) (excluded - The Law of RK as of December 23, 2005 N 107);
- g) (excluded - The Law of RK as of 23.10.2008 N 72-IV);
- e) detailed organizational structure of the newly created bank;
- g) (excluded - The Law of RK as of 23.10.2008 N 72-IV);
- h) (excluded - The Law of RK as of 23.10.2008 N 72-IV);
- i) business plan of newly created bank, approved by a person authorized to sign the founding documents that reveal strategies work direction and scope of activities, financial outlook (budget, balance of payments, profit and loss account for the first three financial (operational) years, the marketing plan (formation of the bank's clientele), a plan to attract workforce, the organization of risk management;
- k) (excluded - from December 23, 2005 N 107);
- l) a notary or otherwise legally certified document confirming the authority of the applicant to submit an application on behalf of shareholders.

4. The report of the audit organization recognized as valid, provided the documents, confirming that it is:

independent of the founders of the audited banks and their officers;
authorized to perform audits in accordance with the license and qualification requirements for carrying out statutory audits of financial institutions authorized state body carrying out state regulation of auditing and oversight of auditors and professional audit firms, or in accordance with a license to perform audits of the competent authority State is a resident.

5. The authority may request additional information or documents necessary for the decision to grant permission to open a bank.

6. Application for a permit to open a bank may be withdrawn by the applicant at any time of its consideration by the authority.

Article 20. Requirements for the governing bank employees

1. Senior officials of the bank recognized as the first director and board members, the first director and board members, other managers of the bank, carrying out coordination and (or) monitoring the activities of structural divisions of the bank and have the right to sign documents on the basis of which conduct banking operations, except for separate divisions of the bank and its chief accountant, chief accountant of the bank.

Are not senior officials of the bank face, with the right to sign documents on which conduct banking operations, and supervising the activities of only one structural unit.

2. Cannot be appointed (elected), the governing entity of the bank:

1) has no higher education;

2) has no established by this Article of work experience in international financial organizations, list of which is the authorized body, and (or) work experience in the provision and (or) regulation of financial services and (or) services in auditing financial institutions;

3) not having a good business reputation;

4), formerly the first head of the board of directors, the first head of government, and his deputy, chief accountant, a major participant - a natural person, the first head of a major party (a bank holding company) - a legal entity financial institution in a period of not more than one year before the authority makes decision on the preservation of financial organizations, compulsory redemption of its shares, the deprivation of licensed financial institution, as well as the forced liquidation of a financial institution or a recognition of the bankrupt law of the Republic of Kazakhstan. This requirement shall apply five years after the authority makes a decision on preservation of the financial institution, compulsory redemption of its shares, the deprivation of licensed financial institution, as well as the forced liquidation of a financial institution or a recognition of the bankrupt law of the Republic of Kazakhstan;

5) who had withdrawn consent to the appointment (election) of the decision makers in the period when the person in the position of managers in a financial institution. This requirement shall apply during the last twelve

consecutive months after the authority makes the decision to revoke consent to the appointment (election) of the executives.

3. A major participant of the bank may be appointed (elected) as the first head of the bank.

Not less than thirty percent of the bank's board of directors should consist of independent directors.

The number of board members must be at least three people.

4. To meet the requirement under subparagraph 2) of paragraph 2 of this article, you must have work experience:

1) for candidates for the post of head of government, the chief accountant of the bank at least three years;

2) for candidates for the post of head of the board of directors, board members of the bank at least two years;

3) for candidates for other directors of the bank carrying out coordination and (or) monitoring the activities of structural divisions of the bank and having the right to sign documents on which banking operations are conducted, at least one year.

For candidates for board members and board members in charge of security matters exclusively bank prudential availability of work experience under sub-paragraph 2) of paragraph 2 of this article is not required.

The length of service as defined in this paragraph shall not be included in the work of a financial organization, relating to economic activity.

5. A supervising officer shall have the right to hold office without the consent of the competent authority not more than sixty days from the date of his appointment (election).

Upon the expiration of the period specified in this paragraph, and in case of failure to complete the package of documents for approval to the authority or in case of refusal by the authorized body to harmonize the bank is obliged to terminate the employment contract with the person, or in the absence of an employment contract to take steps to terminate the authority of the executives.

Prohibited discharge of duties (replacing a temporarily absent), manager of the bank without the consent of the competent authority beyond what is prescribed by this paragraph.

The authorized body shall consider the documents submitted for the issue of consent to the appointment (election) of the bank employees, within thirty days from the date of their submission.

6. The order granting the consent of the authorized body for appointment (election), manager of the bank, the documents required for obtaining consent, established regulations of the authority.

7. In case of failure of the authorized body to grant consent to the appointment (election), manager of the bank or dismissal from his post by a senior Bank or its transfer to another position in the bank, the person may be re-appointed (elected) of the manager of the bank employee did not previously than ninety calendar days after receipt of the refusal to grant consent to the appointment (election) or a dismissal or transfer to another post, but no more than two times within twelve consecutive months.

8. In the case of two consecutive failures of the authorized body to grant consent to the appointment (election) of the manager of the bank appointed (elected) leadership of the bank after twelve consecutive months from the date of the authority makes decisions about the second refusal to grant consent to the appointment (election) in this bank.

9. The authority may revoke the issued consent to the appointment (election) of the manager of the bank for the following reasons:

1) identification of false information upon which it was issued consent;

2) systematic (three or more times within the last twelve consecutive months) the application of sanctions by the authorized body to the managers;

3) removal of the authorized body on the performance of duties of persons referred to in this article are based on sufficient evidence for recognition of the actions specified by a senior (employees) of the bank did not comply with the requirements of legislation of the Republic of Kazakhstan;

4) the presence or unwithdrawn outstanding conviction.

In case of withdrawal by the authorized body of the appointment (election) of the manager of the bank's bank is obliged to terminate the employment contract with the person, or in the absence of an employment contract to take steps to terminate the authority of the executives.

10. If the authority makes decisions on conservation of the bank or compulsory redemption of its shares in the manner prescribed by this Law, the bank is obliged to terminate the employment contract with decision-makers, which are the first head of the board of directors, the first head of government and his deputy, chief accountant, or in the case absence of an employment contract to take steps to terminate the authority of the executives.

11. The first head of the organization performing certain banking operations shall comply with the requirements established by this Article for the first leaders of the bank, and appointed (elected) to the post without the consent of the authority. Organization that carries out certain banking operations, removes the request of the authorized body of the head in case of inconsistency with the requirements of this article.

Article 21. Additional requirements for the establishment of the bank involving non-residents of the Republic of Kazakhstan

Natural or legal person - resident of the Republic of Kazakhstan, the founder of the bank, in addition to the documents specified in Article 19 of this Act, shall attach to the application for a permit to open a bank a written notice of the authorized body (for non-resident banks of the Republic of Kazakhstan - the banking supervisory authority) of the corresponding states that the person is permitted to hold shares of the bank resident of the Republic of Kazakhstan, or a statement of the authorized body (for non-resident banks of the Republic of Kazakhstan - the banking supervisory authority) of the State concerned that such a permit under the law of the said parent is not required.

Article 22. Additional requirements for the establishment and activities of foreign banks

Article 22 excluded - from December 23, 2005 N 107

Article 23. Procedure for consideration of the application for permission to open a bank

1. Application for a permit to open a bank must be considered by competent authority within three months after the last applicant for additional information or document requested by the authorized body, but not more than six months from the date of the receipt.

2. The authorized body shall notify the applicant of the decision. Notification is sent to the address specified in the application for a permit to open a bank.

3. The authorized body shall keep a record of permits issued for the opening of the bank.

Article 24. Refusal to grant permission to open a bank

1. Refusal to grant permission to open a bank made by any of the following reasons:

a) Submission of an incomplete set of documents or the constituent documents of the bank's current legislation;

b) inconsistency name of the bank requirements of paragraphs 2-4 of Article 15 of this Act;

c) the disparity in size, composition and structure of the share capital requirements of Article 16 of this Act;

d) the instability of the financial situation of the founders of the bank;

r-1) in cases where the parent - an individual or the first chairman of the executive authority or the governing body of the founder - a legal

entity:

has not canceled or removed in accordance with the law convictions for crimes committed in the sphere of economic activity, corruption and other crimes against the interests of public service and public administration;

served as the first head of the board of directors, the first head of government or his deputy, chief accountant of the financial institution in a period of not more than one year before the authority makes decisions about the preservation of financial organization, the forced redemption of its shares, the deprivation of licensed financial institution, as well as the forced liquidation of a financial organization or the recognition of its bankrupt law of the Republic of Kazakhstan. This requirement shall apply five years after the authority makes a decision on preservation of the financial institution, compulsory redemption of its shares, the deprivation of licensed financial institution, as well as the forced liquidation of a financial institution or the recognition of its bankrupt in the legislation of the Republic of Kazakhstan; K010155

r-2) failure to comply with article 17-1 of this Act;

e) failure to restrictions imposed by Article 17 of this Act;

q-1) refusal to consent by the authorized body for the acquisition of a big shareholder of the bank;

e) (excluded - The Law of RK as of 23.10.2008 N 72-IV). ;

g) (excluded - from December 23, 2005 N 107);

h) a business plan created by the bank and other documents submitted by the applicant does not show that:

after the first three financial (operational) years, the bank's activities will be profitable;

Bank intends to comply with the requirements to limit risk and establish a proper governance structure;

Bank has the organizational structure, a plan of its activities;

bank account and has a control structure, a plan of its activities.

2. The authorized agency shall notify the applicant of the grounds for refusal.

3. Authorizing the opening of the bank in case the terms of Articles 18-21 of this Act is not allowed.

Article 25. State registration of a bank

State registration is implemented by the Justice under the authority of the authorized body to open the bank and the data supporting the approval of its founding documents with the competent authority.

The founders are obliged to apply to the judiciary for the state registration within one month after receiving the permission of the authorized body for the opening of the bank.

Article 26. Licensing of banking operations

1. License to conduct banking and other operations defined by this Law shall be issued by the authorized body or by the National Bank within their competence and in the manner prescribed by the authorized body, the National Bank, in accordance with the requirements of this Act.

License to conduct banking and other operations provided for in Article 52-5 of this Act, shall be issued only by the authorized body of Islamic banks.

National Bank or the authority may issue a license if permitted to refine the names of banks' operations in accordance with the laws of the Republic of Kazakhstan.

For a license fee is charged, the size and order of payment is determined by the laws of the Republic of Kazakhstan.

2. To obtain a license to conduct banking operations within one year from the date of state registration of the applicant must submit:

1) application;

2) documents showing the implementation of all organizational and technical measures, including the readiness of facilities, equipment and software to automate accounting and general ledger meeting the requirements

of normative legal acts of the authorized body and the National Bank, as well as the availability of automated banking system that meets the requirements of the National Bank, and hire staff, appropriately qualified;

3) a notarized copy of the charter and a copy of the certificate of state registration as a legal entity;

4) A copy of the certificate of the taxpayer;

5) a document confirming payment of license fee to budget on the right to engage in certain activities;

6) documents of the persons proposed for the posts of Senior Officials of the bank in accordance with the requirements of Article 20 of this Act;

7) provision of internal audit service, approved by the board of directors of the bank;

8) provision for credit committee, approved by the board of directors of the bank;

9) staffing (including full names and patronymic in the presence of staff);

10) documents confirming compliance with program technical requirements of the bank's authorized body and the laws of the Republic of Kazakhstan on the credit bureaus;

11) copies of documents confirming payment of the authorized capital, the minimum size is set to the regulations of the authorized agency or the National Bank.

2-1. To obtain a license for additional banking operating bank must:

1) ensure compliance with prudential standards for three consecutive months prior to applying for a license for additional banking operations;

2) ensure compliance with the requirements established by the authorized body, in terms of availability of risk management and internal controls;

3) to rule on the general terms of additional types of banking operations.

3. Simultaneously with the application for a license to conduct banking transactions licensee must submit proof of compliance with the requirements of paragraph 2, in the manner prescribed by regulations of the authorized body or the National Bank.

Requirements for the bank to obtain a license under number 2), 10), paragraph 2 of this Article shall comply with the bank in carrying out banking activities.

4. Application for a license to conduct banking transactions should be considered by the authorized body or by the National Bank within thirty days from the date of submission of documents that comply with the legislation of the Republic of Kazakhstan.

5. A license to conduct banking operations in national and (or) foreign currency is issued for an indefinite period.

6. A license to conduct banking transactions are not transferable.

7. All types of banking transactions can be implemented only if direct instruction in the license to carry them out.

8. The decision on granting a license to conduct banking transactions published in official publications authorized agency or the National Bank.

9. Duly authenticated copy of the license to conduct banking transactions be posted in a place accessible for viewing by customers of the bank.

Article 27. Grounds for refusal to issue a license to conduct banking operations

Refusal to grant a license to conduct banking transactions made in the case:

1) non-compliance with any of the requirements set forth in paragraphs 2 and 2-1 of Article 26 of this Act;

2) if the bank within one year from the date of its registration had not applied for a license;

3) non-compliance of the submitted documents with legal requirements of the Republic of Kazakhstan;

4) submission of an incomplete set of documents;

5) non-agreement governing the employee of the elected bodies of the company (for a newly established bank).

Article 28. Changes and additions to the constituent bank documents

1. Changes and additions made to the constituent documents of the bank, including requiring re-registration in the judiciary are subject to compulsory prior consent of the competent authority.

2. The question of consent to make changes and additions to the constituent documents of the bank should be considered the authorized body within a month.

2-1. After the state registration of changes or additions to the founding documents, including those requiring re-registration in the judiciary, the bank within fourteen calendar days must submit to the authority a notarized copy of the changes or additions to the founding documents with the stamp and seal of registered the body of justice.

3. Conditions, the grounds and procedure for voluntary conversion of the bank in organizations engaged in certain types of banking transactions, are determined by regulations of the authority.

Article 29. Establishment, closure of branches and bank representation

1. Resident bank of the Republic of Kazakhstan on the basis of decision of the board of directors of the bank without the consent of the authority may open their own separate units - branches and representative offices both in the Republic of Kazakhstan and beyond.

2. Bank within thirty days from the date of registration of its branch and representative offices in the judiciary is obliged to notify the authorized body on their opening with the application:

1) a notarized copy of certificate of registration of branch and representative offices;

2) a notarized copy of a branch or representative office with the stamp and seal of registered the authority of Justice;

3) notarized copies of the findings and the inspection of the National Bank confirming compliance of the branch premises requirements of the regulations of the National Bank (at the opening of a branch);

4) a notarized copy of power of attorney of the first head of a branch or representative office.

3. The creation, closure of a branch or representative office in Kazakhstan consent of the local representative and executive bodies is not required.

4. Bank branch - a separate division of the bank, not a legal entity, located outside the bank, carry out banking activities on behalf of the bank and acting within the powers granted him by the bank. Bank branch has a single with a bank balance, and the name is identical to the name of the bank.

Bank branch may have a premises located at several locations within one area (city of republican status, capital).

5. Representation of the bank - a separate division of the bank, not a legal entity, located outside the bank, acting for and on behalf of the bank and did not carry out banking activities.

6. Mandatory conditions of the opening of bank branches, as well as increasing the number of additional facilities of existing branches, including those located in several locations, are:

1) break-even operation of the bank up to the last completed fiscal year;

2) compliance by the bank prudential regulations within three months preceding the date of registration of branch in the judiciary and the date of registration in the judiciary amendments to the regulations on the branch in terms of increasing the number of additional facilities operating branch of the bank, including those located in several locations;

3) non-use of the authorized body to the bank within three months

preceding the date of registration of branch in the judiciary and the date of registration in the judiciary amendments to the regulations on the branch in terms of increasing the number of additional facilities operating branch of the bank, including those located in several locations, the sanctions contemplated in subparagraphs b) - h) of paragraph 2 of Article 47 of this Law, as well as sanctions in the form of an administrative penalty for the misdemeanor referred to in paragraphs 2, 3, 5, 7 and 8 of Article 168-2 and Article 356 of the Code of the Republic of Kazakhstan on administrative Violations;

4) the availability of detention and inspection report of the National Bank confirming compliance of the branch premises requirements of the regulations of the National Bank.

Requirement referred to in subparagraph 1) of paragraph 6 of this Article shall not apply to the newly created bank within three years from the date of its establishment subject to compliance with the minimum equity capital of the bank.

7. Resident bank of the Republic of Kazakhstan has the right to open offices in the break-even condition of the bank up to the last completed fiscal year.

8. When you make changes and additions to the position of a branch or representative resident bank of the Republic of Kazakhstan shall, within thirty days from the date of registration (re-) with the judicial authorities to provide notarized copies of these documents to the authority.

If you change the location of the branch bank additionally submit to the authority notarized copy of the detention and inspection report of the National Bank confirming compliance of the branch premises requirements of the regulations of the National Bank.

8-1. Resident bank of the Republic of Kazakhstan has the right to open a branch outside the Republic of Kazakhstan only if there is an agreement between the competent authority and the relevant supervisory authority of a foreign country to share information.

9. Bank-resident of the Republic of Kazakhstan in the case of opening branches and representative offices outside the Republic of Kazakhstan, within thirty days from the date of registration in the appropriate states in writing inform the authority of their discovery with the documents confirming registration in the appropriate states.

10. Non-resident bank of Kazakhstan has the right to open a representative office without the consent of the authority.

11. Representation of non-resident bank of the Republic of Kazakhstan, within thirty days from the date of registration of the judicial authorities must notify in writing the authority to open the application:

1) a notarized copy of certificate of registration of representative offices of non-resident of the Republic of Kazakhstan;

2) a notarized copy of the representation with the stamp and seal of registered the authority of Justice;

3) a written confirmation of the banking supervisory authority of the State that non-resident bank of the Republic of Kazakhstan possesses a valid license for banking activities;

4) written notice to the banking supervisory authority of the State that he had no objection to the opening of representative offices of non-resident of the Republic of Kazakhstan on the territory of the Republic of Kazakhstan, or statements banking supervisory authority or an authoritative legal department of the State concerned that such a permit under the laws of the State Bank non-resident of the Republic of Kazakhstan is not required;

5) a notarized power of attorney to the head offices of the bank.

12. Opening of branches of non-resident banks in the Republic of Kazakhstan shall be prohibited.

13. Representation of non-resident bank of the Republic of Kazakhstan shall, within thirty days from the date of registration (re-) with the judicial authorities to notify the authority of amendments to the position of the representation of the application notarized copies of these documents.

14. Bank within thirty days from the date of the withdrawal of registration of its branches and (or) representation in the judiciary (the relevant registration authority of the state - at the termination of a branch

or representative office outside the Republic of Kazakhstan) must notify the authorized body to terminate their work with the annex a notarized copy of the document body of justice, confirming the withdrawal of registration of branch and (or) representation of the bank.

15. The authority may require the closure of branches and (or) the representative office of the resident and representative offices of non-resident of the Republic of Kazakhstan in the event of failure to comply with paragraphs 2, 6 - 9, 11 and 13 of this article.

Chapter 3

Article 30. Banking

1. Banking activity is the implementation by banks and other banking operations stipulated by this article.

2. Banking operations are:

1) receiving deposits, opening and maintaining bank accounts of legal entities;

2) acceptance of deposits, opening and maintaining bank accounts of individuals;

3) opening and maintaining correspondent accounts with banks and institutions performing certain types of banking operations;

4) opening and maintaining bank accounts of metallic natural and legal persons, which reflects the physical quantity of refined precious metals and coins made of precious metals belonging to the person;

5) cash transactions: receiving and issuing banks and national mail operator of cash, including their exchange, sharing, counting, sorting, packing and storage;

6) transfer operations: execution of orders of individuals and entities for payments and money transfers. License to engage in transfer operations issued to banks and entities referred to in paragraph 1.6 of this article;

7) accounting operations: accounting (discount) the promissory notes and other debt obligations of natural and legal persons;

8) bank loan operations: granting of the bank, mortgage companies, brokers, and (or) a dealer with the right to manage client accounts as a nominee or subsidiaries of the holding of national control in the field of agriculture loans in cash to the terms of payment, maturity, and repayment;
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9) organization of exchange operations with foreign currency;

10) (excluded - January 12, 2007, N 222)

11) (excluded - January 12, 2007, N 222)

12) collection of notes, coins and valuables;

13) technique for collection of payment instruments (except for bills);

14) opening () and confirm letters of credit and performance obligations thereunder;

15) issuing banks, bank guarantees, providing execution of cash;
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16) issuing banks, bank guarantees and other obligations for third parties, providing execution in cash.

3. Banking operations do not include:

1) the activity of micro-credit entities registered as micro-credit organizations in the manner determined by the legislation of the Republic of Kazakhstan;

2) acceptance by consumers of cash as payment for services rendered implemented by an attorney acting for and on behalf of principal (service provider) based on the agency contract, including through electronic terminals. Documents confirming the right attorney to accept payment in favor of the principal (service provider) must be submitted for review by the payer's demand.

4. Banking transactions listed in paragraph 2 of this article can be made electronically in the manner prescribed by the National Bank.

5. License banks to conduct banking and other operations stipulated by this article shall be issued by the authority.

In issuing licenses to banks to conduct banking transactions

contemplated in subparagraphs 5) and 12), paragraph 2, subparagraph 9) of paragraph 11 of this article requires the endorsement of the National Bank.

In issuing licenses to banks to conduct banking transactions require the conclusion of the National Bank of the availability of an automated banking system that meets the requirements for the automation of accounting and general ledger. The procedure for issuing detention determined by the National Bank.

6. Holding one or more types of banking operations stipulated by paragraph 2 of this article may be organizations engaged in certain types of banking operations, under license of the authorized body or the National Bank, except in cases where a legislative act of the Republic of Kazakhstan regulating the activities of such organizations, the possibility implementation of these operations without a license.

License to organizations engaged in certain types of banking operations, to conduct banking operations stipulated by Article 2, issued by an authorized agency, except as provided for in paragraph 7 of this article.

6-1. Banking operations stipulated by paragraph 6) of 2% of this Article shall be provided by the stock exchange, central depository, broker, and (or) a dealer with the right to manage client accounts as nominee in the presence of these entities authorized agency licensed to conduct banking operations stipulated by subparagraphs 1) and (or) 3) of paragraph 2 of this article, as well as the operator of inter-bank money transfer system.

Other legal entities conducting banking transactions contemplated in subparagraphs 1) and 6) of paragraph 2, within the powers established by the laws of the Republic of Kazakhstan.

7. Licensed organizations conducting certain banking operations, an operation under subparagraph 12) of paragraph 2 of this Article, nationals and corporations, whose sole activity is the operation under subparagraph 9) of paragraph 2, issued by the National Bank.

7-1. Organizations carrying out operations of collection of banknotes, coins and valuables by a licensed National Bank, are prohibited from engaging in other activities (operations), except for activity by conversion, sorting, packing, storage of banknotes, coins and valuables, as well as their issuing banks and their customers on behalf of banks.

8. The licensing of banking operations and other operations performed by banks under this Article shall be established by the regulations of the authority.

9. The licensing of banking operations carried out by organizations performing certain banking operations stipulated by this article shall be established by regulations of the authority, except as provided for in paragraph 7 of this Article, the licensing of which is established regulations of the National Bank.

10. By acts of regulating body or the National Bank may establish additional requirements for banks and institutions performing certain types of banking operations associated with obtaining licenses for certain activities.

11. Banks, in addition to banking operations provided for in paragraph 2 of this Article shall be entitled to under a license authorized agency the following:

1) purchase, acceptance of collateral, accounting, storage and sale of refined precious metals (gold, silver, platinum, platinum group metals) in bars, coins made of precious metals;

2) purchase, acceptance of collateral, accounting, storage and sale of jewelry containing precious metals and precious stones;

3) operations with the bills: the adoption of bills for collection, provision for payment of a bill payer, and payment is domiciled promissory notes, acceptance of bills in the order of mediation;

4) leasing activity;

5) issue its own securities (except for shares);

6) factoring operations: the acquisition of rights to demand payment from the buyer of goods (works, services) with the adoption of non-payment risk;

7) forfeiting operations (forfeiting): payment of debt obligations of the buyer of goods (works, services) through the purchase of bills of

exchange without recourse to the seller;

8) trust operations: management of money, claims on mortgage loans and refined precious metals for and on behalf of the trustee;

9) safe operations: storage services securities issued in documentary form, documents and valuables of clients, including the leasing of safe deposit boxes, closets and rooms.

12. Banks are entitled to the following types of professional activity at securities market:

1) brokerage - with government securities of Kazakhstan and countries with a minimum required rating from one rating agency or without a decision by the authorized body, derivative securities and derivative financial instruments, the list and order of acquisition of the underlying assets of which are determined by the authority;

2) a dealer - with government securities of Kazakhstan and countries with a minimum required rating from one rating agency or without a decision by the authorized body, as well as derivative securities and derivative financial instruments, the list and order of acquisition of the underlying assets are determined by the competent authority, other securities in cases stipulated by Article 8 of this Act;

3) custodian;

4) the transfer agent.

License to engage in banks of one or more compatible the above types of professional activity on securities market issued by the authority.

A list of rating agencies and the minimum required rating stipulated in subparagraphs 1) and 2) of this paragraph shall be determined by the authority.

13. Banking operations under sub-paragraph 2) of paragraph 2 of this article may hold only the banks who are members of obligatory deposit insurance system, as well as national mail operator in accordance with the legislation of the Republic of Kazakhstan regulating its activities on the basis of a license issued by the authority.

Banks (except for banks, more than fifty percent of the outstanding shares are owned by the state) not having a big party - the individual, the parent bank or holding company, with a certain rating from rating agencies, which list and the minimum required rating set by the authorized body, not the right to conduct banking operations stipulated in subparagraph 2) of paragraph 2 of this article.

14. The provisions of this Article shall apply to the activities of Islamic banks to the extent not contrary to the requirements of the activities of Islamic banks, referred to in Article 52-1 of this Act.

Article 31. General requirements for operations conducted by banks

1. Banks are entitled to carry out banking activities only if the rules governing the general conditions of operation, and internal rules.

2. Regulation on general conditions of operation must be approved by the Board of Directors of the Bank and shall contain the following information and procedures:

a) limiting the amount and timing accept deposits and loans;

b) the limits on interest rates

deposits and loans;

c) the conditions for payment of interest on deposits and loans;

d) The Bank's requirements for security;

e) The rates and tariffs for banking operations;

e) The rights and obligations of the bank and its client, their responsibility;

e-1) rights and obligations of an Islamic bank and its client, the conditions of the banking operations of an Islamic bank and the associated risks;

g) other conditions, requirements and restrictions that the board of directors of the bank considers it necessary to include in the general conditions of operation.

2-1. Regulation on general conditions of operation of an Islamic bank approved by the Board of Directors of the Islamic Bank, taking into account the requirement under paragraph 3 of Article 52-2 of this Act.

3. Internal rules of the bank should determine:

- a) The structure, tasks, functions and powers of the branches of the bank;
- b) The structure, tasks, functions and powers of internal audit, credit committee and other standing bodies;
- c) The rights and obligations of the heads of departments;
- d) the powers of officials and employees of the bank in carrying out transactions on his behalf and at his expense.

4. Conduct of business by banks and credit documentation for the list of required documents shall be determined by the regulatory legal act of the authority.

5. The Bank is liable for the wrongful action (inaction) of the person providing services to the bank under a contract (agreement) to attract customers to implement checks on compliance with the bank transfer documents to the bank customers under the relevant contract (agreement) of the bank with this person.

Contract (agreement) between the bank and the person providing services to the bank to attract customers to implement checks on compliance with the bank transfer documents to the bank customers to be presenting to the client for review and necessarily must contain the bank's responsibility for the wrongful acts of the person who provides services to the bank, specified in part one of this paragraph to the client.

Article 32. The duty to disclose the bank's general conditions of operation

1. General conditions of the transactions are public information and may not be a commercial or banking secret.

This rule does not apply to the terms of the specific transaction, which is in accordance with this Act to the Bank Secrecy Act or assigned by the bank in accordance with applicable law to the category of trade secrets.

2. Banks are required to first request the customer to provide rules on the general conditions of operation.

3. Banks cannot refuse a client to provide information about possible risks associated with surgery.

4. (excluded - from February 19, 2007 N 230).

5. Islamic banks are obliged to explain to clients particularly in banking operations specified in Article 52-5 of this Act and the associated risks.

Article 33. The contractual nature of relations between bank and the customer

1. The relationship between banks and between banks and their customers are carried out on the basis of contracts, unless otherwise required by law of the Republic of Kazakhstan.

2. Customers of the bank is entitled to open bank accounts in other banks with a notice of the creditor bank, unless otherwise stipulated by the legislation of the Republic of Kazakhstan.

Article 34. Bank loan operations

1. Excluded by the Law of RK as of 23.12.2005 N 107).

1-1. Mandatory condition of the contract a bank loan, of leasing, factoring, forfeiting transactions, discounting bills, issuance of guarantees, sureties, letters of credit, bank, mortgage companies, brokers, and (or) a dealer with the right to manage client accounts as a nominee or subsidiaries of national control holding in the agro-industrial complex is the existence of a written consent of the borrower (customer) to provide information about him and makes a deal, as well as information related to the execution by the parties of their obligations to the database of credit

bureaus.

2. Bank loan operations are carried out in accordance with the Rules of internal credit policy, approved by the governing body of the bank, mortgage organizations, broker, and (or) a dealer with the right to manage client accounts as a nominee or a subsidiary of the holding of national control in the agro-industrial complex. V053870

3. Body engaged in the domestic credit policy is the bank's credit committee.

4. Regulation of internal credit policy designed to reduce the risk in carrying out banking operations and loan provides:

a) the conditions for granting loans to businesses and individuals;
b) the conditions for granting loans to officers and employees of the bank;

c) organizational structure, functions and powers of the credit committee;

g) The responsibility of the credit committee;

e) lending limits;

e) the procedure for approval of loan agreements.

5. Standards established by paragraphs 2-4 of this Article shall apply to the operations of banks to issue guarantees and sureties, as well as the operations of Islamic banks in subparagraphs 3), 4) and 5) of paragraph 1 of Article 52-5 of this Act.

6. Features and limitations of the bank lending and other operations of Islamic banks set chapter 4-1 of this Act.

Article 35. Ensuring repayment of loans

1. Collectibility of loans may be provided by the penalty, pledge, guarantee, surety or other means provided by law or contract.

2. Under conditions of high credibility and reliability of the customer's bank may decide to grant credit without collateral (blank credit).

Bank may not issue a blank credit to one borrower or to take an unsecured contingent liability for a total amount greater than the average value of the assets of the borrower's net amount of borrowings according to the borrower from the banks and institutions performing certain types of banking operations. The average annual value of the assets of the borrower is calculated from the beginning of the year prior to the date of receipt of the loan.

3. In cases stipulated by the contract of pledge, as well as legislative acts, the bank is free to implement in pledge property to enforce out of court through an auction (the auction).

4. Standards established by paragraphs 1-3 of this Article shall apply to support for operations of banks to issue guarantees and warranties.

Article 36. Measures applicable in respect of an insolvent debtor

Bank - the lender has the right in relation to the borrower fails to fulfill its obligations under the loan agreement:

not to grant new loans;

foreclose, without the consent of the borrower, the money is available to any accounts of the borrower (if this is stipulated in the loan agreement);

contact with a claim to the court for recognition of an insolvent debtor bankrupt in accordance with the laws of the Republic of Kazakhstan.

Article 37. Terms of Claims and Limitations

The demands of banks to the borrowers to undue performance of credit agreements and the terms of claim limitations do not apply.

Article 38. Payments and money transfers

1. Banks to make payments and money transfers in the Republic of Kazakhstan in the manner prescribed by law.

2. In case of improper payments and money transfers bank is liable in accordance with the laws of the Republic of Kazakhstan and the contract concluded with the customer (depositor).

3. International payments and money transfers made by banks in the forms, methods and procedures used in international banking practice and does not contradict the legislation of the Republic of Kazakhstan.

4. The Bank has the right to withdraw money from the accounts of customers (depositors) without their consent if they have documents proving the forgery of payment instruments, as well as establishing the fact of their fallibility of enrollment.

Article 39. Rates and tariffs

1. The interest rates and commissions as well as fees for banking services are set by banks, organizations conducting certain banking operations independently.

1-1. The contracts of the bank loan entered into with natural persons, including contracts of mortgage loans, second-tier banks, organizations conducting certain banking operations, to a fixed or floating interest rate.

Fixed interest rate cannot be changed unilaterally and is unchanged during the period specified by the contract with regard to the requirements of this paragraph. Minimum duration of the fixed rate should be at least three years.

Under the agreement the parties fixed the interest rate can be changed to reduce or at a floating interest rate over the term of the contract.

The order of calculation, the conditions of the floating interest rate determined by the regulations of the authority.

Second-tier banks and organizations engaged in certain types of banking operations is not entitled to unilaterally change towards an increase on the date of the contract of the bank loan size and payment rates, commissions and other costs of servicing the loan.

2. Banks, except for Islamic banks, institutions performing certain types of banking transactions are required to indicate interest rates in the reliable, annual, efficacy comparable terms, whose order is determined by the authorized body in the contracts concluded with customers, as well as the dissemination of information about the magnitudes of reward financial services, including its publication.

In the case of non-compliance set forth in paragraphs 1-1 and 2 of this Article, the authority may apply to the bank, the organization performing certain banking operations, the sanctions provided for in Article 47 of this Law.

Article 40. A ban on preferential terms individuals associated with the particular bank relationships

1. Banks are prohibited from giving preferential treatment to persons associated with the bank a special relationship.

2. Concessional terms mean:

entry into a transaction with a person related to the bank or a special relationship to his advantage, which by its nature, purpose, characteristics and risk, the bank would not come from customers who are not related persons with special relations;

collection of fees and charges for execution of banking transactions or to ensure the adoption of lower than that required of other customers.

The bank can not lend without collateral (unsecured loans) to persons associated with him a special relationship.

3. Persons associated with the bank a special relationship, are recognized:

a) Any official or senior official, the first director and chief accountant of the branch of the bank, as well as their spouses and close relatives;

b) the person or entity that is a major member of the Bank, an official of a major party of the bank, as well as their spouses and close relatives;

- a) a legal entity in which the persons referred to in subparagraphs a) and b) of this paragraph, are major players;
- g) a legal entity against which the bank is a major party, officials of the legal persons, their spouses and close relatives;
- d) affiliated persons of the bank.

For purposes of this article persons associated with the bank a special relationship that does not recognize national management holding, which is a shareholder and legal persons, ten percent or more shares (shares) belong to this National Holding.

3-1. The bank cannot enter into a transaction with any person to give him the opportunity to:

- pay the obligation in the face associated with the bank a special relationship;
- buy some property from a person associated with the bank a special relationship;
- purchase securities issued by a person connected with bank specific ratios.

4. (Excluded - from December 23, 2005 N 107).

5. A person connected by special relations with one of a group of related entities, recognizes a person connected by special relations with each of them.

6. Two or more legal persons shall be considered a group of related entities, if at least one of them is a major party to another.

6-1. For the purposes of this article are not recognized by a group of related entities national management holding, which is a shareholder and legal persons, ten percent or more shares (interest) which belong to this National Holding.

7. Transaction with a person related to a special relationship with the bank, can only be done by the Board of Directors of the bank to meet the requirements of paragraph 1 of this article. Waiver of requirements in respect of assets provided (placed) individuals (patients) associated with the bank a special relationship that is carried out with subsequent notification of general shareholders' meeting.

Supervising officer, the first director and chief accountant of the bank branch should not take part in the consideration and decision on any transaction between the bank and:

- by himself;
- any of his close relatives;
- any entity in which he or any of his relatives is an officer or a large party.

Decision of the board of directors on any transaction between the bank and the person associated with the bank a special relationship that can be taken only after consideration of the board of directors of all its conditions.

8. The Bank shall submit to the authorized body information on all transactions with related persons special relationship with him, on forms provided by regulations of the authority.

Chapter 4. Regulation of banks

Article 41. Measures applicable to banks and their executive persons. Ways of banking regulation

In order to ensure the financial stability of banks, to protect the interests of their depositors and maintain the stability of the monetary system of the Republic of Kazakhstan authority shall regulate the activities of banks, including through:

- establishment of prudential standards and other mandatory compliance by banks norms and limits, provisions against doubtful and bad assets;
- edition binding banks regulations;
- inspections of banks;
- application of measures of early response;
- application to banks limited interventions;
- impose sanctions on banks or their officials.

Regulation of banks is carried out both on an individual bank and on a consolidated basis, in the banking conglomerate. Rules for consolidated supervision set by the authority.

Article 42. Prudential standards and other mandatory to the norms and limits

1. The composition of prudential norms set by the competent authority for mandatory compliance by banks include:

- minimum capital of the bank;
- capital adequacy ratio;
- maximum risk per borrower;
- liquidity ratio;
- open currency positions.

The composition of prudential norms set by the competent authority for mandatory compliance with banking conglomerates include:

- minimum capital;
- capital adequacy ratio;
- maximum risk per borrower.

The authority may impose additional prudential standards and other mandatory standards and limits that are used in international banking practice.

The authorized body in accordance with banking legislation of the Republic of Kazakhstan is taking steps to prosecute the banks and (or) bank holding companies or their officials, and (or) major bank participants - individuals who own more than twenty five percent stake in the bank for breach of bank prudential regulations and (or) other mandatory standards and limits.

The authority may establish by banks and banking conglomerates who have no bank holding company, certain prudential regulations and their values at a level sufficient to cover the potential of significant losses arising from a possible maximum changes in risk factors inherent in the bank and banking conglomerate.

1-1. Prudential standards and other mandatory standards and limits for Islamic banks and their normative values and calculation methods, forms of reporting and timing of its submission shall be established by the authorized body taking into account the peculiarities of Islamic banks banking activities under this Act.

2. In order to address the issue of compliance with the financial situation of the bank's requirements the authority may determine the size of the bank's capital to a certain date.

3. Normative values and calculation methodology of prudential standards and other mandatory standards and limits the size of the bank's capital and banking conglomerate, on a certain date, the order of calculation and the limits of open currency positions, forms of reporting and timing of its submission shall be established by the authority.

3-1. In case of failure by the bank or the banking conglomerate requirements of the authorized body, said in a written prescription to correct data in financial and (or) other accounting calculation of prudential standards and other mandatory standards and limits the authorized body on the basis of the corrected statements.

4. In case of violation of bank capital adequacy ratios set by regulations of the authorized body, the bank must submit to the authority a plan of recapitalization. Plan must be submitted within one month from the date of violation of capital adequacy ratio with a detailed description of activities and timelines to address the violations.

5. Bank holding companies, as well as major actors in the bank - the individuals who own, directly or indirectly, more than twenty-five percent of the voting and (or) outstanding (net of preferred shares and repurchased by the bank) the bank's shares, are obliged to take measures stipulated by normative legal acts of the authorized body, keeping capital adequacy ratios of the bank and banking conglomerate.

In the case of the deteriorating financial situation of the bank bank holding company, a major participant of the bank - a natural person who owns,

directly or indirectly, more than twenty-five percent of the voting and (or) outstanding (net of preferred shares and repurchased by the bank) the bank's shares must at the request of the authorized body to take action to improve bank's financial position, including an increase in bank's own capital in an amount sufficient to ensure financial sustainability of the bank.

Article 43. Reserve capital and provisions (reserves) against doubtful and bad assets

1. In order to cover losses associated with banking activities, banks are required to build a capital reserve. Reserve capital is created by the bank's net income before payment of dividends on ordinary shares. The minimum size of reserve capital of the bank is established by the authority.

2. In order to ensure an adequate level of control and reliability of its activities in accordance with the nature and scale of operations, banks are required to carry out the classification of loans and other assets, highlighting the doubtful and loss claims against them and making provisions (reserves) on the terms and conditions as the competent authority in accordance with the laws of the Republic of Kazakhstan.

Article 44. Verification activities of banks

1. Verification activities of banks is the authorized body on their own or with the involvement of other governmental bodies and (or) organizations.

During the audit of banks the authority may inspect the activities of affiliates of banks solely to determine the extent and nature of their impact on banks' activities.

2. Banks and their affiliated persons are obliged to assist the inspection body for the issues identified in the specification of the authorized body for inspection, as well as provide opportunity to examine any officers and employees and access to any sources necessary to perform the verification of information.

3. Employees authorized agency is prohibited from disclosing or transfer to third parties information obtained during the audit of banks.

4. Persons performing the test shall be liable for disclosure of information obtained during the audit of banks and banking components of a trade secret.

Article 45. Measures of early response

1. In order to protect the legitimate interests of depositors and creditors of banks, financial sustainability of the bank, preventing the deterioration of its financial position and increase the risks associated with banking activities, the authority carries out an analysis of banks to identify the following factors affecting the deterioration of the bank's financial position:

- 1) reduction in capital adequacy ratios;
- 2) reduction in liquidity ratios;
- 3) reduction of the share of deposits of physical persons and legal entities in the amount of bank liabilities;
- 4) increase in total loan portfolio of loans on which the period of delay on principal and interest compensation exceeds ninety days;
- 5) other factors affecting the deterioration of the bank's financial position, set the regulations of the authority.

2. In the event of the factors referred to in paragraph 1 of this article, the analysis of the financial situation of the bank and (or) on the basis of his inspection authority shall send to the bank and (or) to its shareholders claim in writing to submit an action plan that includes measures of early response to improve the financial stability of the bank, preventing the deterioration of its financial position and increase the risks associated with banking activities.

Bank and (or) the shareholders shall within a period not exceeding five working days of receipt of the requirements to develop and submit to the authority plan, indicating the duration of execution for each item and the

responsible officials.

With the approval of the authorized body plan bank and (or) its shareholders begin to implement it, informing the authority of its results within the plan period.

If disapproval of the plan authority applies to the bank and (or) to its shareholders of one or more measures for the early response from the list below by presenting the requirements for:

1) change the organizational structure and (or) the authorized strength of the bank;

2) limit the acceptance of deposits;

3) Non-accrual and (or) the payment of dividends for a period established by the authority;

4) Increase in provisions of the bank;

5) dismissal of the management or other employees of the bank;

6) suspension or limitation of certain types of banking operations with a high degree of risk;

7) increase in bank's own capital in an amount sufficient to ensure financial sustainability of the bank, including by increasing its authorized capital;

8) the restructuring of assets and (or) the obligations of the bank;

9) reduction of administrative costs, including through termination or limitation of hiring additional workers, closing some of its branches and representative offices, subsidiaries, and to reduce stake in dependent organizations on the territory of the Republic of Kazakhstan and beyond.

3. In case of failure within the period prescribed by paragraph 2 of this article, an action plan aimed at improving the financial stability of the bank or delays in the execution of activities of this plan, as well as non-performance or late performance measures for the early response, in accordance with the requirement of an authorized body, to the bank and (or) its shareholders are used limited measures of exposure and (or) the sanctions provided for in this Law.

4. Modalities of early response and method of determining the factors affecting the deterioration of the bank's financial position, set the regulations of the authority.

Article 46. Enforcement measures

1. In the event that an authorized body of violations of prudential standards and other mandatory standards and limits, violations of legal acts of the authorized body, to identify wrongful acts or omissions of officers and employees of the bank, which may endanger its financial security and stability, as well as the interests of its depositors, clients and correspondents, as well as other non-compliance with the requirements of the authorized body under this Act, the authority may apply to the bank one of the following limited interventions:

a) require a letter of commitment;

b) draw up a written agreement with the bank;

c) issue a warning;

d) give a binding written order.

2. Letter of commitment of the bank should include recognition of existing gaps and to guarantee the bank's management to address them in strictly defined terms with the list of planned activities.

3. Written agreement - an agreement between the bank and the authorized body on the need to immediately address the identified deficiencies and the approval of priority measures in this regard.

4. Written orders - an indication of the bank to adopt binding corrective actions to address identified deficiencies within the prescribed period.

Appeal a written order of the authorized body in the court does not suspend its execution.

5. The Bank is obliged to inform the authority on the execution of letters of commitment, a written agreement or a written order within the period specified in this document.

6. A written warning is a notification of the authorized body about the

possible application to the bank of sanctions under Article 47 of this Act, in case of an authorized body breaking the bank legislation of the Republic of Kazakhstan, or if the deficiencies are not corrected within a specified period of the authorized body.

7. The order of the limited measures of influence established regulations of the authority.

8. Measures presented in this article may apply to bank holding company, organization, members of the banking conglomerate, large bank participants in the cases of violation of the provisions of this Act, and if the authority finds that a violation, wrongful acts or omissions data entities, their officers or employees have worsened the financial condition of the bank.

9. National Bank in case of violations of the laws of the Republic of Kazakhstan on matters which fall within its competence, may apply to a bank or organization performing certain banking operations, interventions, referred to in paragraph 1 of this article.

Bank or organization that carries out certain banking operations, must notify the National Bank on the execution of letters of commitment, a written agreement or written prescriptions specified in these terms.

Article 47. Sanctions

1. The authority may impose sanctions against the bank, regardless of previously applied thereto interventions.

2. As sanctions, the authority may apply the following measures:

a) the imposition and collection of penalty on the grounds established by legislative acts of the Republic of Kazakhstan;

b) the suspension or denial of licenses for all or certain banking transactions on the grounds specified in Article 48 of this Act;

c) the preservation of the bank on the grounds and in accordance with the procedure established by Articles 62-67 of this Act;

d) deprivation of permission to open a bank on the grounds specified in Article 49 of this Act;

e) In case of negative equity capital of the bank to decide in consultation with the Government of the Republic of Kazakhstan on the compulsory redemption of shares (shareholders) of the bank at a certain price by the authorized body, based on the value of bank's assets minus the sum of its liabilities at the date the authority makes a decision on compulsory repurchase of shares under the terms of their immediate implementation of mandatory follow-up to a new investor on the purchase price, with the simultaneous assignment (transfer) all rights and obligations of the bank and its shareholders.

e) suspension from duty of persons referred to in Article 20 of this Act on the basis of sufficient evidence for the recognition of actions specified by a senior (employees) of the bank's non-compliant with current legislation the simultaneous withdrawal of consent to the appointment (election) of the manager of the bank;

g) (excluded - from December 23, 2005 N 107);

h) by decreasing the values of capital adequacy ratios of the bank and (or) the banking conglomerate to less than fifty percent of the standards established by the requirements of the regulations authorized agency, the bank must transform itself into a credit society in accordance with Article 60 of this Act and statutory Acts of the authority.

In case of failure of the bank from the right set forth in the first paragraph of this subparagraph, or refusal to permit the conversion of the bank in the credit society on the grounds specified in Article 61 of this Act, the authority may decide to contract with the bank's shareholders to transfer shares in trust to the authorized body, followed by the alienation of shares of the bank in accordance with paragraph 3 of Article 47-1 of this Act to the new investor (s) subject to him (them) the requirements of this Act.

In case of failure of shareholders to transfer shares into trust management authority may apply to court for forcing the contract.

3. In the case of the authorized body of sanctions under subparagraph

e) of paragraph 2 of this article, decisions to dismiss employees, removal from office shall be taken by bodies appointed or elected to their respective positions.

4. (Paragraph excluded - The Law of the Republic of Kazakhstan dated 10 July 2003 N 483).

5. Decision on withdrawal of the license (license) of the bank to conduct banking transactions shall take effect from the date of its adoption.

6. After the revocation of licenses (license) of the bank to conduct banking commissioner shall appoint temporary administration (temporary administrator) Bank, to which (WMD), the powers of all its controls.

Powers previously existing authorities of the bank shall be suspended.

6-1. Regardless of the applied earlier interventions National Bank may impose sanctions against the bank or organization engaged in certain types of banking operations. As sanctions, the National Bank may apply the measures referred to in subparagraph a) of paragraph 2 of this article to a bank or organization performing certain banking operations, as well as the measures referred to in subparagraph b) of paragraph 2 of this article, the organization engaged in certain types of banking operations, the license is issued by National Bank.

7. Transitional Administration (interim administrator) of the bank within ten business days from the date of deprivation of the bank's license shall decide on the operation referred to in Article 61-2 of this Act, and appeals to the authority to agree on conducting the operation.

The authorized body in a period not exceeding ten working days shall agree an interim administration (temporary administrator) of the bank transactions provided for in Article 61-2 of this Act.

The authorized body after the specified operation Provisional Authority (interim administrator) of the bank goes to court for compulsory termination of the (elimination) of the bank in accordance with the legislation of the Republic of Kazakhstan.

Unless the interim administration (temporary administrator) of the bank decision on the operation referred to in Article 61-2 of this Act within the period specified in the first paragraph of this Article, the authority goes to court for compulsory termination of the (elimination) of the bank in order established by the legislation of the Republic of Kazakhstan.

Information about the decision on deprivation of the license published by the authorized body in two periodicals that are distributed throughout the territory of the Republic of Kazakhstan.

8. Decision on withdrawal of the license to conduct banking transactions may appeal on behalf of the bank only its shareholders. These decisions may be appealed in court within 10 days.

Article 47-1. Coercive measures taken against individuals with signs of the major participant or bank holding company, as well as major participants of the bank, bank holding companies and entities involved in the bank conglomerate

1. The authority may use coercive measures to persons with signs of a major party or a bank holding company, as well as major participants of the bank and bank holding companies or entities forming part of the banking conglomerate in the following cases:

1) non-receipt of the consent of the authorized body for the acquisition of a big shareholder and bank holding company;

2) after the acquisition of a big shareholder of the bank and bank holding the circumstances referred to in paragraph 9 of article 17-1 of this Act;

3) non-written orders of the authorized body in accordance with Article 46 of this Act;

4) the commission of acts by a person signs a big party or a bank holding company and a major participant of the bank (including the organizations over which major party has control), bank holding company or entities that are part of the banking conglomerate, which resulted in the bank suffered or may be prejudiced;

5) the precarious financial situation of persons with signs of a major

party or a bank holding company, as well as major participants of the bank (including the organizations over which major party has control), bank holding company or entities that make up the banking conglomerate, which resulted in the bank suffered or may suffer damage.

By and large bank holdings of the bank participants - individuals, owning, directly or indirectly, more than twenty-five percent of the voting and (or) outstanding (net of preferred shares and repurchased by the bank) the bank's shares, the authority may also apply compulsory measures for their action or inaction, which resulted to defy the requirements of paragraph 5 of Article 42 of this Law.

2. If there are cases specified in paragraph 1 of this Article, the authority may:

1) require any person possessing the attributes of a major party, as well as the major participant of reducing the proportion of its direct or indirect ownership in the bank to below ten percent of the voting shares;

2) require any person possessing the attributes of a bank holding company, as well as the bank holding company to reduce the proportion of its direct or indirect ownership in the bank to below twenty-five percent of the voting shares and to suspend operations (direct and indirect) are exposed to bank risk, among them and the bank;

3) require the bank against the organization in which a bank or bank holding company is a party, as well as organizations that are members of the banking conglomerate, to suspend operations (direct and indirect) are exposed to bank risk, between them and the bank;

4) require the bank or the person having symptoms of a bank holding company, as well as the bank holding the alienation of their share of possession or control of a subsidiary organization or organizations in the share capital which they have a significant presence.

3. Based on the decision of the authorized body in the event that a major party, the bank holding the bank or a person with signs of a major party, the bank holding company, the requirements of paragraph 2 of this article, and paragraph 6 of Article 57 of this Law, establishes the trust shares of the major participant of the bank, bank holding company or a person having signs of the major party of the bank, bank holding company. These shares are transferred in trust to the authorized body for up to three months.

During the period of authorized agency asset management shares the owner of shares may not engage in any action in respect of the shares held in trust.

A major participant of the bank, bank holding company or a person with signs of the major party of the bank, bank holding company may apply to the competent authority to sell all its shares in the bank to the persons specified in the application.

The application meets the authorized body in the case when the purchasers of the shares specified in the application requirements of the legislation of the Republic of Kazakhstan.

When non-elimination of the grounds for the transfer of shares in trust for two months from the date of transfer of shares in trust authorized agency authority disposes of shares held in trust by their implementation in the organized securities market. The proceeds from the sale of these shares the money is transferred to persons whose shares were transferred in trust the authority.

Arrangements for the sale of shares of the major participant of the bank, bank holding company or a person having signs of the major party of the bank, bank holding company the expense of the bank.

4. Procedure for application of coercive measures is determined by normative legal acts of the authority.

Article 48. Grounds for suspension or deprivation licenses for all or individual Banking

1. Suspension or denial of licenses for all or certain banking transactions made by any of the following reasons:

a) failure in the bank's activities and the organization performing

certain banking operations, the requirements of article 20, paragraphs 2 and 6 of Article 26 of this Act;

b) carrying out banking operations with systematic (three or more times within twelve consecutive calendar months) violations of applicable law;

c) systematic (three or more times within twelve consecutive calendar months) improper fulfillment of contractual obligations for payment and transfer transactions;

d) systematic (three or more times within twelve consecutive calendar months) the violation of prudential standards and (or) other mandatory standards and limits;

e) failure to duty to disclose the general conditions for banking operations, established by article 32 of this Act;

e) violation of the prohibition, in Article 40 of this Act, to grant preferential treatment to persons associated with the bank a special relationship;

g) failure to an authorized body and (or) the National Bank or the submission of deliberately false statements and information;

d) systematic (three or more times within twelve consecutive calendar months) violation of regulations, either systematic (three or more times within twelve consecutive calendar months) the failure of written prescriptions authorized agency or the National Bank;

h-1) non-compliance established by the authorized bodies in the presence of risk management and internal controls;

m-1) non-bank holding company, a major member of the bank - a natural person who owns, directly or indirectly, more than twenty-five percent of the voting and (or) outstanding (net of preferred shares and repurchased by the bank) the bank's shares, the requirements of the authorized body to increase the bank's own capital, and requirements in accordance with paragraph 2 of Article 47-1 of this Act;

i) implementation of activities, prohibitions and restrictions for banks in accordance with the terms of Article 8 of this Act;

a) The implementation of Bank operations beyond its capacity, established by this Law, the charter of the bank and the license (s) to conduct banking transactions;

k-1) failure to bank institutions performing certain types of banking transactions in accordance with their licensing activities during the twelve consecutive calendar months from the date of its issuance;

l) a court decision on the termination of the bank;

L-1) the Bank's decision on the voluntary termination of its activities through reorganization or liquidation;

m) Failure or submission of false information on affiliated with the bank faces, as well as other required information by the authorized body that has served as an obstacle to the implementation of the authorized body of supervision of banks, including on a consolidated basis;

n) repeatedly (two or more times during the inspection), obstructing the Bank of the audit that caused the failure of its holding in a timely manner;

o) willful failure to rectify violations of the Bank mentioned in the report of the audit firm of the audit, within the time specified in paragraph 6 of Article 57 of this Law.

1-1. Bank (excluding Islamic banks), which is not a party to the obligatory deposit insurance system, loses his license to take deposits, opening and maintaining bank accounts of individuals.

1-2. If there are cases of systematic (three or more times within twelve consecutive calendar months), a violation of the laws of the Republic of Kazakhstan on combating the legalization (laundering) of proceeds from illegal means and the financing of terrorism, is the suspension of a license for all or certain banking operations .

1-3. Grounds for withdrawal of the license in violation of the law of the Republic of Kazakhstan on combating the legalization (laundering) of illegally obtained and terrorist financing are:

1) failure to rectify violations within the prescribed period for which the license is suspended pursuant to paragraph 1-2 of this article;

2) repeated violation of the requirements stipulated by the legislation

of the Republic of Kazakhstan on combating the legalization (laundering) of proceeds from illegal means and the financing of terrorism, for which it was sanctioned in the form of suspension of the license on the grounds provided by paragraph 1-2 of this article;

3) the Bank's involvement in transactions related to money laundering or terrorist financing.

2. National Bank or the authority suspends or denies a license for all or certain banking operations, depending on the nature of the violation.

Appeals against decisions of the National Bank or an authorized body to suspend or withdrawal of licenses for all or certain banking operations shall not suspend the execution of these decisions.

Article 48-1. Transfer of documents and bank property

1. Bank, deprived of a license to conduct all banking transactions, may not engage in banking or other activities. From the date of deprivation of the bank's license to conduct all banking operations cease all operations on the bank accounts of clients and the bank itself, except in cases relating to the costs provided by regulations of the authorized body, and crediting the bank received the money. Not allowed recovery of money from bank accounts Bank revoked the licenses to conduct all banking transactions, according to the requirements of lenders and other parties in the bank.

2. The order of the bank, his appointment as the interim administration (temporary administrator), and the authority the interim administration (temporary administrator) are determined by regulations of the authority.

3. Transitional Administration (interim administrator) of the bank carries out its activities in the period before the appointment of an authorized body of a liquidation commission of the bank.

Control over the activities of the interim administration (temporary administrator) of the bank prior to the appointment of a liquidation commission of the bank carries the authority.

4. Report of the interim administration (temporary administrator) of the bank appears to the authority and the court made the decision on liquidation of the bank.

5. (Paragraph deleted - The Law of the Republic of Kazakhstan dated 10 July 2003 N 483).

6. Transitional Administration (interim administrator) of the bank adds its powers and transmit documents and property of the bank's chairman of bank liquidation committee within a period not exceeding 10 days.

7. Acceptance and transfer of documents and property of the bank's chairman of the interim administration of the liquidation commission issued an act, which is made in quadruplicate and approved by the authority. One copy of the approved statement shall be sent to the court to be attached to the case.

8. During its activity the interim administration (temporary administrator) of the bank is not entitled to debit transactions, except as provided for in paragraph 1 of this article, and to change the terms of contracts previously concluded by the bank.

9. Prohibited funding authorized agency costs associated with the forced reorganization and closure of banks on the grounds of compulsory liquidation, except for expenses related to the remuneration of employees of the authorized body that are included in the interim administration (temporary administrator) of the bank and a liquidation commission, and the costs of publishing in official publications of the Ministry of Justice of the Republic of Kazakhstan in Kazakh and Russian languages, information about a court decision on the forced liquidation of the bank and the costs of state registration of the termination of the bank on the grounds of forced liquidation of justice, the delivery of documents to archive after the liquidation of the bank in cases of non-bank property, or if its value is insufficient to cover these costs.

Article 49. Grounds and procedure for revocation of permit for opening bank

1. The authority may revoke the issued permit to open a bank in the following cases:
 - a) the bank makes a decision on voluntary termination of its activities through reorganization or liquidation;
 - b) the court decides to terminate the activities of the bank;
 - c) establishment of a legal entity, registered as a bank of violations provided for in paragraph 2 of this article.
2. Revocation of the authorization to open a bank issued a legal entity, the authorized body on any of the following reasons:
 - a) finding for one year from the date of state registration of legal entity as a bank false data on which the permit was issued;
 - a-1) violation of the terms provided for in Article 25 of this Act;
 - b) failure to obtain a license to conduct banking operations within one year from the date of state registration of legal entity as a bank;
 - c) non-payment of share capital within one year after the state registration of legal entities as a bank;
 - d) breach of activities provided by the banking legislation of the Republic of Kazakhstan for a legal entity, registered as a bank.
3. (Paragraph excluded - The Law of the Republic of Kazakhstan dated 10 July 2003 N 483).
4. The authority's decision to revoke permission to open a bank is the basis for re-registration or termination of the entity.

Article 50. Bank secrecy

1. Banking secrecy includes information on availability, ownership and numbers of bank accounts of depositors, clients and correspondent bank balances and cash flow in these accounts and the accounts of the bank, the operations of the bank (with the exception of the general conditions for banking operations), as well as information availability, ownership, nature and value of client assets in its custody in the safe deposit boxes, cases and bank premises.

Do not apply to banking secrecy information on loans and deposits of the bank, in the process of elimination.

2. Bank guarantees confidentiality of transactions and deposits of its depositors, clients and correspondents, as well as the mystery of the property in storage in safe deposit boxes, closets and rooms of banks.

3. Officials, bank employees and other persons who by virtue of their official duties, have access to information constituting bank secrecy for their disclosure criminally liable except as provided by paragraphs 4-8 of this article.

4. Banking secrecy may be disclosed only to the account holder (property) to any third person with the written consent of the account holder (property), given at the time of his personal presence at the bank, the credit bureau for bank loans, leasing, factoring, forfeiting operations, accounting bills, and issued by the bank guarantees, sureties, letters of credit in accordance with the laws of the Republic of Kazakhstan, as well as to the persons specified in paragraphs 5-8 of this article, on the grounds and within the limits prescribed by this article.

Nor is the disclosure of bank secrecy:

1) mandatory reporting by banks of the tax authorities about opening bank accounts of an individual engaged in entrepreneurial activities without forming a legal person or entity;

1-1) the mandatory reporting by banks authorized agency for financial monitoring of transactions subject to financial monitoring in accordance with the laws of the Republic of Kazakhstan on combating the legalization (laundering) of proceeds from illegal means, and the financing of terrorism;

2) representation of the issuer of the securities and the representative of holders of securities of information on loans, claims on which the pledged securities, including in the framework of a securitization transaction;

3) Reporting on the balances of money in the bank accounts of individuals and interest accrued thereon fee of the bank, temporary administration imposed in connection with the deprivation of a license to

carry out all banking operations of the organization performing the obligatory deposit insurance and the agent banks for the implementation of activities related money back to investors, the firm based on the written consent of the account holder;

4) representation of other banks of data required for operations referred to in Articles 61-2, 61-3 of this Act;

5) submission of information by banks in the second level, claims which are purchased or accepted in the management of a legal entity established by the state for the acquisition of classified assets of banks listed entity;

6) submission of information under restructuring the bank creditors of the bank, which assumed the obligation to restructure, to other banks in the restructuring of restructured assets and liabilities.

5. Inquiries about availability and numbers of bank accounts are issued by the bank in relation to which the account holder (s) is the borrower, guarantor, surety or the mortgagor, upon written request, signed by the Chairman of the Board or his deputy, subject to the submission of the document confirming the loan.

Note RCRI!

In Section 6 provides change the Law of RK on 02.04.2010 № 262-IV (entered into force on 21.10.2010).

6. Inquiries about availability and numbers of bank accounts of legal entities and (or) its structural unit, as well as current accounts of physical persons engaged in business activities without a legal entity, private notaries, lawyers on balances and cash flow in these accounts are issued by:

a) the bodies of inquiry and preliminary investigation: on under their criminal cases with the approval of the prosecutor;

b) courts: on under their affairs on the basis of the court;

c) Attorney: Based on the order of production testing, within its competence, located in his review of materials;

d) the customs authorities of export and (or) import operations with the approval of the prosecutor;

e) the tax authorities in respect of:

audited entity and (or) its structural subdivisions on matters relating to taxation;

inspect the individual entrepreneur on matters relating to taxation - on current accounts used by (used in) entrepreneurship;

verifiable private notary on issues related to taxation - on current accounts used by (used in) notarial activities;

inspected attorney on matters related to taxation - on current accounts used by (used in) advocacy;

individual entrepreneur who is subject to special order fulfillment of tax obligations upon termination of activities in accordance with the laws of the Republic of Kazakhstan;

legal entity and (or) its structural unit, individual entrepreneurs, private notaries, lawyers, the virtual absence of which the location is confirmed in the manner prescribed by the tax legislation of the Republic of Kazakhstan, and did not submit tax returns before the expiration of six months after the tax legislation of the Republic of Kazakhstan for it is presented, with the exception of the period of extension of this period in the cases stipulated by the tax legislation of the Republic of Kazakhstan;

dormant entity, individual entrepreneurs, private notaries, lawyers;

q-1) enforcement proceeding: on under their affairs executive production by order the bailiff, stamped by authority of enforcement proceedings and authorized the prosecutor, or a copy certified by the seal of the territorial department of the executive body of the production.

6-1. Inquiries about availability and numbers of bank accounts of physical persons, balances and cash flow in these accounts are issued by the tax authorities in respect of:

person registered in the manner prescribed by law as a candidate for President of the Republic of Kazakhstan, deputies of the Parliament of the Republic of Kazakhstan and maslikhats, as well as members of local authorities, and his wife (husband);

person who is a candidate for public office or office related to the

implementation of state or equivalent functions and his wife (husband);
person released on parole from serving a sentence.

The information provided in this paragraph shall be submitted at the request of the tax service in the form prescribed by the authorized body in coordination with the authorized state agency for regulation and supervision of financial markets and financial institutions.

7. Inquiries about availability and numbers of bank accounts of physical persons, balances and cash flow in these accounts, as well as the available information on the nature and value of his property, kept in safe deposit boxes, cases and bank premises, issued by:

a) representatives of an individual: on the basis of a notarized power of attorney;

b) bodies of inquiry and preliminary investigation: by being in their criminal cases where money and other property of physical persons in the accounts or on deposit, may be seized, foreclosed, or forfeiture of property used under a written request, signed by the director or an investigator, stamped by the body of inquiry or preliminary investigation and sanctioned by the prosecutor;

a) vessels: on under their affairs on the basis of determination, decisions, decrees, court sentence in cases where money and other property of physical persons in the accounts or on deposit, may be seized, levied or applied confiscation of property;

d) Attorney: Based on the order of production testing, within its competence, located in his review of materials.

7-1. Inquiries about the movement of money from bank accounts of the client, provided for in paragraphs 6 and 7 of this Article shall be submitted in the form of statements of cash flows for the customer's bank account. Information, which should contain an extract of cash flows for the customer's bank account, are determined by the regulations of the National Bank of Kazakhstan.

8. Inquiries about availability and numbers of bank accounts of an individual and on the balance of money on them, as well as the available information on the availability, nature and value of his property, kept in safe deposit boxes, cases and bank premises, in case of death of the owner shall be issued:

a) the persons specified by the account holder (property) in a testamentary disposition;

b) courts and notaries: by being in their inheritance cases based on the definition, a court order or written request of the notary, certified by its stamp. By written request, the notary must be accompanied by a copy of the death certificate of the account holder;

c) foreign consular offices: by being in their inheritance cases.

9. Excluded by the Law of RK as of 29.06.1998 N 236.

10. Information containing bank secrecy is provided on the basis of international treaties of the Republic of Kazakhstan, the exchange of information.

Article 51. Garnishment and foreclosure on money and property located in the bank

Note RCRI!

In Section 1 provides changes to the Law of RK as of 02.04.2010 № 262-IV (entered into force on 21.10.2010).

1. For money and other property of the legal and physical persons in the bank, the arrest cannot be imposed except on the basis of resolutions of inquiry and preliminary investigation and orders enforcement proceeding authorized by the prosecutor, as well as orders, decisions, judgments, rulings of courts. If the arrest is to secure the claim amount of money for which an arrest should not exceed the amount in dispute and the size of government fees and expenses related to the execution of decisions, judgments, rulings and judgments. When the arrest enforcement authorities in the enforcement of the executive document the amount of money and the value of the property on which an arrest should not exceed the amount necessary to repay the sum awarded to the claimant, as well as fines imposed on the debtor

in the enforcement of court orders, and costs execution writ of execution.

All debit transactions at the bank (except the correspondent) accounts of a legal entity, its departments, individual entrepreneurs, private notaries and lawyers to set the legislative acts of the Republic of Kazakhstan may otherwise be suspended on the orders of the tax and (or) customs authorities signed the first leader, certified stamp tax, and (or) the customs authorities, and punishment can be drawn only on the grounds stipulated by legislative acts of the Republic of Kazakhstan.

Operations on the bank accounts of physical and legal persons may be suspended by the authorized agency for financial monitoring in the cases stipulated by legislation of the Republic of Kazakhstan on combating the legalization (laundering) of proceeds from illegal means, and the financing of terrorism.

2. Confiscation of money and other property of the legal and physical persons in banks, except for pension assets from pension funds, can only be made pursuant to an enforceable court decision (verdict).

Article 52. Compulsory deposit insurance

Footnote. Article 52 is excluded by the Law of RK as of 11.07.2009 N 185-IV

Chapter 4-1. Features of the establishment and operation Islamic banks

Article 52-1. Requirements for the activities of Islamic banks

Islamic bank may not charge a fee in the form of interest, guarantee the return of the deposit or investment income thereon, finance (lending) activities related to production and (or) trade in tobacco, alcohol products, weapons and ammunition, gambling, as well as other types of business activities, financing (loans) by the Council on Islamic financing principles.

Council on Islamic financing principles may additionally determine other requirements for the activities of the Islamic bank, required to comply with an Islamic bank.

Article 52-2. Activities of the Council on Islamic principles Funding

1. To determine whether the activities and transactions of the Islamic bank requirements specified in Article 52-1 of this Act, in an Islamic bank on a mandatory basis is created Council on Islamic financing principles.

2. Council on Islamic financing principles is an independent body appointed by the AGM of the Islamic bank on the recommendation of the Board of Directors.

3. Regulation on general conditions of operation of an Islamic bank, the rules of internal credit policy of the Islamic bank to be approved by the Board of Directors of the Islamic bank with a positive opinion of the Council on Islamic financing principles.

4. Unless otherwise stipulated in this Law, the charter or internal regulations of the Islamic bank, the decision of the credit committee of the Islamic bank, taken in accordance with the Rules of internal credit policy of the Islamic bank, and transactions entered into in accordance with the Regulations on general conditions of operation of an Islamic bank, do not require separate approval by the Council on Islamic financing principles. At the same advice on the principles of Islamic finance has the right to inspect, at its discretion any transaction for compliance with the requirements specified in Article 52-1 of this Act.

Article 52-3. Consequences of operations and transactions of Islamic bank is not relevant requirements of an Islamic bank

1. In the event that advice on the principles of Islamic finance transactions that are under detention, not meeting the requirements specified in Article 52-1 of this Act, the transaction cannot be concluded and executed.

2. In the event that advice on the principles of Islamic financing concluded but not executed or partially executed transactions are not consistent with the requirements specified in Article 52-1 of this Act, such a transaction at the request of an Islamic bank prematurely terminated in the manner prescribed by the civil legislation of the Republic of Kazakhstan.

3. In the event that the Council on Islamic financing principles executed or partially executed transactions are not consistent with the requirements specified in Article 52-1 of this Act, the income of an Islamic bank under such a transaction should be directed to charity.

Article 52-4. Additional requirements for charter Islamic Bank

The Charter of the Islamic bank in addition to information provided for in Article 14 of this Act, shall include:

- 1) The objectives of the Islamic Bank;
- 2) the objectives, functions and powers of a standing body of an Islamic bank - Council on Islamic financing principles as well as the procedure for its establishment and requirements for members of the Council on Islamic financing principles.

Article 52-5. Banking and other operations of the Islamic bank

1. Banking operations of the Islamic Bank are the following:

1) receiving non-interest bearing demand deposits of individuals and entities, and opening and maintaining bank accounts of individuals and legal entities;

2) acceptance of the investment deposits of natural persons and legal entities; V095687

3) bank loan operations: granting of an Islamic bank loans in monetary form in terms of maturity, and repayment without charging fees;

4) financing of entrepreneurial activity in the form:
financing trading activities as a commercial broker with the provision of commercial credit;

financing of production and trading activities through participation in the authorized capital of legal entities and (or) on the basis of partnership;

5) investment activities on a lease (rent);

6) agency activities during the banking operations of an Islamic bank.

2. Banking operations stipulated by subparagraphs 4), 5) of paragraph 1 of this Article shall be made by an Islamic bank's own money and (or) money borrowed for investment deposits. In this case the Islamic bank and (or) on investment deposit customers acquire the right of common ownership of property acquired through their money, and the Islamic bank is the party's share ownership and (or) the trustee, which manages the property belonging to the common property. The Islamic Bank as the trustee may provide the state registration of real estate rights and transactions, registration of vehicles and other movable property in accordance with the laws of the Republic of Kazakhstan. Islamic bank accounts for the co-owners to acquire property.

3. Islamic bank may, if it is stipulated by the charter, to perform certain types of banking and other transactions provided for in Article 30 of this Law, in compliance with the requirements specified in Article 52-1 of this Act, except the following:

1) factoring transactions: the acquisition of rights to demand payment from the buyer of goods (works, services) with the adoption of non-payment risk;

2) forfeiting operations (forfeiting): payment of debt obligations of the buyer of goods (works, services) through the purchase of bills of exchange without recourse to the seller.

Council on Islamic financing principles may recognize certain banking and other transactions contemplated by Article 30 of this Law shall comply with the requirements specified in Article 52-1 of this Act.

Article 52-6. Islamic Bank Deposit

1. Under the contract-free demand deposits, Islamic bank undertakes to

accept the client's money in bank demand deposits, which do not involve the payment or guarantee of payment of remuneration as a percentage, and return the deposit or part thereof upon receipt of the client's requirements. By the treaty bearing deposit of an Islamic bank, the rules on bank deposit agreement, except in terms of remuneration for it.

2. According to the agreement on the investment deposit, the Islamic bank agrees to accept the client's money for a specified period with no guarantee of their return in nominal terms, to pay the income from them, depending on the results of the use of money transfers in the manner specified in the contract about the investment deposit. The agreement on the investment deposit, the Islamic bank, the rules of the Treaty on trustee with the specifications provided by this article in order of use and repayment of money, rights and responsibilities of the client and the Islamic bank, the order of definition and calculation of trustee fees - the Islamic Bank.

When concluding an agreement on the investment deposit can open a current bank account.

3. Terms of the agreement on the investment deposit, should determine the remuneration trustee - the Islamic Bank for the management of client money - the founder of trust management, time and order a refund, downside risks from the use of money and other conditions.

4. Remuneration of an Islamic bank is defined as any income derived from the use of borrowed money on the investment deposit, provided that remuneration may be paid only by the income from the use of money on the investment deposit. Islamic bank loses the right to compensation for loss of investment deposit (in the absence of income resulting from the use of money borrowed for investment deposit). Terms of the agreement on the investment deposit may not provide a guaranteed amount of income on investment deposit or payment of an Islamic bank.

5. Client loses the right to receive income from early repayment of the investment deposit, upon request, unless otherwise stipulated in the contract about the investment deposit.

6. The Treaty on the investment deposit may contain conditions to determine the client how to use money, the list of assets or facilities investment of money or conditions on use of client's money separate from the money of other clients without their union.

7. Islamic bank must maintain a record of using money for individual investment deposits in order to determine the order and the results of the use of money, including determining how to use the money, the list of assets or facilities of investing money, income or loss from such use, the remuneration of an Islamic bank. V095687

8. Depending on customer demand Islamic bank must submit a report on the use of money on the investment deposit.

9. Unless otherwise specified in the contract, the client who made money on the investment deposit is not responsible for the obligations of an Islamic bank, which arose in connection with the placement of money, but carries risk of losses associated with a decrease in the value of assets in which money has been invested, within a deposit on an investment deposit money.

10. The Islamic Bank is not liable for losses associated with a decrease in the value of assets that were invested in investment money deposit, except in cases where such damages occurred due to his fault.

If the losses associated with a decrease in the value of assets that were invested in money of the investment deposit, occurred through the fault of the Islamic bank, Islamic bank must inform the customer about the origin of such damages.

Article 52-7. Features of the securities issue by islamic bank

The Islamic bank may issue shares or other securities except for preferred shares, bonds or other debt securities, providing debt guaranteed amount of compensation or remuneration as a percentage of the cost.

Article 52-8. Financing trading activities as a reseller with commercial loans

1. Islamic banks may engage in trading activities as a trade facilitator, by providing commercial credit to the buyer or the seller of goods under a contract of commercial credit Islamic Bank (hereinafter - the treaty of commercial credit).

2. Agreement on commercial credit is based on a proposal buyer of goods on a treaty on commercial credit (offer), which shall include the period for its acceptance by an Islamic bank (acceptance). During the term of the offer Islamic bank may enter into a contract of sale with the seller of the goods. Acceptance of an Islamic bank is given after the acquisition of ownership of the goods. Upon receipt of customer acceptance of the Islamic Bank for the duration of the offer pursuant to the agreement of commercial credit for the buyer is required. Upon cancellation of the contract performance of commercial credit to the buyer reimburses the Islamic Bank of actual damages caused by such refusal, and the Islamic bank sells the goods to a third party or return it to the seller.

3. The agreement on the commercial loan rules contract of sale of goods on credit (suspended or deferred payment) with the specifications stipulated in this Article and the requirements specified in Article 52-1 of this Act.

4. Agreement on commercial credit shall contain the terms of the name and quantity of the goods, the price at which the buyer purchases goods from an Islamic bank, with an indication of the size of markups in the goods, as well as conditions of commercial credit (deferred payment or installment payment).

5. Unless otherwise stipulated by the agreement of commercial credit, the price of the sale of goods by an Islamic bank customer is the sum of the purchase price of the goods from the seller and the margins on the goods. Margin can be set as a fixed amount or percentage of the purchase price of the goods from the seller.

6. When you purchase goods on the basis of the offer the buyer an Islamic bank is obliged to purchase contract with the seller to indicate that goods are bought for conclusion of commercial credit.

7. Not allowed the acquisition of goods from the seller, acting at the same time the purchaser under a contract of commercial credit. Contract of sale of an Islamic bank with the seller of goods may provide for terms of pre-payment for goods, ability to return goods purchased at a certain date and return the purchase price.

8. Treaty on the commercial credit conditions may be foreseen to ensure fulfillment of obligations by the buyer paying for goods pledge money or other property.

9. If the subject of the agreement on the commercial loan is to purchase goods to be manufactured (processed products, the new movable, a newly established real estate), products resulting from the use of assets, performance or rendering of services (in the form of separated fruit with the use of property produced by the agricultural, livestock or other similar products), required the conclusion of the Council on Islamic financing principles of compliance with contract requirements specified in Article 52-1 of this Act.

10. Treaty on commercial credit, entered into between the Islamic bank and the seller, a manufacturer (the manufacturer) product, referred to in paragraph 9 of this article may provide an immediate full or partial pre-payment of purchased goods (commercial loan in the form of an advance), under the condition of delivery of the goods in time defined by the agreement of the parties (delay delivery). When providing commercial credit to the manufacturer (the manufacturer) Product sales contract of an Islamic bank with a direct buyer of goods may include conditions for the immediate partial or full pre-payment for goods under the condition of delivery of goods within the period specified by agreement of the parties (deferred delivery).

11. In the case of a contract of commercial credit provided for in paragraph 9 of this article, relations between the bank and a producer (manufacturer) product, the rules of contract, supply, contracting, paid service or other rules of the relevant this regard to the obligations stipulated by the civil legislation of the Republic Kazakhstan.

Article 52-9. Funding for production and trade by participating in authorized capital of legal entities and (or) in partnership

1. The Islamic bank may finance the manufacturing and trading activities on the basis of partnership agreement to generate revenues or achieve some do not contradict the laws of the Republic of Kazakhstan goal. Partnership Agreement may provide for the condition to establish a legal entity (a partnership agreement to form a legal entity).

2. Partnership agreement may be signed after the positive conclusion of the Council on Islamic financing principles. Violation of the requirements specified in Article 52-1 of this Act shall be grounds for early termination of the partnership agreement and (or) eliminate established on the basis of partnership agreement between the legal person or for the alienation of shares of an Islamic bank, including stocks and shares in the authorized capital legal persons, and the direction of the revenue to charity.

3. A contract of partnership, without conditions on the establishment of a legal entity (partnership agreement with Islamic Bank), the rules agreement on joint activity with the specifications provided in this Article.

4. Partnership agreement with the Islamic bank should contain the purpose of joint activity, contract duration or conditions upon the occurrence of which the contract is terminated, the order and frequency distribution of income from joint activities, responsible party for breach of contract, information about the list, type and value of property made by each participant to carry out joint activities. Unless otherwise specified in the contract, the portion of each of the participants in the common property is determined in proportion to the value of property contributed to the implementation of joint activities. Contract may include provisions on the use of any income derived from the joint activities for charitable purposes.

5. Income from joint activities, general expenses and losses of the parties, a partnership with the Islamic bank are distributed in proportion to the common property, unless otherwise stipulated in the contract. Income of a general partnership with the Islamic bank to be distributed based on actual results excluding the expected income. Income party a partnership can not be set as a fixed sum of money.

6. In case of insufficiency of the common property of a general partnership, the participants are liable for obligations associated with the contract of partnership, in proportion to the shares of the common property.

7. A contract of partnership with a legal entity shall apply the rules of the memorandum of association of the legal officer of the relevant organizational and legal form, unless otherwise stipulated in the contract or the rules of this article.

8. In addition to information provided by the legislation of the Republic of Kazakhstan to the memorandum of association of legal persons of some organizational-legal form, the partnership agreement to form a legal entity must contain information about the purpose and timing of partnership, the condition of income distribution entity in proportion to the share contributed by each participant.

9. The rules of partnership agreement to form a legal entity shall also apply to the case of a partnership, the terms of which is to acquire shares (equity) of legal entity, with a significant condition that the partnership is to finance industrial or commercial activity of the entity.

Article 52-10. Implementation of investment activity on lease (rent)

1. Islamic banks may engage in investment activity on a lease (rental) property.

2. The relations of the Islamic bank to engage in investment activity on a lease (rental) property, the rules on financial leasing or lease of property with the specifications provided in this Article.

3. Terms of the lease agreement (lease) with an Islamic bank can not provide the right to buy the leased property. Ownership of the leased property may be transferred to the lessee (tenant) pursuant to a separate agreement.

4. Unless otherwise provided by charter or internal regulations of the

Islamic Bank, the lease contract or lease property are in accordance with the Regulations on general conditions of operation of an Islamic bank approved in accordance with the requirements of paragraph 3 of Article 52-2 of this Act and does not require separate approval by the Board according to the principles of Islamic finance.

5. The contract may specify the condition of the security obligations to pay lease payments (rents) a pledge of property.

Article 52-11. Implementation of agency activities in conduct Islamic banking

1. Islamic bank in conducting banking operations of the Islamic bank may carry out agency activities, in accordance with which the Islamic bank is an agent of his client or appoint a third person as its agent.

2. In accordance with the agency agreement the agent for and on behalf of the client or on his own behalf but on behalf and at the expense of the customer agrees on the basis of our experience and knowledge to commit for a fee certain legal actions aimed at generating income.

3. Agency by an Islamic bank are used depending on the conditions of rules concerning the contract of agency or commission with the specifications provided in this Article.

4. As part of an agency agreement (the client or agent), signed with the Islamic bank may act as individuals and legal entities, including banks and other financial institutions.

5. Conditions of the agency agreement must be installed and the procedure for determining the remuneration of the agent. Conditions of the agency agreement may not provide a guaranteed amount of income the client.

6. Agent retains the right to receive remuneration, regardless of the results of execution of the agency agreement.

7. The risk of loss resulting from the activities of the agent is a client of the agency agreement, except in cases of losses caused by the agent.

Chapter 5. Accounting and reporting

Article 53. Financial (business) year of the bank

Financial (business) year of the bank begins January 1 and ends December 31. If the registration of the bank made after January 1, the first financial (business) starts from the date of state registration and ends on 31 December the same year.

Article 54. Accounting and reporting in banks

1. The list, as well as the timing and order of presentation of financial statements, including financial statements on a consolidated basis, determined by the National Bank in coordination with the competent authority.

The banks accounting transactions and events in accordance with the laws of the Republic of Kazakhstan on accounting and financial reporting.

Accounting policies of the bank is determined by its board of directors.

1-1. List, forms, deadlines and reporting procedures, including reporting on a consolidated basis (except for financial statements), established by the authority.

2. Banks are required to provide at the request of the authorized body and (or) the National Bank, aimed at the limits of their competence with any information about their facilities, including outside the Republic of Kazakhstan, amount of deposits and loans, and banking operations and other information including information constituting bank secrecy.

2-1. Banks are required to submit any requested information to the authorized body to direct and indirect participation in the authorized capital of legal entities in which banks are major participants in the manner prescribed by the authority.

3. Employees of the authorized body and (or) the National Bank for disclosure or transfer to third parties information obtained during the

realization of the rights set forth in paragraphs 2 and 2-1 of this Article shall be liable in the manner prescribed by the laws of the Republic of Kazakhstan, except share information obtained within the competence established by the laws of the Republic of Kazakhstan, between the competent authority and the National Bank.

Article 54-1. Reporting of large bank participants and bank holding companies

1. A major participant of the bank, which is a natural person, shall, within one hundred twenty days after the end of the fiscal year provide to the authority records, including information about income and assets, as well as information on:

- 1) on its implementation together with other persons of influence on decisions taken by the Bank by virtue of an agreement between them or otherwise, including those containing a description of the delegation of authority, determining the possibility of such an effect;
- 2) about his position in the organization and of its own shares in the authorized capital (shares);
- 3) to acquire the shares owned by him in the authorized capital (stock) companies at the expense of loans;
- 4) to close relatives, spouse and close relatives of husband (wife).

2. A major participant of the bank, a legal entity shall submit annually to the authority's financial statements and its explanatory note within one hundred twenty days after the end of the fiscal year.

3. The order of presentation and reporting forms established by normative legal acts of the authority.

4. Bank holding company shall submit to the authority:

- 1) quarterly consolidated financial statements and its explanatory note within forty-five days following the reporting quarter;
- 2) consolidated and unconsolidated annual financial statements and its explanatory note, not certified by the auditing organization, within one hundred twenty days after the end of the fiscal year.

5. The explanatory note to the annual financial statements of the major participant of the bank, a legal entity, as well as in the notes to the quarterly and annual financial statements of bank holding company must disclose:

- 1) a description of the activities of a major party (a bank holding company);
- 2) the name of each organization in which a large party (a bank holding company) is a member (shareholder), the size of a stake in its authorized capital (the number of shares), a description of the types of activity, the financial statements of organizations in which the largest party (a bank holding company) is a major participant (major shareholder);
- 3) the name of each organization, which is a major participant (shareholder) of the major participant of the bank (bank holding company), the size of its share in the authorized capital (the number of owned shares), the description of the types of activities and financial statements of the organization, as well as information on affiliated persons, persons exercising control over a major party, the subsidiaries and affiliated organizations, a person having control of the major participant of the bank.

In the absence of a bank holding a large party of the bank must provide financial statements and information referred to in this paragraph on a quarterly basis no later than forty-five days following the reporting quarter.

In case of change of the executives of the major participant of the bank - legal entity or bank holding a large party of the bank - legal entity or bank holding company shall submit to the authority within thirty days from the date of such changes information on good business reputation of the executives with supporting documents.

6. If a major member of the bank, bank holding company is a financial institution - a resident of the Republic of Kazakhstan, the largest party of the bank, bank holding company provide the information required by subparagraphs 1) - 3) of the first part of paragraph 5 of this article, with

the financial statements and its explanatory note does not appear in the event that a major participant of the bank, bank holding company represented to the authority the financial statements for the required period.

7. Bank Holding Company - resident of the Republic of Kazakhstan, which is subject to consolidated supervision in their country of location, shall submit to the authority's consolidated and unconsolidated annual financial statements and its explanatory note, not certified by the auditing organization, within one hundred twenty days after the end of the fiscal year.

The explanatory note to the annual financial statements of bank holding company - a non-resident of the Republic of Kazakhstan, which is subject to consolidated supervision in their country of location, should reflect the following information:

1) description of the activities of bank holding company;
2) the name of each organization in which the bank holding company is a member (shareholder), the size of a stake in its authorized capital (the number of shares), a description of the types of activities;

3) the name of each organization, which is a major participant (shareholder) of the bank holding company, the size of its share in the authorized capital (the number of owned shares), the description of the types of activities of this organization.

8. A major participant of the bank, bank holding company, are residents of the Republic of Kazakhstan, represented in the authority's financial statements, notes to her, and other information provided in this Article, the Kazakh and Russian languages.

Article 55. Publication of key performance indicators Bank

Banks publish annual financial statements and, in the absence of a subsidiary (affiliated) organization (s) - non-consolidated financial statements and audit report of the procedure and terms established by the National Bank in coordination with the competent authority, after the confirmation of the audit organization that meets the requirements of paragraph 4 of Article 19 of this Act, information submitted by them in the information and financial statements are the annual meeting of shareholders.

Banks publish quarterly balance sheet, income statement, consistent with international financial reporting standards in the manner and terms established by the National Bank in coordination with the competent authority, without their audit confirmation.

Article 56. Registration and storage of documents

1. Banks are required to ensure strict control and storage of documents used in accounting for reporting.

2. List of main documents to be stored, and retention time are set by the authority.

Chapter 6. Audit of banks and their affiliated persons

Article 57. Audit of banks and their affiliated persons

1. An audit of the bank can be done by an audit organization eligible to conduct the audit in accordance with the law on auditing activities and the corresponding requirements of paragraph 4 of Article 19 of this Law.

1-1. Audit for the fiscal year, compulsory for banks, bank holding companies and organizations, in which the bank and (or) the bank holding company are the principal participants, copies of the report and recommendations which the firm must be submitted by banks, bank holding companies and organizations, in which the bank and (or) the bank holding company are the major players, or the auditing firm to the authority within thirty days of receipt of these documents and their submission to banks, bank holding companies and organizations, in which the bank and (or) the bank holding company are major contributors.

The consolidated annual financial statements of bank and bank holding

company must be certified by the auditing organization, eligible to audit banks.

Audit organizations within the banking conglomerate as a parent organization and its affiliated organizations, non-residents of the Republic of Kazakhstan, by the same audit firm. Audit of the parent organization and its affiliated organizations, non-resident must be the same audit firm when conducting such an audit does not contradict the requirements of the law of their country of residence.

1-2. Bank Holding Company - resident of the Republic of Kazakhstan, which is subject to consolidated supervision in their country of location, is the authorized body copy of the auditor's report and recommendations of the audit organization within thirty days of receipt of these documents bank holding company - resident of the Republic of Kazakhstan, which is subject to consolidated supervision in the country their location.

The consolidated annual financial statements of bank holding company - a non-resident of the Republic of Kazakhstan, which is subject to consolidated supervision in their country of location, must be certified by the auditing organization eligible to conduct the audit of financial institutions in the country of the location of the bank holding the non-resident.

1-3. Bank holding company, which is a resident of the Republic of Kazakhstan, is to the authority a copy of the auditor's report and recommendations of the audit organization in the Kazakh and Russian languages.

2. (Excluded by the Law of RK as of May 5, 2006 N 139).

3. Audit of banks is conducted to determine:
timeliness, completeness and accuracy of accounts of all banking transactions in the accounting and reporting;
compliance of all banking operations requirements of this Act, current legislation and regulations of the authorized body and the National Bank;
compliance of all banking transactions to the general conditions of conduct and compliance of banking operations the bank's internal rules.

4. The results of the audit and its conclusions the audit organization sets out in a report to the Board and the Board, if appropriate, the Bank, other entities within the structure of the banking conglomerate.

Audit report of financial statements of a bank or other entities that make up the banking conglomerate, does not constitute a commercial secret.

5. The Bank shall submit a copy of the auditor's report within ten days after its receipt of other entities within the structure of the banking conglomerate.

6. In case of failure to eliminate the bank, bank holding company and the organization in which the bank and (or) the bank holding company are the major players, disorders that affect the financial condition of the bank or banking conglomerate, listed in the audit report within three months from the date of receipt of the bank, bank holding company and an organization in which the bank and (or) the bank holding company are major participants in this report, the authority to resolve violations of the right to apply:

in respect of bank holding company, organization, in which the bank and (or) the bank holding company are the major players - the measures provided for in paragraph 2 of Article 47-1 of this Act;

in case of failure to eliminate violations within one year from the date of this report, the authority may:

to the bank - to deprive the bank's license under subparagraph a) of paragraph 1 of Article 48 of this Act;

in respect of bank holding company - to apply the measures provided for in paragraph 3 of Article 47-1 of this Act.

Article 58. Licensing of auditing, related to the verification of banking activities

(The article is excluded by the Law of RK as of May 5, 2006 N 139)

Article 59. Recognition of a report on the audit of banking by audit organization (auditor) invalid. Grounds for revocation, suspension license to conduct an audit of the banking activity

(The article is excluded by the Law of RK as of May 5, 2006 N 139

Chapter 6-1. Restructuring of a bank

Article 59-1. The concept of bank restructuring

Under the restructuring, the bank refers to a set of administrative, legal, financial, organizational, technical and other measures and procedures implemented by the bank on the basis of the restructuring of the bank (hereinafter - the restructuring plan) for the improvement of its financial position and improve the quality of work.

The provisions of this chapter shall not apply to the conduct of the bank asset restructuring, and (or) at the request of the obligations of the authorized body.

Article 59-2. Reason for bank restructuring

Restructuring the bank can be implemented in connection with the failure of the bank comply with the requirements of individual creditors for the obligations in terms of more than seven calendar days after the date of their execution, in the absence or deficiency of money of the bank.

Article 59-3. General conditions of bank restructuring

1. Since the inception of the grounds for the restructuring referred to in Article 59-2 of this Act, a bank may hold a meeting of the Board of Directors, on which a decision on the restructuring of the bank.

2. Within no later than the next working day from the date of the decision the board of directors referred to in paragraph 1 of this Article, the bank sends to the authority board of directors of the decision to restructure the bank.

3. The authorized body shall, within seven calendar days after receiving the decision of the board of directors to restructure the bank enters into a written agreement with the bank on the restructuring of the bank.

4. The Bank is draft a restructuring plan to the authority. If there are comments and suggestions authority may require the bank to finalize the draft restructuring plan. The Bank is obliged to take into account comments and proposals of the authorized body and re-submit to the authority revised draft of the restructuring plan.

5. Bank refers to the court to restructure in the manner prescribed by the civil procedural legislation of the Republic of Kazakhstan. Since the entry into force of a court decision on the restructuring of the bank and its holding period restrictions stipulated by the civil procedural legislation of the Republic of Kazakhstan.

6. Bank within seven calendar days from the date of entry into force of a court decision on the restructuring provides information on the restructuring of depositors, creditors, correspondent banks and other clients by publishing corresponding announcement in at least two periodicals that are distributed throughout the territory of the Republic of Kazakhstan, Kazakh and Russian languages.

7. The Bank has the right of the entry into force of a court decision on the restructuring of the bank:

1) suspend the execution of contracts of sale, exchange, gift or other transactions on the alienation of property of the bank, the conclusion of agreements on loans and other financing, credit exposures;

2) to suspend in whole or in part fulfillment of the obligations of the bank.

8. In the terms stipulated by the court decision on the restructuring, the Bank convened a meeting of creditors of the bank, which assumed obligations to restructure in order to hold talks with them and getting approval of the restructuring plan.

To obtain the approval of a restructuring plan requires the consent of creditors, which account for at least two thirds of the volume of bank

liabilities to creditors, to whom the obligation is expected to restructure.

Restructuring the bank is held in respect of all bank liabilities to creditors, which are supposed to restructure in line with the restructuring plan, subject to the approval of the restructuring plan by creditors of the bank in the manner prescribed by this paragraph.

9. Bank not later than the next working day from the date of approval of the creditors of the restructuring plan directs the authorized agency approved by the creditors of the restructuring plan or notify the authority of the impossibility of restructuring the bank in case of non approval of the bank's creditors in accordance with paragraph 8 of this article.

The authority may require the completion of the restructuring plan in case the conditions of the restructuring plan different from the conditions of the draft restructuring plan previously directed the bank to the authority. The Bank is obliged to take into account comments and proposals of the authorized body and re-submit to the authority revised restructuring plan, approved by the bank's creditors in accordance with paragraph 8 of this article.

10. After meeting the requirements set out in paragraph 9 of this Article, the bank is restructuring plan to the court for approval.

11. The restructuring plan must contain the following information:
order and timing of restructuring;
Restructuring the list of assets and liabilities;
activities undertaken within the framework of restructuring;
anticipated financial results from the restructuring of assets and liabilities;
restrictions on the activities undertaken.

12. Restructuring is terminated on the terms and conditions stipulated by the civil procedural legislation of the Republic of Kazakhstan.

13. In case of a restructuring of the bank in connection with the implementation of measures envisaged by the restructuring plan, the bank's liabilities are included in the restructuring plan are fulfilled, enforcement proceedings in court decisions and arbitration courts for such obligations is terminated.

14. Bank in the manner prescribed by the restructuring plan and written agreement provides authority information about the restructuring of the bank, including the implementation of activities under the restructuring plan.

15. The authorized body shall oversee the implementation of measures to implement bank restructuring plan.

During the period of bank restructuring authority may apply to the bank and (or) to its shareholders limited measures and (or) the sanctions provided for in this Law.

Section II. Terms of changing the legal status and especially the termination of banks

Chapter 7. Voluntary restructuring of banks

Footnote. Section title and chapters - in the wording of the Law of 11 July 1997 N 154.

Article 60. General conditions of a voluntary reorganization of banks

1. Voluntary reorganization (merger, acquisition, separation, separation, transformation) of banks can be implemented to address the general meeting of shareholders with the permission of the authority.

2. The grounds for filing an application for permission to conduct a voluntary reorganization of the bank is the existence of solutions of the general meeting of shareholders of the bank.

3. To the request for authorization of the authorized body to conduct a voluntary reorganization of the bank shall be attached the following documents:

- a) The decision of the supreme body of the bank on its voluntary reorganization;
- b) documents that describe the expected conditions, forms, procedure

and deadlines for voluntary reorganization of the bank;

a) The financial forecast of the consequences of voluntary reorganization, including the current balance of the bank after its voluntary reorganization and / or legal entities, formed as a result of a voluntary reorganization of the bank.

4. An application for permission to conduct a voluntary reorganization of the bank shall be considered competent authority within two months from the date of his admission.

5. Reorganized the bank within two weeks from the date of receipt of permission of an authorized body to conduct the reorganization is required to inform about the upcoming changes to all its depositors, customers, correspondents and borrowers through direct notification and publication of advertisements in at least two national newspapers.

6. The state registration or re-formed as a result of reorganization of legal entities in accordance with applicable law.

Article 61. Refusal to grant permission for voluntary reorganization of the bank

Refusal to grant permission of an authorized agency for voluntary reorganization of the bank made on any of the following reasons:

a) lack of relevant decisions of the supreme bodies of the reorganized banks;

b) violation as a result of the proposed reorganization of the interests of depositors;

c) violation as a result of the proposed reorganization of prudential standards and other mandatory standards and limits;

d) violation as a result of the proposed reorganization of the antimonopoly legislation.

Chapter 7-1. Measures to protect the consumers of banking services

Article 61-1. Compulsory deposit insurance

1. In order to protect the interests of depositors of banks of Kazakhstan, a system of compulsory deposit insurance.

Obligatory deposit by a specially created non-profit organization.

Legal basis for functioning of the obligatory deposit insurance system, the functions of its members by the law of the Republic of Kazakhstan.

2. Participation in the compulsory deposit insurance is mandatory for all commercial banks licensed to take deposits, opening and maintaining bank accounts of individuals, except for Islamic banks.

Article 61-2. The operation of the simultaneous transfer of assets and liabilities of the bank the other (s) bank (Banks)

1. In order to protect the rights of creditors and depositors of the bank is allowed in agreement with the competent authority of the operation of simultaneous transfer of assets and liabilities in part or in full before physical and (or) legal persons of the other (s), bank (s).

2. The operation referred to in paragraph 1 of this article may be held by the bank, temporary administration in bank management (temporary administrator of the bank) at the stage of preservation, the interim administration (temporary administrator) of the bank before the entry into force of a court decision on involuntary liquidation of the bank.

3. The order of the operations provided for in paragraph 1 of this article, as well as the types of assets and liabilities to be transferred during this operation, are determined by regulations of the authority.

4. The transfer of bank liabilities in the manner provided in this Article, subject to the consent of depositors and (or) the bank's creditors. In order to obtain the consent of the depositors and creditors, the interim administration (temporary administrator, temporary administrator) of the bank

published an advertisement on the transfer of assets and (or) bank liabilities in part or in full. Announcement published in periodicals that are distributed throughout the Republic of Kazakhstan, the Kazakh and Russian languages.

Absence of a written objection from depositors, and (or) the creditors of the bank within ten calendar days from the date of publication of the announcement - during the operation of the simultaneous transfer of assets and liabilities other (s), bank (s), or within five calendar days from the date of publication of the advertisement - during the operation of the simultaneous transfer of assets and liabilities of the interim administration (temporary administrator, temporary administrator) of the bank the other (s), bank (s), including the Stabilization Bank, is considered as consent of the depositor and (or) the lender on the transfer of liabilities.

5. Transfer of assets and liabilities of banks in the restructuring process is carried out within the framework of a restructuring plan in accordance with the provisions of Chapter 01.06 of this Act.

Article 61-3. Features of the transfer of assets and liabilities of banks in the mode of preservation, to stabilization bank

1. In order to protect the rights of depositors and creditors of the temporary administration of the bank, located in a conservation regime, introduced to the authority a proposal for a transaction for the transfer of assets and liabilities of the Bank Stabilization Bank.

The authorized body in order to implement measures for the transfer of assets and liabilities of banks in the mode of preservation, stabilization bank decides to establish a stabilization of the bank and requests the temporary administration of the operation on the transfer of these assets and liabilities of the Bank Stabilization.

Conditions and procedure of the operation to transfer assets and liabilities of banks in the mode of preservation, stabilization to the bank, and the types of assets and liabilities to be transferred, determined by the regulations of the authority.

2. Requirements for the establishment and regulation of banks, under articles 13, 14, 16, 17-1, 19, 20, 23 - 25, 27, 28, paragraphs 5 and 13, Article 30, Articles 31, 32, 42 and paragraph 1 Article 43 of this Act and the provisions of Articles 33 - 74 of the Law of the Republic of Kazakhstan "On Joint Stock Companies" do not apply to bank stabilization.

The order of creation, the minimum size and the formation of the charter and its own capital of the bank stabilization, bank stabilization order management, order transactions, in relation to the commission that established the special circumstances, the order of registration of shares and cancellation of authorized shares of the bank stabilization, as well as the procedure for obtaining bank stabilization license to conduct banking and other operations provided for in this Law shall be established by regulations of the authority.

3. Stabilization Bank shall be entitled to a licensed authorized body of banking and other transactions contemplated by this Law.

Stabilization Bank may not conduct activities allowed for banks in Article 8 of this Act, except for activities under subparagraph 4) of paragraph 2 of Article 8 of this Act.

4. After the transfer of assets and liabilities of the Bank Stabilization performance of obligations to individuals and legal entities, except the obligation to accrue interest, shall be suspended for a period of twelve months. Obligations, period of performance which occurred, including the obligations on time deposits of individuals and entities, obligations to the Government of the Republic of Kazakhstan National Bank, as well as obligations to the second-tier banks will send Stabilization Bank assets subject to execution by the bank stabilization. Stabilization Bank fulfills obligations on current accounts of individuals and entities.

5. Prior to the transfer of assets and liabilities, the acquirer bank stabilization as agreed with the competent authority shall have the right to exchange previously conveyed to him an asset to another asset of the bank, located in a conservation regime.

6. Stabilization Bank transfers of assets and liabilities, the purchaser, determined by the authority. The procedure and conditions for transfer of stabilizing the bank's assets and liabilities of the bank-acquirer set the regulations of the authority.

Transfer of liabilities of the bank stabilization in the manner provided in this Article, subject to the consent of depositors and (or) the creditors of the bank stabilization. In order to obtain the consent of the depositors and creditors of stabilizing the bank published an advertisement on the transfer of assets and (or) the obligations of the stabilization of the bank to the bank-acquirer. Announcement published in periodicals that are distributed throughout the Republic of Kazakhstan, the Kazakh and Russian languages.

Absence of a written objection from depositors, and (or) the creditors of the stabilization of the bank within five calendar days from the date of publication of the advertisement is considered as consent of the depositor and (or) the lender on the transfer of liabilities.

For the purposes of this Act the bank-acquirer is the bank with whom a contract for the simultaneous transfer of assets and liabilities of the bank stabilization.

7. Assets transferred to the bank (s) during the operation of the simultaneous transfer of assets and liabilities of the bank the other (s), bank (s) in the manner provided by this Article and Article 61-2 of this Act, are not considered subject to the banks of the requirements of Article 42 and paragraph 1 Article 43 of this Act within two years.

8. According to the decision of the authorized body stabilization bank ceases to exist after the full transfer of assets and liabilities taken by the bank-acquirer in the manner and conditions stipulated by the authority.

9. By decision of the authorized body of all the shares of the bank stabilization can be realized by the investor under conditions which guarantee the capital increase of the stabilization of the bank and its functioning in accordance with the laws of the Republic of Kazakhstan.

Acquisition of shares in the stabilization of the bank is made in the manner and conditions stipulated by the legislation of the Republic of Kazakhstan.

Since acquiring the investor shares of the stabilization of the bank the bank loses the status of the stabilization of the bank and operates in compliance with the laws of the Republic of Kazakhstan. Regulation, control and supervise the activities of the bank conducted in accordance with the requirements of this Law and other laws of the Republic of Kazakhstan.

Chapter 8. Conservation Bank

Article 62. The concept of conservation bank

1. Preservation of the bank is forced to address an authorized body of the complex administrative, legal, financial, organizational, technical and other measures and procedures in respect of the bank to the restoration of its financial position and improve the quality of work.

2. The Bank may be subject to conservation of any of the following reasons:

a) failure to comply with capital adequacy ratio and (or) the liquidity ratio;

b) on the grounds provided for in Article 48 of this Law.

3. Establishing conservation regime involves the appointment of competent authority for a limited (one year) term of the interim administration to manage a bank or a temporary bank.

4. Conservation Bank is funded from the bank itself.

5. The authority's decision on conservation can be appealed to shareholders within ten days in court, the appeal of the decision does not suspend the conservation bank.

Article 63. Temporary Administration of bank (temporary bank administrator)

1. The interim administration (temporary bank administrator) appointed by the competent authority from among its employees, a spokesman for the obligatory deposit, or other persons who meet the minimum requirements set forth in paragraph 2 of Article 20 of this Law.

2. Rights and responsibilities, and terms of remuneration leader and members of the interim administration (temporary bank administrator) established a separate agreement concluded between the competent authority and the interim administration (temporary bank administrator).

3. The interim administration (temporary bank administrator) is guided by this Law, regulations of the authorized body and other legislation of the Republic of Kazakhstan.

4. The authority may at any time to replace members of the interim administration (temporary bank).

5. For damage caused to the bank manager and members of the interim administration (temporary administrator) shall be liable to the current legislation. Unacceptable imposition on the head and members of the interim administration (temporary bank administrator) liability for harm that may be classified as a normal occupational hazards.

Article 64. Resolution on conservation of bank

1. The authority's decision on conservation of the bank should include:

- a) The name of the bank and its location;
- b) the reasons for the decision of the Conservation Bank;
- c) The onset of action and duration of preservation;
- d) a list of restrictions imposed on bank activities;
- e) the personal staff of the Interim Administration or the name and patronymic of a temporary administrator;
- e) The requirement that executives of the bank, situated in the mode of conservation, preparation of a report on its work, income statements, information about the existence and size of property and submission of these documents the interim administration (temporary bank);
- g) recommendations Provisional Authority (interim manager).

2. The decision to conduct conservation Bank published by the authorized body in two periodicals that are distributed throughout the territory of the Republic of Kazakhstan.

Article 65. Features of the bank management during the conservation period. Powers of the temporary administration to manage the bank (temporary bank administrator)

1. Since the beginning of the preservation and her date:
- a) suspend the bank's shareholders for the use and disposal of shares, issued by the bank;
 - b) suspended the powers of the bank and its executives dismissed from work;

c) all authority to manage the bank, as well as the rights of shareholders of the bank for use in shares, issued by the bank are transferred to the interim administration (interim manager);

d) All transactions made on behalf of and for the bank account without the knowledge and written consent of the interim administration (temporary bank) shall be deemed invalid.

2. The interim administration (temporary bank) is entitled to:

- a) to make decisions on all matters of the bank's activities in accordance with Article 66 of this Act;
- b) if necessary, fully or partially suspend the period of preservation of the bank's liabilities to accepted deposits;
- c) if necessary to terminate the contracts concluded by the bank providing investment bank, or to amend them unilaterally changes and additions, including changes in interest rates, tariffs and expiry dates;
- d) sign any contracts and documents on behalf of the bank;
- d) to submit claims on behalf of and in the interests of the bank;
- e) issue orders, including orders of dismissal, demotion or suspension from office, the division of responsibilities between the employees of the

bank;

g) to set off mutual claims in view of the coincidence of the creditor and debtor in one person;

d) transfer the assets and liabilities of the bank the other (s), bank (s) or Stabilization Bank in accordance with Articles 61-2 and 61-3 of this Act.

Prohibited conduct mutual cancellations with a creditor whose claims against the bank in the process of preservation, arise out of contract (s) of assignment of the claim.

Article 66. Control over the activities of the interim administration to manage the bank (temporary bank administrator)

1. During the period of preservation of the bank's control over the activities of the interim administration (temporary bank) exercises authority, which is entitled:

a) make recommendations to the interim administration (temporary bank) on the main directions of activities in the period of preservation of the bank (to offer the plan of main activities);

b) make binding interim administration (temporary bank) written instructions;

a) to require the interim administration (temporary bank) of any information about her (his) activities and the activities of the bank;

g) to hear a report interim administration (temporary bank) on the work done;

e) to extend conservation;

e) A decision on the completion of preservation of the bank.

2. Detailed regulation of the interim administration (temporary bank) and the principles of (his) relationship with third party determined by regulations of the authority.

Article 67. Termination of conservation

1. Conservation Bank is terminated for the following reasons:

a) the expiration of the authority's decision term preservation;

b) the authority makes decisions on early termination of preservation.

2. Termination of conservation bank (including prepayment) in connection with the improvement of its financial position and improve the quality of work entails the lifting of all restrictions on the bank established by the authorized body or the interim administration (temporary bank). The changes and additions made during the period of preservation in the founding documents, the administration and the composition of bank employees, remain in force.

3. If the preservation of the bank has not led to improvement of its financial position and improve the quality of work, the authority may deny a license to conduct banking transactions on the grounds provided by the banking legislation of the Republic of Kazakhstan.

Chapter 9. Liquidation and forced restructuring of banks

Article 68. Species and the grounds of bank liquidation

1. The Bank may be liquidated:

a) the decision of its shareholders with the permission of an authorized body (voluntary liquidation);

b) by a court in the cases stipulated by legislative acts of the Republic of Kazakhstan (compulsory liquidation);

a) (deleted - N 162 of 03.02.2001, the)

2. Termination of the activities of banks, including the reason of bankruptcy, shall be in accordance with the laws of the Republic of Kazakhstan with regard to the requirements of this Act.

Article 68-1. The creditors' committee voluntarily and compulsorily liquidated banks

1. In order to ensure the interests of creditors and decision-making with their participation in the procedures for voluntary and compulsory liquidation of banks created by the creditors committee.

The committee of creditors, voluntarily or compulsorily liquidated bank approved by the competent authority to submit the liquidation committee of the bank.

2. Features of the formation and activities of the creditors' committee established by regulations of the authority.

Article 69. Voluntary liquidation

1. After the general meeting of shareholders of the bank's decision on its voluntary liquidation, the bank must take steps to return the deposits of individuals through their direct payment or transfer them to another bank, which is a party to the obligatory deposit insurance system.

Repayment of deposits of individuals and their transfer to other bank are determined by the regulations of the authority.

1-1. After the return of bank deposits of individuals may apply to the authority an application for permission for its voluntary liquidation.

To the request shall be accompanied by a list of activities on the timing and stages of preparation of the bank to stop its activities as approved by the AGM statement, balance sheet, indicating the adequacy of the bank for making payments on its obligations, the list of candidates for the liquidation committee, including its subsidiaries, created in the branches or representative offices, and other necessary information. The list of required information is set regulations of the authority.

2. An application for permission for voluntary liquidation of the bank shall be considered competent authority within two months from the date of the adoption of proper documents.

In the case of denial of permission for voluntary liquidation of the bank's authorized body shall issue a reasoned decision about this, which brings to the bank.

3. (Paragraph excluded - The Law of the Republic of Kazakhstan dated 10 July 2003 N 483).

4. Upon receipt of permission for voluntary liquidation, the bank creates a liquidation committee in the light of branches and representative offices of the bank to which the powers to manage property and affairs of the bank.

Features of the liquidation committees voluntarily liquidated banks are defined by regulations of the authority.

4-1. Control over the activities of the liquidation committee voluntarily liquidated bank carries authority.

5. After receiving permission for voluntary liquidation, the bank is obliged to publish information about it in official publications of the central organ of justice.

6. The liquidation committee shall, within seven days after the approval of the liquidation balance sheet and the liquidation of the bank to submit them to the Ministry of Justice and authority.

Upon completion of liquidation of the bank liquidation committee shall in the prescribed manner to hand over documents to archive and to notify the authority.

7. In the event of insufficient funds to meet the claims of all creditors, the bank shall be subject to compulsory liquidation by reason of bankruptcy.

7-1. In connection with the impossibility of completing the process of voluntary liquidation, the authority may apply to the court for compulsory termination of the (elimination) of the bank.

Article 70. Kinds of forced liquidation of banks

Forced liquidation of the bank by the court in connection with:

- a) bankruptcy;
- b) deprivation of the bank's license to conduct banking transactions on

the grounds provided by the banking legislation of the Republic of Kazakhstan;

a) statement (claim), public bodies, entities or persons on the termination of the bank on other grounds provided for by legislative acts.

Article 71. Recognition of the bank bankrupt

1. Insolvency and bankruptcy of the bank established the conclusion of the authorized body, submitted to the court, made up with the view of methods of calculating prudential standards (and other mandatory standards and limits), the size of the bank's capital.

2. Bank can be declared bankrupt only a court decision in due course. Non-judicial liquidation of an insolvent bank to address its creditors and the bank is not allowed.

3. The possibility of a settlement agreement by the parties in the case of bankruptcy is excluded.

4. Decision on recognition of the bank's bankruptcy and its forced liquidation court sends to the authority.

Article 72. Liquidation of the bank for other reasons

1. Forced liquidation of the bank when it opened by a court on an application (claim) of the authorized state body, entities or individuals (in the absence of decision on cancellation of the bank's license to conduct banking transactions) in accordance with this Law.

2. The decision on compulsory liquidation of the bank court sends to the authority.

From the date of a court decision on the forced liquidation of the bank on the criminal case on the grounds specified in sub-paragraph) of Article 70 of this Law, the bank denied a license to conduct banking transactions.

Article 73. Conditions and procedure for compulsory Elimination

1. From the date of the excitation by a court case about forced liquidation of the bank:

1) founders (participants), the bodies of the bank has no right to dispose of the assets of the bank;

2) pursuant to earlier decisions of courts in respect of liquidated bank suspended;

3) the claims of creditors against the bank may be brought only in the liquidation proceedings, except for requirements related to the ongoing maintenance costs of the bank;

4) are not allowed recovery of money from bank accounts of the bank's claims of creditors, tax authorities, including those subject to the satisfaction of the indisputable (without acceptance) order, as well as the foreclosure on the property of the bank;

5) bank officials prohibited the alienation of shares of the bank.

1-1. Liquidation of banks on the ground of bankruptcy in accordance with this Law and laws of the Republic of Kazakhstan.

2. All costs associated with the liquidation of the bank are made only at the expense of the bank, except as provided for in paragraph 9 of Article 48-1 of this Act.

3. Valuation of property of the bank made the liquidation committee in accordance with applicable law.

4. The interim liquidation balance sheet and the register of creditors of the liquidated bank approved by the authority.

4-1. Before the approval of the interim liquidation balance sheet is allowed to mutual cancellations due to coincidence creditor and debtor in one person.

Following the approval of the interim liquidation balance of mutual cancellations made only upon the occurrence of the respective queue to meet the requirements of the lender.

Prohibited conduct mutual cancellations of creditors whose claims are

for liquidated bank arise from the contract (s) of assignment of the claim.

5. Disposal of assets in liquidation of the bank is the bank's liquidation committee in accordance with the legislation of the Republic of Kazakhstan.

6. Control over the activities of bank liquidation committee, including the liquidated by reason of bankruptcy, carries the authority.

6-1. The court that ordered the liquidation of the bank is entitled to request from an authorized agency any information related to the activities of bank liquidation committee.

7. The liquidation commission shall submit to the Court agreed with the competent authority a report on the elimination and liquidation balance sheet.

The Court approves the report on the elimination and liquidation balance sheet and make a determination on the completion of liquidation proceedings.

The liquidation commission shall send a copy of the court of the judiciary, implementing state registration of legal entities, and the authority.

Upon completion of liquidation of the bank liquidation committee shall in the prescribed manner to hand over documents to archive and to notify the authority.

**Article 73-1. The operation of simultaneous transmission liabilities and assets to another bank
(Other) bank (s)**

Footnote. Article 73-1 excluded by the Law of RK as of 11.07.2009 N 185-IV

Article 74. Liquidation commission to force liquidated bank

1. After the decision on liquidation of the bank, including the reason of bankruptcy, the court initiate liquidation proceedings, and holds authority responsibilities for the creation of bank liquidation committee in view of its branches and representative offices.

The liquidation commission of the bank takes measures to end the affairs of the bank and provide payments to its creditors.

The order of appointment and dismissal of liquidation commissions forcibly liquidated banks, the requirements for the chairman and members of the liquidation commission, and the order of liquidation and the requirements for the work of liquidation commissions are determined by regulations of the authority.

The monthly remuneration payable to the chairman, members of the liquidation committee of the bank or other involvement of employees, not to exceed each of them ten times the size of the minimum wage established by law on the national budget for the financial year.

2. (Excluded - by the N 162 of 02.03.2001,)

3. (Paragraph excluded - The Law of the Republic of Kazakhstan dated 10 July 2003 N 483).

Article 74-1. Features of the formation of a liquidation, the estate in liquidation of banks

1. Liquidation, bankruptcy assets of the bank is formed in the manner specified by applicable law, taking into account the specifications prescribed by this Law.

1-1. In a liquidation bankruptcy estate of the bank does not include dedicated assets that are collateral for bonds issued in accordance with the laws of the Republic of Kazakhstan on the securitization and mortgage property, which is read as collateral for mortgage bonds: rights to the contract of mortgage loans (including mortgage certificates), as well as Government securities Republic of Kazakhstan, where the ownership of the bonds occurred in their holders or transferred to them for transactions or other grounds provided for by legislative acts of the Republic of Kazakhstan.

Said property and selected assets that are collateral for bonds issued in accordance with the laws of the Republic of Kazakhstan on securitization, passed by the liquidation committee representative of the holders of mortgage bonds or bonds issued in accordance with the laws of the Republic of Kazakhstan on securitization for the calculation of the creditors - the holders of the bonds in accordance with the laws of the Republic of Kazakhstan on the securities market.

2. In forming the liquidation of the estate it does not include securities owned by third parties, and entrusted to custodian bank for storage and accounting, and pension assets from pension funds, investment funds allocated to the assets of the SPV entrusted custodian bank for the account and storage. Pension assets, the assets of the investment fund allocated to the assets of the special purpose company held in trust custodian bank for storage and accounting, transfer to another bank at the request of pension fund, equity investment fund, a special purpose company or a management company's mutual fund.

3. In a liquidation bankruptcy estate of an Islamic bank does not include property purchased through money raised by contract on the investment deposit, the Islamic Bank. Said property, as well as commitments on investment deposits to be transferred to the liquidation committee to another Islamic bank.

The selection of the Islamic bank and the transfer of the property acquired through money raised by contract on the investment deposit, and the obligations on investment deposits in liquidation of an Islamic bank is established the regulations of the authority.

Article 74-2. Priority of claims creditors of the liquidated bank

1. Claims of creditors of the liquidated bank, including in connection with its bankruptcy, met in the manner prescribed by this article.

2. Costs associated with the liquidation proceedings, including for the activities of bank liquidation committee, made out of turn.

3. Claims of creditors, recognized in the prescribed manner, must be satisfied in the following order:

1) first, the claims of physical persons to whom the liquidated bank is liable for injury to life or health, through the capitalization of the periodic payments;

2) second, the settlements of wages and compensation to persons who worked under an employment contract debts on social payments to the State Social Insurance Fund, to pay withheld from the wages of child support and mandatory pension contributions, as well as royalties under copyright contracts;

3) third, the claims of the organization performing the obligatory deposit insurance, the amount paid (paid) reimbursement for its guaranteed deposits according to the calculations presented compulsorily liquidated by the bank;

4) in the fourth, the claims of individuals for deposits, including interest-free demand deposits placed in the liquidated Islamic bank, and money transfers, as well as requirements on deposits effected by the pension assets pension funds, deposit insurance organizations, implemented with funds raised by the industry "life insurance";

5) in the fifth, the settlements with non-profit organizations engaged exclusively in charitable activities, organizations, veterans organizations and persons equated to them, the Voluntary Society of the Disabled of the Republic of Kazakhstan, the Kazakh society of blind, deaf Kazakh society and industrial organizations that are the property of those legal persons and to create at their means, other disability organizations for their existing funds in bank accounts and placed on deposit;

6) in the sixth, the claims of legal persons for the obligations secured by pledge of assets in liquidation of the bank;

7) in the seventh turn repay the taxes, duties and other compulsory payments to the budget, as well as to repay loans from the national budget;

8) in the eighth, the settlements with other creditors in accordance with the laws of the Republic of Kazakhstan.

4. Requirements for each queue satisfied after full satisfaction of the previous turn.

Creditor's claim with the consent can be satisfied in ways that do not contradict the legislation of the Republic of Kazakhstan, including in cash and (or) through the transfer of property in kind.

In meeting the claims of creditors of the same priority and money (or) other assets of the liquidated bank are distributed among the creditors at the same time the queue in proportion to the requirements to be satisfied.

Article 74-3. Forced reorganization of the bank. Rehabilitation procedures

1. Forced reorganization of the bank is made by a court in accordance with applicable law, taking into account the peculiarities stipulated by this law.

Rehabilitation proceedings against the bank made by the court in its efforts to push the reorganization of the bank to restore its solvency, and (or) enable it to carry bank conditions and requirements stipulated by the legislation of the Republic of Kazakhstan.

2. The court may decide on the forced reorganization of the bank or conduct in respect of the bank's rehabilitation procedures based only on the appropriate conclusion of the authorized body.

Prerequisite for the production of forced reorganization of the bank, rehabilitation proceedings is to return all bank deposits held by it to interested parties within one year from the date of the decision on forced reorganization.

Doing so entails the compulsory liquidation of the bank.

2-1. If possible, restore its solvency, and (or) eliminate shortcomings bank may file a petition on the application in respect of its rehabilitation procedure in court in connection with its consideration of the forced reorganization of the bank. By the application of a bank must be accompanied by the rehabilitation plan of the bank.

One copy of the petition of the bank with the attached documents submitted to the authority.

2-2. The rehabilitation plan of the bank is subject to prior consultation with the competent authority and approved by the court within ten days of its submission. Changes in the rehabilitation plan of the bank shall be allowed with the consent of the authorized body on the court.

2-3. The duration of the implementation of rehabilitation procedures in respect of the bank should not exceed six months. The dates of commencement and completion of rehabilitation procedures are determined by the court. Approved by the court a plan of rehabilitation of the bank is a document binding the bank and its officials.

2-4. The rehabilitation procedure is carried out by the bank under the control of the authority. The Bank's activities during the period of rehabilitation procedure is carried out in the usual manner, taking into account the requirements of this article.

3. In the case of a court decision on forced reorganization of the bank (regardless of the reason the institution of proceedings) of an assigned court-approved special manager (authorized management) of the bank, except as provided in paragraphs 2-1 - 2-4 of this article.

Special control (authorized to manage) the bank is obliged to inform the court on a monthly basis and the bank's creditors on his activities.

4. The third person involved in the reorganization of the bank in connection with the merger of the bank with another business entity or accession shall submit a special administrator (authorized to manage) the necessary documents (data), justifying its (their) financial viability and feasibility of the reorganization of the bank.

5. Forced reorganization of the bank made in the manner determined by the court and in accordance with its approved schedule and plan events.

6. Report of the Special Trustee (Commissioners Management) of the bank on completion of compulsory bank reorganization approved by the court.

7. At 5 days after the entry into force of an official document confirming the reorganization of the bank held in the framework called the

judicial process, the organization, the successor bank is obliged to ensure publication of relevant information in two national newspapers.

8. The costs associated with the implementation of compulsory reorganization of the bank, made its funds.

9. Other issues of forced reorganization of the bank and of rehabilitation procedures in respect of its defined regulations of the authority.

Article 74-4. Supervisory powers of the authorized body in the liquidation process of banks

1. In order to exercise control over the liquidation committees voluntary and compulsory liquidation of banks, including the reason of bankruptcy, the authority may:

1) receive from the liquidation committees progress reports, and if necessary additional information;

2) establish the form, timing and periodicity of liquidation commissions reports and additional information;

3) conduct audits of the liquidation commission in the manner prescribed by the laws of the Republic of Kazakhstan;

4) for detecting the activities of the liquidation commission of violations of requirements of legislation of the Republic of Kazakhstan, the rights and legitimate interests of creditors to make binding liquidation commissions written orders to eliminate violations, set the period of performance requirements;

5) in the event of default by the liquidation commission in a timely written order to go to court or the prosecuting authorities for the protection of the rights and lawful interests of creditors;

6) set the features and the formation and approval of estimates of liquidation costs;

7) determine the requirements for the implementation of liquidation commissions rules for keeping cash on hand, making incoming and outgoing cash transactions, for cash instruments, to ensure spending cash limits for cash balances and the timing of delivery of cash to the current account of the liquidation committee.

2. The authority may obtain necessary information from banks in respect of which the court considered a case of involuntary termination of their activities.

3. In case of violation of the liquidation committee the legislation of Kazakhstan Chairman of the liquidation committee is responsible in accordance with the laws of the Republic of Kazakhstan.

Section III. Final Provisions

Chapter 9-1. Responsibility for violations related to banking activities

head excluded - by the Law of the Republic of Kazakhstan dated 10 July 2003 N 483

Chapter 10. FINAL AND TRANSITIONAL PROVISIONS

Article 75. Scope of this Act

1. The provisions of this Act shall apply to all banks operating in accordance with the laws of the Republic of Kazakhstan, including the establishment in a special manner - on the basis of separate laws and regulations governing the initial phase of their organization, as well as those who are straight and indirect participants of banks.

2. Legal status, procedure of creation, licensing, regulation and dissolution of organizations engaged in certain types of banking operations, including a list of allowed for each of them kinds of banking operations, base the issuance of licenses to conduct banking transactions and possible restrictions on their activities, are established by this Law and other laws of the Republic of Kazakhstan and the regulations of the authorized body and (or) the National Bank within their competence.

Organization, a unit of government has the right to conduct banking operations exclusively to and from the state budget, without the right to delegate their implementation to third parties in accordance with the regulations of the Government of the Republic of Kazakhstan, define the order of creation, operation, management and termination of the above organizations.

3. The provisions of this Act shall apply to the National Bank only in cases expressly provided for in this Law.

Article 76. (Article 76 excluded the Law of RK on 29 June 1998 N 236)

Article 76-1. Transitional provisions

Requirements of part three, paragraph 1-1 of Article 57 of this Law shall not apply during the audit of the banking conglomerate by the end of 2005 and 2006.

Article 77. Appeal against actions of the authorized body and National Bank

The actions of the authorized body and the National Bank in the area of banking regulation may be appealed in court.

Article 78. Entry into force of this Act

1. This Law shall come into force from the date of publication.

2. Since its entry into force of this Act in identifying violations of the order of formation of the charter capital of banks, admitted during the period of the Law of the Republic of Kazakhstan dated 14 April 1993 "On Banks in the Republic of Kazakhstan, banks apply the sanctions provided for in this Law.

President
Republic of Kazakhstan