



On approval of a Standard form of the agreement on trust management of pension assets, concluded between a unified pension savings fund and an investment portfolio manager

Invalidated Unofficial translation

Resolution of the Board of the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan dated February 9, 2021 № 15. Registered with the Ministry of Justice of the Republic of Kazakhstan on February 12, 2021 № 22194. Abolished by Resolution No. 30 of the Board of the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan dated May 26, 2023

Unofficial translation

Footnote. Abolished by Resolution No. 30 of the Board of the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan dated May 26, 2023 (effective from 01.07.2023).

In accordance with clause 3 of Article 35-1 of the Law of the Republic of Kazakhstan dated June 21, 2013 “On Retirement Insurance in the Republic of Kazakhstan” the Board of the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan **HEREBY RESOLVES:**

1. To approve the attached Standard form of the agreement on trust management of pension assets, concluded between a unified pension savings fund and an investment portfolio manager.

2. The Securities Market Department, in accordance with the procedure established by the legislation of the Republic of Kazakhstan, shall ensure:

1) jointly with the Legal Department, state registration of this resolution with the Ministry of Justice of the Republic of Kazakhstan;

2) placement of this resolution on the official Internet-resource of the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan after its official publication;

3) within ten working days after state registration of this resolution, submission to the Legal Department of information on execution of the measure, stipulated in subclause 2) of this clause.

3. Control over execution of this resolution shall be entrusted to the supervising Deputy Chairman of the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan.

4. This resolution shall be enforced after the day of its first official publication.

*Chairman of the Agency for
Regulation and Development
of the Financial Market
of the Republic of Kazakhstan*

M. Abylkassymova
Approved
by the Board of the Agency
for Regulation and Development
of the Financial Market
of the Republic of Kazakhstan
dated February 9, 2021 No. 15

Standard

**form of the agreement on trust management of pension assets, concluded
between a unified pension savings fund and an investment portfolio manager**

| | |
|----------------------|---------------------------------|
| “ ___ ” _____ 20 ___ | _____ (name of a settlement) |
|----------------------|---------------------------------|

This agreement on trust management of pension assets (hereinafter referred to as the Agreement) has been made between the following parties (hereinafter referred to as the Parties):

JSC “Unified Pension Savings Fund” _____

(number and date of a statement or a certificate of state registration (re-registration)

JSC “Unified Pension Savings Fund”), hereinafter referred to as the “Fund”
represented by

_____,
(position, surname, name, patronymic (if any) acting on the basis of the Charter or a
Power of Attorney,

Investment portfolio manager

(name of the Investment portfolio manager, license number and date of issue,
business identification number (hereinafter referred to as the BIN)) hereinafter referred
to as the “Manager”, represented by

(position, surname, name, patronymic (if any) acting on the basis of the Charter or a
Power of Attorney.

The following concepts and terms are used in the Agreement:

pension assets – pension assets of the Fund, transferred to trust management of the Manager in accordance with Article 35-1 of the Law of the Republic of Kazakhstan dated June 21, 2013 "On Retirement Insurance in the Republic of Kazakhstan" (hereinafter referred to as the Law on Retirement Insurance);

trust management of pension assets – an obligation of the Manager to carry out on his behalf management of transferred to his possession, use and disposal of pension assets in the interests of the beneficiary (the Fund);

conventional unit of pension assets – specific value of pension assets used to characterize their change as a result of trust management of the investment portfolio manager;

investment policy statement – a document determining the list of investment objects, goals, strategies, conditions and restrictions of investment activities in relation to pension assets, conditions for hedging and diversification of pension assets;

investment income – money received (receivable) as a result of investing pension assets;

investment portfolio – a set of financial instruments included into the composition of pension assets;

investment portfolio manager – a professional participant of securities market carrying out on its behalf and at expense of client an activity on management of investment portfolio based a license issued in accordance with the Laws of the Republic of Kazakhstan dated July 2, 2003 “On Securities Market” (hereinafter referred to as the Law on Securities Market) and dated May 16, 2014 “On Permissions and Notifications”, as well as corresponding to the requirements of the authorized body for the management of pension assets;

custodian bank – a second-tier bank, which has a license from the authorized body for custodian activities;

authorized body – a state body carrying out state regulation, control and supervision of the financial market and financial organizations.

Chapter 1. Subject Matter of the Agreement

1. The Fund, in accordance with the procedure and on conditions, determined by the Agreement, investment policy statement, Law on Retirement Insurance and Law on Securities Market, shall transfer to the Manager, and the Manager shall accept in the trust management pension assets and shall carry out investment management of pension assets transferred by the Fund on its behalf and in the interests and at the expense of the Fund.

Chapter 2. General Provisions

2. The Manager shall comply with the requirements set forth by regulatory legal acts of the authorized body.

3. Investment policy statement, which is an integral part of the Agreement, shall be developed by the Manager and approved by the governing body of the Manager.

4. The list of financial instruments permitted to be acquired at the expense of pension assets, as well as the types of operations that are carried out with pension assets, shall be established by the Law on Retirement Insurance and the Rules or the implementation of investment portfolio management activities, approved by the Resolution of the Board of the National Bank of the Republic of Kazakhstan dated February 3 2014 No. 10, registered in the Register of State Registration of Regulatory Legal Acts under No. 9248.

5. The transfer of pension assets to trust management under the Agreement shall not entail the transfer to the Manager of ownership right to them.

6. The rights and obligations of the Manager for trust management of pension assets shall arise from the moment the Agreement comes into force.

7. The Fund shall carry out the transfer pension assets for trust management to the Manager in the manner and terms established by the rules and terms for the transfer of pension assets to trust management of an investment portfolio manager and the transfer of pension assets from one investment portfolio manager to another investment portfolio manager or the National Bank of the Republic of Kazakhstan, approved by the authorized body in accordance with subclause 6) of Article 8 of the Law on Retirement Insurance.

8. The provisions of the Agreement shall be reviewed in cases of amendments and additions to the civil legislation of the Republic of Kazakhstan, the legislation of the Republic of Kazakhstan on retirement insurance and the securities market, as well as on the initiative and mutual consent of the Parties.

9. The Manager shall not be entitled to transfer pension assets that are in his trust management to another person for trust management in accordance with clause 7 of Article 35-1 of the Law on Retirement Insurance.

10. The Parties shall be obliged to comply with all conditions to ensure confidentiality of information, received as a result of their activities.

Chapter 3. Rights and Obligations of the Parties

11. The Fund shall be obliged to:

1) transfer to the trust management of the Manager the pension assets in accordance with the procedure established by clauses 5 and 6 of Article 35-1 of the Law on Retirement Insurance, as well as by the rules and terms of the transfer of pension assets to trust management of the investment portfolio manager and the

transfer of pension assets from one investment portfolio manager to another one or to the National Bank of the Republic of Kazakhstan, approved by the authorized body in accordance with subclause 6) of Article 8 of the Law on Retirement Insurance;

2) within 1 (one) working day after the date of conclusion of the Agreement, to post in on its Internet-resource, as well as information about the Manager in accordance with the procedure established by the Rules for publication by the Unified Pension Savings Fund of information about the structure of investment portfolio of the Unified Pension Savings Fund at the expense of pension assets in mass media, approved by the Resolution of the Board of the National Bank of the Republic of Kazakhstan dated July 26, 2013 No. 199, registered in the Register of State Registration of Regulatory Legal Acts under No. 8672;

3) carry out individual accounting of pension savings held in trust by the Manager in accordance with the procedure determined by the Rules for maintaining of records of pension savings at the expense of compulsory pension contributions, compulsory professional pension contributions on the individual pension accounts of contributors (recipients) approved by a resolution of the Board of the National Bank of the Republic of Kazakhstan dated July 26, 2013 No. 201, registered in the Register of State Registration of Regulatory Legal Acts under No. 8654;

4) calculate the cost of one conventional unit of pension assets in accordance with the terms and procedure established by the rules for calculating the negative difference between the nominal yield of pension assets received by the investment portfolio manager and the minimum value of the profitability of pension assets, as well as the rules for compensating the negative difference by the investment portfolio manager at the expense of equity capital, approved by the authorized body in accordance with subclause 7) of Article 8 of the Law on Retirement Insurance;

5) carry out with the Manager the reconciliation of the estimated value of one conventional unit of pension assets no later than the next working day after the day of the relevant settlements;

6) enter into a custodian agreement with a custodian bank for the storage and accounting of pension assets transferred to trust management of the Manager;

7) pay a commission fee to the Manager in the cases and in the amount established by Chapter 4 of the Agreement;

8) notify the Manager in writing about the change of officials with signature rights, about changes in addresses, contacts, BIN, bank details of the Fund within 3 (three) working days from the date of such changes;

9) carry out with the Manager and the custodian bank in accordance with the procedure and terms provided for by the custodian agreement, concluded between the Fund, the Manager and the custodian bank, the reconciliation of current cost of pension assets held in the trust management of the Manager;

10) provide the Manager and the custodian bank with information on the results of the valuation of financial instruments held in trust by the Manager, carried out by a valuation appraiser in accordance with the Rules for accounting and valuation of pension assets, approved by the Resolution of the Board of the National Bank of the Republic of Kazakhstan dated February 26, 2014 No. 24, registered in the Register of State Registration of Regulatory Legal Acts under No. 9274, within 10 (ten) calendar days from receipt by the Fund of this valuation of financial instruments.

12. The Fund shall have the right to:

1) request any information and documents related to the investment management of pension assets (the composition of the investment portfolio, transactions, operations concluded with pension assets, etc.);

2) require from the Manager to compensate the negative difference between the nominal return on pension assets received by the Manager and the minimum return on pension assets calculated in accordance with the rules for calculating the negative difference between the nominal return on pension assets received by the investment portfolio manager and the minimum return on pension assets, as well as the rules for compensating the negative differences by the investment portfolio manager at the expense of equity capital, approved by the authorized body in accordance with subclause 7) of Article 8 of the Law on Retirement Insurance;

3) require from the Manager to transfer pension assets to the trust management of another investment portfolio manager or the National Bank of the Republic of Kazakhstan in accordance with the procedure and in cases stipulated by the rules and terms for transferring pension assets to trust management of an investment portfolio manager and transferring pension assets from one investment portfolio manager to another investment portfolio manager or the National Bank of the Republic of Kazakhstan, approved by the authorized body in accordance with subclause 6) of Article 8 of the Law on Retirement Insurance;

4) terminate the Agreement;

5) participate in pre-trial and claims work on the return of the Fund's pension assets by the Manager in the case stipulated in subclause 11) of clause 13 of the Agreement.

13. The Manager shall be obliged to:

1) carry out proper trust management of the transferred pension assets in strict accordance with the investment policy statement, the Law on Pensions, the Law on the Securities Market and the Rules for implementation of investment portfolio management activities, approved by the Resolution of the Board of the National Bank of the Republic of Kazakhstan dated February 3, 2014 No. 10, registered in the Register of State Registration of Regulatory Legal Acts under No. 9248, without the right of assigning another person to perform the actions necessary to manage the pension assets entrusted to him under the Agreement;

- 2) develop and approve an investment policy statement;
- 3) in the event of a negative difference between the nominal yield of pension assets received by the Manager and the minimum value of the yield of pension assets, compensate this negative difference to the Fund at the expense of equity capital;
- 4) notify the Fund in writing about the change of officials with signatory rights, about the change of addresses, contacts, BIN, bank details of the Manager within 3 (three) working days from the date of such changes;
- 5) not to use the pension assets transferred under the Agreement for trust management in their own interests;
- 6) not to use the information received as a result of or in connection with the fulfillment of the terms of the Agreement in their own interests and not to transfer to third parties, except as otherwise provided by the laws of the Republic of Kazakhstan;
- 7) ensure the availability of a risk management system that meets the requirements established by the Rules for the formation of a risk management and internal control system for organizations engaged in brokerage and dealer activities in the securities market, investment portfolio management activities, approved by the Resolution of the Board of the National Bank of the Republic of Kazakhstan dated August 27, 2013 No. 214, registered in the Register of State Registration of Regulatory Legal Acts under No . 8796;
- 8) ensure the functioning of software and hardware and other equipment necessary for the implementation of activities for the trust management of pension assets;
- 9) ensure the level of nominal yield on pension assets accepted for trust management by the Manager to be not lower than the minimum value of the yield on pension assets in the manner and within the time limits established by the rules for calculating the negative difference between the nominal yield of pension assets received by the investment portfolio manager and the minimum value of the yield on pension assets, and as well as the rules for compensating the negative difference by the investment portfolio manager at the expense of equity capital, approved by the authorized body in accordance with subclause 7) of Article 8 of the Law on Retirement Insurance;
- 10) pay invoices issued by a custodian bank providing services for nominal holding , servicing transactions with pension assets and maintaining accounts for accounting for financial instruments acquired at the expense of pension assets, as well as expenses associated with attracting third parties whose services are necessary for managing pension assets;
- 11) carry out pre-trial and claims work in relation to issuers that have failed to fulfill obligations under securities, as well as in relation to second-tier banks that have failed to fulfill obligations on deposits located in the investment portfolio of the Fund's pension assets transferred for trust management to the Manager under the Agreement;

12) notify the Fund within 3 (three) working days from the date of detection of the failure by the issuer of obligations on securities, as well as the failure of the second-tier bank to fulfill obligations on deposits in the investment portfolio of the Fund's pension assets, attaching documents on the planned measures of the Manager to resolve these situations;

13) provide all the necessary information and documents related to the investment management of pension assets (composition of the investment portfolio, transactions, operations concluded with pension assets, etc.) within 3 (three) working days from the receipt of the Fund's request;

14) transfer the Fund's pension assets to trust management of another investment portfolio manager or the National Bank of the Republic of Kazakhstan at the request of the Fund in accordance with the procedure established by the rules and terms for transferring pension assets to trust management of an investment portfolio manager and transfer of pension assets from one investment portfolio manager to another investment portfolio manager or the National Bank of the Republic of Kazakhstan, approved by the authorized body in accordance with subclause 6) of Article 8 of the Law on Retirement Insurance;

15) notify the Fund in writing of the supervisory response measures applied against the Manager, sanctions and administrative penalties imposed within 3 (three) working days from the date of occurrence of such circumstances;

16) carry out reconciliation of the current value of the transferred pension assets held in trust with the Fund and the custodian bank in the manner and within the timeframe stipulated by the custodian agreement concluded between the Fund, the Manager and the custodian bank;

17) provide the Fund and the custodian bank with information on the market prices of financial instruments in the investment portfolio of pension assets on a weekly basis no later than 11:00 am on the business day following the first working day of the week;

18) calculate the cost of one conventional unit of pension assets in accordance with the procedure and within terms established by the rules for calculating the negative difference between the nominal yield of pension assets received by the investment portfolio manager and the minimum value of the profitability of pension assets, as well as the rules for compensating the negative difference by the investment portfolio manager at the expense of equity capital, approved by the authorized body in accordance with subclause 7) of Article 8 of the Law on Retirement Insurance;

19) carry out with the Fund the reconciliation of the estimated value of one conventional unit of pension assets, no later than the next working day after the day of the relevant settlements;

20) for the purposes of applying international double taxation treaties, fill out tax forms, applications, declarations and other forms required by global foreign custodians for submission to foreign tax authorities in whose markets investments are made;

21) work with global foreign custodians to regularly update tax forms, certificates and other documents necessary to obtain tax exemption, application of preferential taxation or return overdue amounts of taxes on income paid by foreign issuers;

22) provide the Fund and the custodian bank with an instruction for operations on debiting/crediting of financial instruments carried out as part of the restructuring of obligations of issuers no later than 11:00 a.m. on the working day on which the operations specified in the instruction are supposed to be carried out;

23) make decisions on issues related to the restructuring of obligations of foreign issuers;

24) notify the Fund in writing of a change in the amount of the commission fee specified in clause 15 of this Agreement within 10 (ten) calendar days from the date of the adoption of such a decision by the managing body of the Manager.

14. The Manager shall have the right to:

1) receive a commission fee from trust management of pension assets in the cases and in the amount established by Chapter 4 of the Agreement;

2) terminate the Agreement on the terms provided for in clause 27 of the Agreement.

Chapter 4. Commission Fee

15. Commission fee for the management of pension assets shall be paid to the Manager on a monthly basis in the amount of _____ percent of the investment income received from the trust management of pension assets.

16. The amount of the commission fee of the Manager may be changed no more than 1 (one) time per year in accordance with Article 53 of the Law on Retirement Insurance.

17. The amount of the commission shall be posted on the Internet resources of the Fund and the Manager within 1 (one) working day from the date of conclusion of the Agreement, and also no later than one month before the beginning of the calendar year.

18. In the event of a change in the amount of the commission fee of the Manager, the Parties shall sign an appropriate supplementary agreement to the Agreement.

Chapter 5. Keeping and accounting of pension assets

19. Pension assets held in the trust management of the Manager shall be kept and accounted for in the accounts of the Fund with the custodian bank, which is chosen by the Manager.

20. Keeping and accounting of pension assets transferred to investment management by one investment portfolio manager shall be carried out by one custodian bank.

Chapter 6. Liabilities of the Parties

21. The Manager shall be liable for target placement of pension assets received in trust management from the Fund, in accordance with the investment policy statement.

22. The Manager shall be liable for settlements on transactions and (or) operations carried out at the expense of pension assets under trust management.

23. The Fund shall be liable for improper fulfillment or non-fulfillment of its obligations specified by the Agreement, in accordance with the civil legislation of the Republic of Kazakhstan and the legislation of the Republic of Kazakhstan on Retirement Insurance.

Chapter 7. Force Majeure Circumstances

24. The Parties shall be exempted from liability for failure to fulfill or improper fulfillment of their obligations under the Agreement, if it is a consequence of the onset of force majeure circumstances: acts of God, hostilities, a state of emergency and other circumstances that the Parties could not foresee under the Agreement, the validity of the Agreement shall be suspended for the period of such circumstances.

25. The Party that has been subjected to force majeure circumstances and, as a result, is unable to fulfill its obligations under the Agreement, shall promptly notify the other Party of the beginning, duration and estimated time of such circumstances.

Chapter 8. The Duration of the Agreement and the Procedure of its Termination

26. The agreement shall come into force from the date of receipt of pension assets to the Fund's accounts with the custodian bank and is concluded for an indefinite period.

27. The Agreement shall be terminated:

1) in the event that the Manager fails to eliminate the grounds for applying supervisory response measures within the time limits established by the authorized body;

2) in case of non-compliance of the Manager with the requirements established by the authorized body for managing pension assets in accordance with subclause 1-3) of Article 8 of the Law on Retirement Insurance (in case of exclusion of the Manager from the register of investment portfolio managers who meet the requirements of the authorized body for managing pension assets);

3) on the initiative of the Manager, provided that he does not have pension assets and liabilities on them in trust management;

4) in case of suspension or revocation of the license of the custodian bank carrying out keeping and accounting of pension assets held in trust by the Manager, and not concluding a new custodial agreement with another custodian bank within 10 (ten) calendar days after the date of suspension or revocation of the license custodian bank.

28. Upon termination of the Agreement, the Manager in accordance with the procedure and within the terms established by the rules and terms for the transfer of pension assets to trust management of the investment portfolio manager and the transfer of pension assets from one investment portfolio manager to another investment portfolio manager or the National Bank of the Republic of Kazakhstan, approved by the authorized body in accordance with subclause 6) of Article 8 of the Law on Retirement Insurance, in agreement with the National Bank of the Republic of Kazakhstan, carries out procedures for the transfer of pension assets to the trust management of the National Bank of the Republic of Kazakhstan.

29. The Party initiating the termination of the Agreement shall notify the other Party at least 15 (fifteen) calendar days before the expected date of termination.

Chapter 9. Miscellaneous

30. The Parties commit themselves to comply with the current legislation of the Republic of Kazakhstan relating to the subject of the Agreement and regulating the relations of the Parties under the Agreement.

31. The Agreement is made in two copies in the Kazakh and Russian languages, having the same legal force, one copy for each of the Parties.

32. In the event that the terms of the Agreement conflict with the terms of any other agreement or contract concluded between the Parties individually or together, the provisions of the Agreement shall take precedence and the Parties will be governed primarily by the provisions of the Agreement.

33. Amendments and additions to the Agreement shall be made by the written consent of the Parties by signing additional agreements that are an integral part of the Agreement.

34. Unsettled disputes between the Parties under the Agreement shall be considered by the courts of the Republic of Kazakhstan in accordance with their competence on the basis of the current legislation of the Republic of Kazakhstan.

Chapter 10. Details and signatures of the Parties

| The Fund | The Manager |
|----------|-------------|
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| | |
|--|--|
| _____ | (details of the Manager, BIN, telephones, postal address , bank identification code (BIC), individual identification code (IIC), beneficiary code) |
| (details of the Fund, BIN, postal address, telephones, bank identification code (BIC), individual identification code (IIC), beneficiary code) | _____ |
| (position, signature of the Fund's representative person) | (position, signature of the Manager's representative person) |
| Seal (if any) | Seal (if any) |