

On Commodity Exchanges

Unofficial translation

The Law of the Republic of Kazakhstan dated 4 May, 2009 № 155-IV.

Unofficial translation

Footnote. The preamble is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication).

Chapter 1. GENERAL PROVISIONS

Article 1. Basic definitions, used in this law

The following basic definitions are used in this Law:

1) is excluded by the Law of the Republic of Kazakhstan dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication);

1-1) exchange trading – a process conducted within the framework of the exchange trading rules, aimed at concluding transactions on exchange commodities based on electronic bids submitted to the electronic trading system of the commodity exchange, which ensures the automation of the process of concluding exchange transactions;

1-2) a stockbroker (hereinafter - a broker) is a legal entity, carrying out its activities on a commodity exchange and performing transactions with exchange commodities on behalf of, at the expense of, and in the interests of a client;

2) an exchange dealer (hereinafter the dealer) is a business entity operating on a commodity exchange and making transactions with an exchange commodity in its own interests and at its own expense;

2-1) exchange collateral – monetary collateral deposited on a refundable basis by participants in exchange trading to the clearing centre of a commodity exchange to participate in exchange trading as security for the fulfillment of their obligations under concluded exchange transactions;

3) is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication);

4) excluded by the Law of the Republic of Kazakhstan dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication).

5) is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication);

6) is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication);

7) exchange commodity - a standardized homogeneous product included in the list of exchange commodities and/or the list of socially significant exchange commodities, the units of which are identical in all respects, have similar characteristics and consist of similar components, allowing them to perform the same functions, and possess the property of complete interchangeability of batches from different manufacturers;

8) quotation of exchange commodities – the demand price and (or) the offer price, announced on the exchange commodities at the a commodity exchange at a certain time;

8-1) exchange trading – entrepreneurial activity on the sale (purchase) of exchange goods and futures contracts, carried out on a commodity exchange by conducting exchange trading in electronic form, registering and executing transactions;

8-2) participants in exchange trading – clients, brokers, dealers, and market makers interacting on the commodity exchange according to the established rules of exchange trading ;

9) an order – a document submitted by the client to the broker with indication of performance of a certain action on the commodity exchange in respect of specific exchange commodities;

9-1) guarantee fund – a monetary fund formed by the clearing centre of the commodity exchange from contributions of exchange members in order to ensure the execution of transactions concluded on the exchange;

9-2) is excluded by the Law of the Republic of Kazakhstan dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication);

10) client - an individual, including registered as an individual entrepreneur, or a legal entity using the services of a broker to make transactions with exchange commodity in the manner prescribed by this Law;

11) is excluded by the Law of the Republic of Kazakhstan dated 27.10.2015 № 364-V (shall be enforced upon expiry of ten calendar days after its first official publication);

11-1) cross-transaction – an exchange transaction, under which the broker, acting on behalf of two different clients, acts both on the part of the seller and the buyer;

11-2) double counter auction mode – a trading mode in which exchange transactions are concluded anonymously as a result of competition between sellers and buyers, and the price of an exchange commodity is set at the level of equilibrium between supply and demand;

11-3) market maker - a legal entity that forms and maintains the liquidity of the exchange market by setting quotes and accepting obligations on buying and selling futures contracts;

12) a fixed-term contract - a contract for unconditional or conditional sale and purchase of the underlying asset with delayed execution, it includes futures, options;

13) is excluded by the Law of the Republic of Kazakhstan dated 10.07.2012 № 36-V (shall be enforced upon expiry of ten calendar days after its first official publication);

14) option transaction – an exchange transaction, the object of which is the option;

14-1) self-regulatory organization - a non-commercial organization in the form of an association (union), based on voluntary participation of commodity exchanges, brokers or dealers and included in the register of self-regulatory organizations in the commodity exchanges area;

14-2) reserve fund – a monetary fund formed by the commodity exchange from its own funds in order to ensure the execution of transactions concluded on the exchange;

14-3) trading lot - the quantity of an exchange commodity, the multiple of which must be the quantity of an exchange commodity specified in the application for sale (purchase) of an exchange commodity;

15) the authorized body in the field of regulation of trade activities (hereinafter - the authorized body) - the central executive body implementing state regulation and inter-sectoral coordination in the field of trade activities;

16) spot goods - goods that are in stock, for immediate delivery or delivery in the future;

16-1) is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication) ;

16-2) is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication) ;

16-3) is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication) ;

17) members of the commodity exchange – brokers, as well as dealers and market makers accredited by the commodity exchange in the manner determined by this Law;

18) Excluded by the Law of the Republic of Kazakhstan dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication);

19) internal documents of a commodity exchange - documents that regulate the conditions and order in the activities of participants in exchange trade on a commodity exchange, the work of a commodity exchange, its bodies, structural units, provision of services, the procedure and amount of their payment;

19-1) electronic trading system of commodity exchange - a complex of computing facilities, software, databases, telecommunication means and other equipment of commodity exchange, necessary for conducting stock trading and providing automation of the process of concluding exchange transactions, as well as collecting, storing, processing and disclosure of information;

20) futures contract – an exchange transaction, the object of which is the futures;

21) is excluded by the Law of the Republic of Kazakhstan dated 27.10.2015 № 364-V (shall be enforced from 01.01.2017).

Footnote. Article 1, as amended by the Laws of the Republic of Kazakhstan dated 10.07.2012 № 36-V (shall be enforced upon expiry of ten calendar days after its first official publication), dated 06.03.2013 № 81-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 16.05.2014 № 203-V (shall be enforced upon expiry of six months after its first official publication); dated 27.10.2015 № 364-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication); dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication);

Article 2. Legislation of the Republic of Kazakhstan on commodity exchanges

1. Legislation of the Republic of Kazakhstan on commodity exchanges based on the Constitution of the Republic of Kazakhstan and consists of the Civil Code of the Republic of Kazakhstan, this Law and other regulatory legal acts of the Republic of Kazakhstan.

2. If an international treaty, ratified by the Republic of Kazakhstan establishes the rules other than those contained in this Law, the rules of the international treaty shall apply.

Article 2-1. Main objectives and principles of regulation in the field of commodity exchange activities

1. The main objectives of regulation in the field of commodity exchange activities shall be :

- 1) ensuring open and effective functioning of commodity exchanges;
- 2) protection of the participants' rights in exchange trading and fair competition;
- 3) ensuring the execution of transactions concluded on the commodity exchange.

2. The main principles of regulation in the field of commodity exchange activities shall be :

- 1) the legality of the exchange trading implementation;
- 2) ensuring equal opportunities and responsibility for participants in exchange trading;
- 3) transparency and accessibility of information.

Footnote. Chapter 1 is supplemented by Article 2-1 in accordance with the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication).

Chapter 2. STATE REGULATION OF COMMODITY EXCHANGES

Article 3. Competence of the Government of the Republic of Kazakhstan in the field of commodity exchange activities

The Government of the Republic of Kazakhstan in the field of commodity exchange activities shall:

1) develop the main directions of state policy in the field of commodity exchange activities;

2) determine, on a competitive basis, the commodity exchanges authorized to trade in exchange-traded goods included in the list of socially significant exchange-traded goods, and establish criteria for them.

3) perform other functions assigned to it by the Constitution of the Republic of Kazakhstan, laws of the Republic of Kazakhstan and acts of the President of the Republic of Kazakhstan.

Footnote. Article 3 is in the wording of the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of sixty calendar days after the date of its first official publication).

Article 4. The competence of the authorized body

The authorized body shall:

1) is excluded by the Law of the Republic of Kazakhstan dated 03.07.2013 № 124-V (shall be enforced upon expiry of ten calendar days after its first official publication);

1-1) develop and implement the state policy in the sphere of commodity exchanges operations;

2) develop and approve regulatory legal acts in the field of regulating the activities of commodity exchanges, clearing centres of commodity exchanges, brokers, and dealers;

2-1) develop and approve the exchange trade rules in agreement with the interested state bodies;

2-2) develop and approve the list of exchange goods, make changes and/or additions to it in agreement with interested government agencies;

2-3) develop and approve a list of socially significant exchange goods, make changes and/or additions to it in agreement with interested government agencies;

3) is excluded by the Law of the Republic of Kazakhstan dated 13.01.2014 № 159-V (shall be enforced upon expiry of ten calendar days after its first official publication);

3-1) is excluded by the Law of the Republic of Kazakhstan dated 29.12.2014 № 269-V (shall be enforced from 01.01.2015);

3-2) develop and approve mandatory requirements for the electronic trading system of commodity exchanges;

3-3) is excluded by the Law of the Republic of Kazakhstan dated 24.05.2018 № 156-VI (shall be enforced upon expiry of ten calendar days after its first official publication);

3-4) is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication);

3-5) develop and approve qualification requirements and a list of documents confirming compliance with them for the activities of commodity exchanges, brokers, and clearing centres of commodity exchanges;

- 3-6) develop and approve the requirements for the hardware and software complex of the clearing center of the commodity exchange;
- 3-7) conduct analysis and monitoring of the commodity exchange activities;
- 4) is excluded by the Law of the Republic of Kazakhstan dated 13.01.2014 №159-V (shall be enforced upon expiry of ten calendar days after its first official publication);
- 4-1) excluded by the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (effective ten calendar days after the date of its first official publication);
- 5) excluded by the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (effective ten calendar days after the date of its first official publication);
- 5-1) agree the rules and standards of self-regulatory organizations;
- 6) publish the information on the activities of commodity exchanges and stock trading, with the exception of information, constituting commercial or any other legally protected secret of the Republic of Kazakhstan;
- 6-1) Excluded by the Law of the Republic of Kazakhstan dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication);
- 7) carry out international cooperation in the field of commodity exchanges;
- 7-1) create conditions for the development of international stock trades on the commodity exchange;
- 8) is excluded by the Law of the Republic of Kazakhstan dated 17.07.2009 №188-IV (the order of enforcement see Article 2);
- 9) is excluded by the Law of the Republic of Kazakhstan dated 13.01.2014 №159-V (shall be enforced upon expiry of ten calendar days after its first official publication);
- 10) excluded by the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (effective ten calendar days after the date of its first official publication);
- 10-1) excluded by the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (effective ten calendar days after the date of its first official publication);
- 10-2) maintain a register of self-regulatory organizations;
- 10-3) is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication);
- ;
- 10-4) is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication);
- ;
- 10-5) maintain a register of market makers, and also place it on its Internet resource;
- 10-6) establish the maximum amounts of entry fees for members of the commodity exchange, payments for participation in exchange trading, and broker commissions;
- 11) exercise other powers, stipulated in this Law and other Laws of the Republic of Kazakhstan, acts of the President of the Republic of Kazakhstan and the Government of the Republic of Kazakhstan.

Footnote. Article 4, as amended by the Law of the Republic of Kazakhstan dated 17.07.2009 № 188-IV (the order of enforcement see Art. 2); dated 19.03.2010 № 258-IV; dated 06.01.2011 № 378-IV (shall be enforced upon expiry of ten calendar days after its first official publication); dated 05.07.2011 № 452-IV (shall be enforced from 13.10.2011); dated 10.07.2012 № 36-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 03.07.2013 № 124-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 13.01.2014 № 159-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 16.05.2014 № 203-V (shall be enforced upon expiry of six months after its first official publication); dated 29.09.2014 № 239-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 29.12.2014 № 269-V (shall be enforced from 01.01.2015); dated 27.10.2015 № 364-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 24.05.2018 № 156-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.01.2021 № 399-VI (effective ten calendar days after the date of its first official publication); dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication); № 223-VII of 19.04.2023 (shall become effective ten calendar days after the date of its first official publication); dated 30.12.2024 № 149-VIII (for the procedure for entry into force, see Art. 2).

Article 4-1. Powers to obtain information

Footnote. Chapter 2 is supplemented by Article 4-1 in accordance with the Law of the Republic of Kazakhstan dated 10.07.2012 № 36-V (shall be enforced upon expiry of ten calendar days after its first official publication); is excluded by the Law of the Republic of Kazakhstan dated 24.05.2018 № 156-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 4-2. The sale of goods, included in the list of exchange commodities

Footnote. Chapter 2 is supplemented by Article 4-2 in accordance with the Law of the Republic of Kazakhstan dated 10.07.2012 № 36-V (shall be enforced upon expiry of ten calendar days after its first official publication); is excluded by the Law of the Republic of Kazakhstan dated 24.05.2018 № 156-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 4-3. Competence of the antimonopoly authority in the field of commodity exchanges

The antimonopoly authority shall:

- 1) coordinate normative legal acts in the regulation of commodity exchanges activity;
- 2) exercise state control over compliance with the legislation of the Republic of Kazakhstan in commodity exchanges;

3) approve the rules for submitting reports by the commodity exchange to the antimonopoly authority;

4) conduct analysis and monitoring of the commodity exchanges activity;

5) publish information on the activities of commodity exchanges and exchange trading, with the exception of information constituting a commercial or other secret protected by law;

6) carry out licensing of activities in commodity exchanges in the manner established by the legislation of the Republic of Kazakhstan on permits and notifications;

7) exercise state control over observance by commodity exchanges of the legislation of the Republic of Kazakhstan in combating legalization (laundering) of proceeds from crime and financing of terrorism;

8) exercise other powers provided for by this Law, other laws of the Republic of Kazakhstan, acts of the President of the Republic of Kazakhstan and the Government of the Republic of Kazakhstan.

Footnote. Chapter 2 shall be supplemented by Article 4-3 in accordance with the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (effective ten calendar days after the date of its first official publication).

Article 5 is provided for in the wording of the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall enter into force on 01.01.2026).

Article 5. Licensing of activities in the field of commodity exchanges

Licensing of activities in the field of commodity exchanges shall be carried out in accordance with the procedure, established by the legislation of the Republic of Kazakhstan on permits and notifications.

Footnote. Article 5 is in the wording of the Law of the Republic of Kazakhstan dated 16.05.2014 № 203-V (shall be enforced upon expiry of six months after its first official publication).

Chapter 3. Commodity exchange and its tasks

Footnote. The heading of Chapter 3 - as amended by the Law of the Republic of Kazakhstan dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication).

Article 6. Commodity exchange

1. A commodity exchange is a legal entity established in the organizational and legal form of a joint-stock company that provides organizational and technical support for auctions by directly conducting them with the use of electronic trading of the commodity exchange system.

Exchange trading of socially significant exchange goods shall be carried out by commodity exchanges determined by the Government of the Republic of Kazakhstan on the basis of a tender.

Commodity exchange provides for tendering under the established rules of exchange trade

2. Designated name of the commodity exchange shall contain the words “commodity exchange”.

3. Became invalid by the Law of the Republic of Kazakhstan dated 27.10.2015 № 364-V (see Article 2 for the procedure of enforcement).

4. The authorized capital of a commodity exchange must be at least two billion tenge.

At the same time, no less than one billion tenge is contributed in cash.

Footnote. Article 6 as amended by the Law of the Republic of Kazakhstan dated 27.10.2015 № 364-V (see Article 2 for the procedure of enforcement); dated 02.01.2021 № 399-VI (effective ten calendar days after the date of its first official publication); dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication); dated 30.12.2024 № 149-VIII (for the procedure for entry into force, see Art. 2).

Article 6-1. Tasks of Commodity exchange

The main tasks of the commodity exchange shall be:

1) creation of a trade mechanism with maximum transparent system for concluding exchange transactions according to established rules;

2) development of an organized commodity market;

3) assistance in the development of competition in commodity markets;

4) assistance in ensuring transparency and clarity in setting prices for exchange commodities.

Footnote. Chapter 3 shall be supplemented by Article 6-1 in accordance with the Law of the Republic of Kazakhstan dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication).

Article 7. Charter of commodity exchange

1. Charter of commodity exchange is approved in accordance with the legislation of the Republic of Kazakhstan on joint stock companies.

2. Charter of commodity exchange in addition to the information, specified in the legislation of the Republic of Kazakhstan, shall contain indication of specialization of the commodity exchange.

Article 8. Dispute resolution in the commodity exchange

1. To resolve disputes, related to conclusion of exchange transactions, the commodity exchange shall create a permanent exchange arbitration within thirty calendar days after the state registration in the State corporation "Government for citizens".

2. The activity of exchange arbitrage shall be regulated by the legislation of the Republic of Kazakhstan on arbitration.

Footnote. Article 8 as amended by the Law of the Republic of Kazakhstan dated 08.04.2016 № 489-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.04.2019 № 241-VI (shall be enforced from 01.07.2019).

Article 9. Classification of commodity exchanges

Commodity exchanges can be divided for the following types according to the specialization:

- 1) universal, receiving various kinds of goods to trading;
- 2) specialized, serving the circulation of particular type of product.

Article 10. Rules of exchange trade

1. The rules of exchange trade shall determine the operating procedures of the exchange trade participants in exchange transactions with exchange commodities.

2. Exchange trade rules shall include:

1) conditions and procedure for accreditation of brokers, dealers and market makers, suspension and termination of their accreditation;

2) is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of sixty calendar days after the date of its first official publication);

3) conditions of market makers' activity;

4) conditions and procedure for the use of automated algorithms in the process of participation in exchange trade;

5) conditions and procedure for registering clients as participants in exchange trade;

6) the procedure for conducting exchange trading;

7) the procedure for conducting exchange trade in futures contracts;

8) conditions for conducting exchange trading in goods included in the list of socially significant exchange goods (requirements for participants in exchange trading, maximum and minimum size of a trading lot in one trading session, range of price bids, volume of goods sold, availability of documents confirming the facts of payment and delivery (shipment) of exchange goods, and other conditions);

9) the procedure for exchange trade in non-standardized goods, which, among other things, provides for an increase in the in-country value in goods purchased by subsoil users, taking into account the international obligations of the Republic of Kazakhstan;

- 10) the procedure for determining the exchange collateral amount;
- 11) the procedure for making settlements on transactions with exchange commodities concluded at exchange auctions;
- 12) the procedure for interaction with self-regulatory organizations;
- 13) the procedure for ensuring the legitimacy of the exchange transaction by the commodity exchange members;
- 14) conditions and procedure for suspension and resumption of exchange auction on the commodity exchange;
- 15) the procedure for the formation and organization of the exchange arbitration activities, as well as mechanisms for resolving disputes related to the conclusion of exchange transactions with exchange commodities;
- 16) procedure for acceptance (approval) of documents on exchange trade;
- 17) the procedure for recording and registering exchange and over-the-counter transactions;
- 18) the procedure for forming the size of the exchange fee and of applications security;
- 19) the order of reporting by the commodity exchange to the authorized body;
- 20) is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of sixty calendar days after the date of its first official publication);
- 21) the procedure for posting information about ongoing exchange trading on the Internet resource of the commodity exchange;
- 22) conditions for determining financial stability of exchange trade participants by categorizing them;
- 23) is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of sixty calendar days after the date of its first official publication);

3. On organizational and technical issues related to the organization and conduct of trading in exchange goods, not regulated by the exchange trade rules and requiring additional regulation, the commodity exchange shall have the right to approve the relevant internal documents of the commodity exchange.

Footnote. Article 10 - as amended by the Law of the Republic of Kazakhstan dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication); dated 01.07.2024 № 107-VIII (shall be enforced from 01.01.2025); dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of sixty calendar days after the date of its first official publication).

Article 11. Members of the commodity exchange

1. Is excluded by the Law of the Republic of Kazakhstan dated 24.05.2018 № 156-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

2. Excluded by the Law of the Republic of Kazakhstan dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication).

3. Members of a commodity exchange may not be persons who directly or indirectly own ten percent or more of the voting shares of such commodity exchange.

Footnote. Article 11, as amended by the Law of the Republic of Kazakhstan dated 10.07.2012 № 36-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 24.05.2018 № 156-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication); dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months from the date of its first official publication).

Article 12. Employees of a commodity exchange

1. Employees of a commodity exchange shall be individuals who are in employment relationships with the commodity exchange and who directly perform work under an employment contract in accordance with the labour legislation of the Republic of Kazakhstan. An employee of a commodity exchange is prohibited from simultaneously being in employment relationships with members of the commodity exchange, other commodity exchanges, and members of other commodity exchanges.

2. Employees of a commodity exchange are prohibited from participating in the exchange transactions, as well as use of commercial information for their own benefit.

Footnote. Article 12, as amended by the Law of the Republic of Kazakhstan dated 10.07.2012 № 36-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months from the date of its first official publication).

Chapter 4. ACTIVITIES OF COMMODITY EXCHANGE

Article 13. Activities of commodity exchange

1. The primary activity of commodity exchange is organization and conducting of exchange trading.

2. Commodity exchange performs the following functions:

- 1) organization and conducting of exchange trading;
- 2) registration and execution of transactions, made on a commodity exchange, including transactions with spot goods;
 - 2-1) revealing the facts of price manipulation;
 - 2-2) formation of stock quotes;
 - 2-3) accreditation of members of the commodity exchange;

2-4) control over the compliance of the accredited members of the commodity exchange with the requirements, established by the exchange trading rules, their compliance with the requirements of these rules;

2-5) registration of clients as participants in exchange trading;

3) organization and payments settlement of exchange transactions;

4) fixing the exchange price for goods as a result of trading on a commodity exchange;

5) Excluded by the Law of the Republic of Kazakhstan dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication).

6) organization of expertise for quality of the exchange commodity, sold through exchange trading, at the request of the participant of exchange trade;

7) providing organizational, consulting, information and methodological services, associated with exchange trading;

8) providing analytical studies of the exchange commodity market;

9) issue of printed materials, related to the information on exchange activities;

10) organization of training and advanced training courses of participants in exchange trade;

11) operation of electronic trade system of the commodity exchange;

12) development of international exchange trading.

3. A commodity exchange shall not have the right to combine its activities with brokerage, dealer, market-maker and depository activities, and also with securities management activities.

4. Commodity exchange is entitled to conclude agreements on their own behalf with foreigners and legal entities, established under the legislation of another state within the rights, granted by this Law and other legislative acts of the Republic of Kazakhstan.

5. Commodity exchanges and exchange trade participants are required to meet the minimum threshold of financial stability.

Footnote. Article 13, as amended by the Law of the Republic of Kazakhstan dated 10.07.2012 № 36-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication).

Article 13-1. Public procurement through commodity exchange

Excluded by the Law of the Republic of Kazakhstan dated 01.07.2024 № 107-VIII (shall be enforced from 01.01.2025).

Article 13-2. Rights and obligations of the Commodity exchange

1. A Commodity exchange shall have the right to:

1) is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication);

2) carry out exchange trades in futures, options;

3) exercise other rights, stipulated by the legislation of the Republic of Kazakhstan on commodity exchanges.

2. The Commodity exchange shall be obliged to:

1) comply with mandatory requirements for electronic trading system of commodity exchanges;

1-1) observe exchange trade rules;

2) have its own Internet resource;

2-1) post the current list of accredited members of the commodity exchange on its own Internet resource;

The list should contain information about the name, location, surname, name and patronymic (if it is specified in the identity document) of the head and employees- accredited members of the commodity exchange.

In case of change of name, location, as well as change of the head and (or) change of the staff of commodity exchange members, the commodity exchange shall update the list within three working days from the date of receipt of information from the commodity exchange members to the commodity exchange;

3) not disclose commercial secrets;

3-1) store information about transactions concluded on the commodity exchange, as well as the results of exchange trading on its own Internet resource throughout the entire period of validity of the license;

4) post the results of exchange trades on its own Internet resource no later than the working day following the trading day;

5) is excluded by the Law of the Republic of Kazakhstan dated 24.05.2018 № 156-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Footnote. Chapter 4 is supplemented with Article 13-2 in accordance with the Law of the Republic of Kazakhstan dated 27.10.2015 № 364-V (see Article 2 for the procedure of enforcement); as amended by the Law of the Republic of Kazakhstan dated 24.05.2018 № 156-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication); dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication).

Article 13-3. A commodity exchange that trades in carbon units

Footnote. Article 13-3 is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication).

Article 14. Revenues of commodity exchange

1. Revenues of commodity exchange are generated by the membership and annual contributions of members of commodity exchange, payments for the use of exchange property, registration and execution of exchange transactions and from other income, not prohibited by the legislation.

2. Commodity exchange shall be entitled to establish:

1) the amount and procedure for making contributions by members of the commodity exchange;

2) the amount of payments for participation in the trade in accordance with the rules of exchange trade;

2-1) is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication);

For dealers holding an industrial certificate and selling on the commodity exchange the goods produced by them, a differentiated fee shall be established taking into account the increase in domestic value in goods purchased by subsoil users and with consideration of the international obligations of the Republic of Kazakhstan;

3) the minimum and maximum limits of price levels on a particular exchange good within a single trading day based on the prices established as a result of previous trades, for the suspension of trading in order to prevent speculative actions.

3. The commodity exchange is prohibited from establishing the amount of remuneration charged by brokers for acting as intermediaries in exchange transactions.

4. The amounts of payments collected from exchange trade participants shall be determined by the internal documents of the commodity exchange and must be available for reading by exchange trade participants.

Footnote. Article 14 as amended by the Law of the Republic of Kazakhstan dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication); dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication).

Article 15. Exchange transaction

1. An exchange transaction is a transaction, the subject of which is property admitted to trading on the exchange, and which is concluded on the exchange by participants in the exchange trade conducted by it in accordance with the legislation of the Republic of Kazakhstan on commodity exchanges and the exchange trade rules.

2. Transactions, concluded on commodity exchange, but inconsistent with the requirements, provided for in paragraph 1 of this Article, shall not be exchange transactions.

3. Transactions with exchange commodities included in the list of exchange commodities, made in violation of the requirements provided for by subparagraphs 2) and 3) of paragraph 5 of this article, outside commodity exchanges, shall be recognized as invalid by the suit of interested persons, the antimonopoly body or the prosecutor.

4. Exchange transactions cannot be performed on behalf of and at the expense of a commodity exchange.

5. The list of exchange commodities shall contain:

1) short names of exchange commodities admitted to exchange trading and their codes in accordance with the Unified commodity nomenclature of foreign economic activity of the Eurasian Economic Union;

2) for certain exchange commodities – the minimum size of the delivery lot, in case of equality or exceeding of which their sale shall be subject to implementation only on the commodity exchange;

3) for certain exchange commodities – the minimum share, subject to mandatory sale through commodity exchanges, as well as the categories of entities, to which such obligation applies.

The procedure for including goods in the list of exchange goods shall be determined by the authorized body.

Commodity exchanges are prohibited from organizing exchange trades in goods that are not included in the lists of exchange goods and socially significant exchange goods.

6. Settlements on transactions with exchange goods concluded at exchange auctions shall be made in the national currency.

7. Monitoring of trades in exchange commodities subject to mandatory sale through commodity exchanges shall be carried out by government agencies exercising leadership in the relevant sectors (fields) of public administration.

8. Information about transactions concluded on the commodity exchange is publicly available.

Footnote. Article 15 as amended by the Law of the Republic of Kazakhstan dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.01.2021 № 399-VI (effective ten calendar days after the date of its first official publication); dated 15.11.2021 № 72-VII (effective from 01.01.2022); dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication); dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months from the date of its first official publication).

Article 15-1. Mode of conducting exchange trading

Footnote. The title as amended by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication).

1. Exchange trading shall be conducted in the double counter auction mode.

1) a standard auction mode;

2) a dual counter auction mode.

2. Is excluded by the Law of the Republic of Kazakhstan dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

3. Is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication).

4. Exchange trading shall be conducted taking into account:

1) confidentiality of information on participants of exchange trade;

2) prohibition of cross-transactions;

3) formation of the price for the exchange commodity, on which the exchange transaction is concluded, in the process of competing of the proposals of buyers and sellers and determining it as the best price for the buyer (the minimum price from sellers) or as the best price for the seller (the maximum price from buyers);

4) introduction of exchange security.

5. The procedure for conducting exchange auctions in trade modes shall be determined by the rules of exchange trade.

6. Commodity exchanges keep a separate accounting of transactions for non-standardized goods.

7. Commodity exchanges, when conducting exchange trading in the dual counter auction mode shall have the right to insure exchange transactions.

Footnote. Chapter 4 is supplemented by Article 15-1 in accordance with the Law of the Republic of Kazakhstan dated 10.07.2012 № 36-V (shall be enforced upon expiry of ten calendar days after its first official publication); is in the wording of the Law of the Republic of Kazakhstan dated 27.10.2015 № 364-V (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the Law of the Republic of Kazakhstan dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication); dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication).

Article 16. Types of exchange transactions

The following transactions are made in a commodity exchange:

1) transactions with the mutual transfer of rights and obligations in respect of spot goods, including transactions related to the international business transactions;

2) futures transactions;

- 3) option transactions;
- 4) transactions with the mutual transfer of rights and obligations in respect of warehouse documents.

Article 16-1. Funds of the commodity exchange and the commodity exchange clearing centre for ensuring the execution of exchange transactions

In order to ensure the execution of transactions concluded on the exchange, the commodity exchange creates a reserve fund, and the clearing centre of the commodity exchange creates a guarantee fund.

The minimum size of the reserve fund of the commodity exchange shall be no less than twenty thousand times the monthly calculation indicator established for the relevant financial year by the law of the Republic of Kazakhstan on the republican budget.

The minimum contribution to the guarantee fund shall be established by the clearing centre of the commodity exchange in agreement with the commodity exchange, depending on the trading sections to which the relevant member of the commodity exchange has access.

Commodity exchanges that trade in socially significant exchange goods shall, within one year from the date of commencement of trading in such goods, ensure an increase in the size of the reserve fund to no less than one hundred thousand times the monthly calculation indicator established for the relevant financial year by the law of the Republic of Kazakhstan on the republican budget.

The rules for the formation and use of reserve and guarantee funds shall be approved by the authorized body.

Footnote. Chapter 4 is supplemented by Article 16-1 in accordance with the Law of the Republic of Kazakhstan dated 10.07.2012 № 36-V (shall be enforced upon expiry of ten calendar days after its first official publication); is in the wording of the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication).

Article 17. Clearing activity on exchange transactions

1. Clearing activity on exchange transactions shall be carried out by the clearing center of the commodity exchange.

2. The clearing centre of a commodity exchange is a legal entity that has a license to engage in clearing activities, with which the commodity exchange has entered into an agreement on clearing services.

Clearing centres shall have the right to provide clearing services for one or several commodity exchanges, electronic trading platforms, and over-the-counter transactions.

Clearing services for the commodity exchange by several clearing centres shall be prohibited.

3. Is excluded by the Law of the Republic of Kazakhstan dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

4. The activity of the clearing center of the commodity exchange on exchange transactions should be carried out on the territory of the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan on commodity exchanges.

5. To carry out its activities, the commodity exchange clearing centre must have a hardware and software complex that ensures the automation of the clearing process, including automated control over the admission of exchange trading participants to exchange trading, depending on the amount of exchange collateral they have provided, in accordance with the requirements established by the authorized body.

6. Depending on the exchange transactions for which clearing activity is carried out, the commodity exchange clearing centers shall perform the following functions:

- 1) collect and process information on concluded exchange transactions;
- 2) carry out accounting and confirmation of the conditions of concluded exchange transactions;
- 3) offset mutual claims and obligations of the parties, involved in the calculations, conducted as a result of the exchange transactions;
- 4) accept and keep records of exchange security of participants in exchange trades;
- 5) determine the requirements and (or) obligations of the parties on exchange transactions, arrange calculations on them;
- 6) support the execution of exchange transactions.

7. The procedure for conducting clearing activity on exchange transactions shall be determined by the authorized body.

7-1. Is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication).

7-2. For clearing services of exchange transactions, the clearing centre of the commodity exchange opens trading accounts for each participant in exchange trading with separate registers for recording exchange collateral and money deposited to pay for goods under an exchange transaction.

The funds of participants in exchange trading shall be subject to storage in a separate bank account of the commodity exchange clearing centre.

The commodity exchange clearing centre shall keep separate records of the broker's money and clients.

The commodity exchange clearing centre shall keep records of the blocked exchange collateral for each completed transaction.

8. The requirements of this Article do not apply to clearing activity for futures and options transactions, which implementation procedure is regulated by the legislation of the Republic of Kazakhstan on the securities market.

Footnote. Article 17 is in the wording of the Law of the Republic of Kazakhstan dated 27.10.2015 № 364-V (see Article 2 for the procedure of enforcement); as amended by the Law of the Republic of Kazakhstan dated 02.04.2019 № 241-VI (shall be enforced upon

expiry of ten calendar days after its first official publication); dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication); dated 01.07.2024 № 107-VIII (shall be enforced from 01.01.2025); dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication).

Article 18. Exchange price

1. The exchange price of goods is formed as a result of quotations of exchange commodities.

2. Commodity exchanges place quotes on commodities on their own Internet resource.

Footnote. Article 18 as amended by the Law of the Republic of Kazakhstan dated 27.10.2015 № 364-V (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 18-1. Register of dishonest participants in exchange trading

1. The register of dishonest participants in exchange trading is a list of:

1) buyers who have provided false information on the requirements and/or documents affecting the price offer;

2) sellers and buyers who have failed to fulfil their obligations to sign contracts for concluded exchange transactions;

3) sellers and buyers who have failed to fulfil or have improperly fulfilled their obligations under contracts concluded with them.

2. The formation and maintenance of the register of dishonest participants in exchange trading shall be carried out by the antimonopoly authority.

3. The period of inclusion in the register is twenty-four months from the date of the decision by the antimonopoly authority to recognize them as dishonest participants in exchange trading.

The decision to include a participant in the register of dishonest participants in exchange trading may be appealed by him/her in the manner established by the laws of the Republic of Kazakhstan.

4. Sellers or buyers included in the register of dishonest participants in exchange trading shall not be allowed to participate in exchange trading.

Information contained in the register of dishonest participants in exchange trading shall be excluded from the specified register no later than one working day from the date of expiration of the period established by the part one of paragraph 3 of this Article, as well as in the event of cancellation of the decision of the antimonopoly authority to recognize the participant as a dishonest participant in exchange trading.

Footnote. Chapter 4 is supplemented by Article 18-1 in accordance with the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication).

Chapter 5. Activities of brokers, dealers and market makers. Commercial confidentiality at the commodity exchange

Footnote. The heading of Chapter 5 - as amended by the Law of the Republic of Kazakhstan dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication).

Article 19. Procedure for the implementation of activities of members of the commodity exchange

Footnote. The title as amended by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication).

1. The activities of a broker, dealer, or market maker on a commodity exchange shall be carried out on the basis of accreditation in the commodity exchange.

A market entity that occupies a dominant or monopolistic position in the relevant commodity market participates in exchange trading as a dealer.

1-1. The commodity exchange shall make a decision to cancel accreditation on the commodity exchange in the following cases:

1) failure to carry out activities as a dealer or market maker for twelve consecutive calendar months from the date of accreditation on the commodity exchange;

2) making a decision on voluntary termination of the activities of a broker, dealer, market maker in accordance with the legislation of the Republic of Kazakhstan on the commodity exchange;

2-1) suspension of the license, deprivation (revocation) of the broker's license;

3) is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication);

1-2. Members of the commodity exchange shall be prohibited from using automated accelerated data processing and submission technologies and external software and hardware systems, the speed of requests from which to the electronic trading system of the commodity exchange is two or more requests per second, for submitting orders and concluding transactions.

Transactions concluded using such technologies shall be considered null and void and shall be subject to cancellation by the commodity exchange.

Automated software and hardware for collecting, preparing applications for entry and sending them to the electronic trading system of the commodity exchange, as well as receiving and processing information from the trading system operating in a mode that ensures control by members of the commodity exchange over all actions performed using it, are required to be certified by a decision of the commodity exchange.

Transactions concluded by participants in trading using such software and hardware that are not certified by the commodity exchange shall be considered null and void and shall be subject to cancellation by the commodity exchange.

Exchange commodities from transactions cancelled by the commodity exchange shall be re-listed for trading during the next and/or additional trading session in compliance with the requirements of this Law.

2. The broker, dealer and market maker shall be obliged to comply with the requirements established by this Law, other legislative acts of the Republic of Kazakhstan, regulatory legal acts of the authorized body, and internal documents of the commodity exchange.

3. The relations between the broker and its clients shall arise on the basis of the contract on rendering brokerage services to which norms of the civil legislation of the Republic of Kazakhstan are applied.

4. An individual who directly or indirectly holds a minimum stake in the authorized capital of a legal entity, and also exercises sole control on the basis of civil law relations he has, may not be the head and (or) founder (co-founder) of two or more brokers and/or dealers.

5. Interaction between the commodity exchange and the market maker shall be carried out on the basis of an agreement, as well as internal documents of the commodity exchange.

A market maker participates in exchange trading and maintains prices, demand, supply, or volume of exchange trading.

A market maker must have at least three years of continuous experience in exchange trading as a dealer.

The market maker's activity shall be carried out only in exchange trading of futures contracts, the underlying asset of which is exchange commodities.

The conditions and restrictions on the activities of market makers shall be established by the rules of exchange trading.

Footnote. Article 19 as amended by the Law of the Republic of Kazakhstan dated 16.05.2014 № 203-V (shall be enforced upon expiry of six months after its first official publication); dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication); dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication); dated 19.05.2025 № 188-VIII (effective from 01.07.2025).

Article 19-1. Activities of a self-regulatory organization and membership (participation) in a self-regulatory organization

1. The self-regulatory organization shall carry out its activities in accordance with this Law, the Law of the Republic of Kazakhstan "On Self-regulation", the charter, standard and rules of the self-regulatory organization.

2. Membership (participation) in a self-regulatory organization shall be carried out on a voluntary basis.

3. Members (participants) of a self-regulatory organization are brokers, dealers and market makers. Brokers, dealers and market makers may be members (participants) of only one self-regulatory organization.

4. The terms and procedure for admission to membership (participants) and termination of membership (participation) in a self-regulatory organization shall be determined by the charter, standard and rules of the self-regulatory organization, as well as the laws of the Republic of Kazakhstan.

The decision on non-admission to the membership (participants), exclusion from the members (participants) of the self-regulatory organization may be appealed in the manner prescribed by the legislation of the Republic of Kazakhstan.

5. The self-regulatory organization shall be obliged to place the list of members (participants) of the self-regulatory organization on its own Internet resource. The list should contain information about the name, surname, first name and patronymic (if it is specified in the identity document) of the head and employees-members (participants).

In case of change of the head and (or) change of the staff of members (participants), the self-regulatory organization updates the list within three working days.

6. Control of the self-regulatory organization over the activities of its members (participants) shall be carried out in the manner and on the grounds, established by the Law of the Republic of Kazakhstan "On Self-regulation".

At the same time, the procedure for organizing and conducting inspections of members (participants) of the self-regulatory organization shall be determined by the rules of a self-regulatory organization, agreed with the authorized body.

7. Membership (participation) in a self-regulatory organization shall be terminated on the following grounds:

- 1) at the request of a broker, dealer and market maker;
- 2) in case of repeated violation by a member (participant) of this Law, the rules of exchange trade, the charter, standards and rules of a self-regulatory organization.

Members (participants) of a self-regulatory organization whose membership (participation) has been terminated for negative reasons, as well as heads and employees, who have violated this Law, may not participate in exchange trading for a period of at least two years.

8. Exclusion from the register of self-regulatory organizations shall be carried out in the manner and on the grounds, established by the laws of the Republic of Kazakhstan.

Footnote. The Law is supplemented by Article 19-1 in accordance with the Law of the Republic of Kazakhstan dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the Laws of the Republic of Kazakhstan dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication); dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months from the date of its first official publication).

Article 20. Conclusion of transactions by a broker and a dealer

1. Conclusion of exchange transactions shall be carried out by a broker in accordance with the order of the client, by a dealer – in their own interests and at their own expense. Types of the clients' orders, their content and execution shall be established by the internal documents of the commodity exchange.

2. Execution of the client's order shall be carried out by a broker in compliance with the terms of the transaction, specified in this order. If in conclusion of transaction, there is a need to change the terms of the transaction, a broker shall be obliged to coordinate their actions with the client.

Footnote. Article 20 is in the wording of the Law of the Republic of Kazakhstan dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 21. Interaction between a broker and a dealer on the commodity exchange

1. Within its powers the commodity exchange shall regulate interaction between brokers and their clients, and take measures against exchange trading violators.

2. The commodity exchange shall develop and approve uniform standards on prevention of corruption for brokers and dealers.

Brokers and dealers, in carrying out their activities, shall approve standards for the prevention of corruption and take appropriate measures, including minimizing the causes and conditions conducive to the commission of corruption offences.

3. When interacting with clients and (or) their representatives, and (or) third parties affiliated with clients, the broker shall be forbidden to:

1) exert direct or indirect pressure on clients in order to change their market behavior when making an exchange transaction;

2) for the purpose of intentionally overestimating (underestimating) price bids at exchange auctions, enter into agreements (submit, withdraw bids) that do not involve their execution;

3) conclude agreements (enter into negotiations) between two or more clients on establishing or maintaining prices that affect the pricing of traded exchange commodities;

4) give preference to any elective client, entailing infliction of property and other damage to another client;

5) use affiliation with other brokers and (or) dealers to participate in exchange trading, which are aimed at reducing the competitiveness of exchange trading.

Footnote. Article 21 - as amended by the Law of the Republic of Kazakhstan dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication).

Article 21-1. Activities of market makers

Footnote. Article 21-1 is excluded by the Law of the Republic of Kazakhstan dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months after the date of its first official publication).

Article 22. Requirements to the internal documents of brokers and dealers and record keeping of the concluded exchange transactions

1. Internal documents of the commodity exchange for brokers and dealers must contain the conditions to ensure protection of information, constituting a commercial secret at the commodity exchange, that do not allow their use in the interests of participants of exchange trade, their representatives or third parties.

2. Brokers shall be obliged to keep a record of the concluded exchange transactions separately for each client and to store information about these transactions for five years from the date of the transaction.

Footnote. Article 22 as amended by the Law of the Republic of Kazakhstan dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 23. Commercial secret at the commodity exchange

1. Commercial secret shall include:

- 1) information on the registered participants of exchange trade;
- 2) information about transactions, concluded at the commodity exchange.

2. Market makers, brokers, dealers, and commodity exchange employees shall be obliged to avoid actions (inactions) that may lead to a disruption of natural pricing and destabilization of the commodity market.

3. A person that has the information, constituting a commercial secret shall be a person that, by reason of his (her) official position has access to the information.

Footnote. Article 23 as amended by the Law of the Republic of Kazakhstan dated 30.12.2021 № 96-VII (effective sixty calendar days after the date of its first official publication); dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months from the date of its first official publication).

Article 24. Presentation of information on the activities of commodity exchanges, constituting commercial secrets

1. The information, constituting a commercial secret at the commodity exchange, shall not be disclosed, except as set forth in paragraphs 2 and 3 of this Article.

2. The information, constituting a commercial secret may be represented to participant of exchange trade in respect of his (her) rights or his (her) representative on the basis of a power of attorney, executed in accordance with the legislation of the Republic of Kazakhstan.

3. The information, constituting a commercial secret at the commodity exchange, shall be submitted to:

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

1-1) to the national security agencies and the State Security Service of the Republic of Kazakhstan with the sanction of the prosecutor at their request to provide information necessary for prevention, opening and suppression of intelligence and (or) subversive actions;

2) the courts: on the cases under their proceedings on the basis of decisions, resolutions;

3) the prosecutor: in execution of the order on examination within his (her) competence on the materials under his (her) consideration;

4) state and private bailiffs: in cases of enforcement proceedings in their proceedings on the basis of decision of the bailiff, certified by the seal of the justice authority or the seal of a private bailiff and authorized by the prosecutor;

5) the authorized body: on the request within its competence;

5-1) to state revenue bodies in accordance with the tax legislation of the Republic of Kazakhstan;

6) the authorized body for financial monitoring: for the purpose and in the manner, prescribed by the Law of the Republic of Kazakhstan “On counteraction to legalization (laundering) of criminally-obtained income, and the financing of terrorism”;

7) to the antimonopoly authority: for the purposes and in the manner provided for by the Entrepreneur Code of the Republic of Kazakhstan, also upon request within its competence provided for by this Law.

Footnote. Article 24, as amended by the Laws of the Republic of Kazakhstan dated 28.08.2009 № 192-IV (shall be enforced from 08.03.2010); dated 21.06.2012 № 19-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 15.01.2014 № 164-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 10.06.2014 № 206-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 29.09.2014 №239-V(shall be enforced upon expiry of ten calendar days after its first official publication); dated 28.12.2016 № 36-VI (shall be enforced upon expiry of two months after its first official publication); dated 24.05.2018 № 156-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 21.01.2019 № 217-VI (shall be enforced upon expiry of three months from the date of its first official publication); dated 18.11.2015 № 412-V (effective from 01.01.2021); dated 02.01.2021 № 399-VI (effective ten calendar days after the date of its first official publication).

Chapter 6. STATE CONTROL IN THE FIELD OF COMMODITY EXCHANGES

Article 25. State control over compliance with the legislation of the Republic of Kazakhstan on commodity exchanges

1. State control over compliance with the legislation of the Republic of Kazakhstan on commodity exchanges shall be carried out in the form of checking for compliance with the qualification requirements for issued licenses, unscheduled inspections, preventive control with a visit to the subject (object) of control, as well as preventive control without visiting the subject (object) of control.

1-1. State control over compliance by commodity exchanges, brokers, and commodity exchange clearing centres with the legislation of the Republic of Kazakhstan on combating the legalization (laundering) of proceeds from crime and the financing of terrorism shall be carried out in the form of an unscheduled inspection, preventive control with a visit to the subject (object) of control, as well as preventive control without a visit to the subject (object) of control.

2. State control over the activities of self-regulatory organizations shall be carried out in the form of unscheduled inspection and preventive control with a visit to the subject (facility) of control in accordance with the Entrepreneurial Code of the Republic of Kazakhstan or preventive control without a visit to the subject (facility) of control in accordance with the Entrepreneurial Code of the Republic of Kazakhstan and this Law.

3. Unscheduled inspection and preventive control with a visit to the subject (object) of control shall be carried out in accordance with the Entrepreneurial code of the Republic of Kazakhstan.

4. Preventive control without visiting the subject (object) of control shall be carried out in accordance with the Entrepreneurial code of the Republic of Kazakhstan and this Law.

Footnote. Article 25 is in the wording of the Law of the Republic of Kazakhstan dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the Law of the RK dated 06.04.2024 № 71-VIII (shall enter into force upon expiry of sixty calendar days after the day of its first official publication); dated 30.12.2024 № 149-VIII (shall be enforced upon expiry of six months from the date of its first official publication).

Article 26. The order of audits of the activity of commodity exchanges

Footnote. Article 26 is excluded by the Law of the Republic of Kazakhstan dated 17.07.2009 № 188-IV (the order of enforcement see Article 2).

Article 27. Procedure for conducting preventive control without visiting the subject (object) of control

1. Preventive control without visiting the subject (object) of control shall be carried out by the antimonopoly body by comparing information received from various information sources on their activity.

2. The objectives of preventive control without visiting the subject (object) of control shall be timely suppression and prevention of violations, providing the subjects of control with the right of independent elimination of violations, revealed by the results of preventive

control without visiting the subject (object) of control, and reducing the administrative burden on them.

3. Preventive control without visiting the subject (object) of control shall be carried out by analyzing the report, submitted by the subjects of control, as well as other information about the activities of the subject of control.

4. In case of detection of violations by the results of preventive control without visiting the subject (object) of control in actions (inaction) of the subject of control in the sphere of commodity exchanges, the control body shall draw up and send the recommendation no later than ten working days from the date of detection the violations.

5. A recommendation sent by one of the following methods shall be considered delivered in the following cases:

1) on purpose – from the date of mark in the recommendation on receipt;

2) by mail – by registered letter;

3) electronically - from the date of mailing to the electronic address of the subject of control, indicated in the letter at the request of the antimonopoly authority.

6. The recommendation on elimination of violations, revealed by the results of preventive control without visiting the subject (object) of control shall be executed within ten working days from the day following the day of its delivery.

7. In the event of disagreement with the violations indicated in the recommendation, the subject of control shall have the right to direct an objection to the antimonopoly body that sent the recommendation within five working days from the day following the date on which the recommendation was delivered.

8. Non-execution in the established term of the recommendation on elimination of violations, revealed by the results of preventive control without visiting the subject (object) of control, shall entail imposition of preventive control with a visit to the subject (object) of control by inclusion in the semiannual list of preventive control with a visit to the subject (object) of control.

9. Preventive control without visiting the subject (object) of control shall be carried out no more than once a quarter.

Footnote. Article 27 is in the wording of the Law of the Republic of Kazakhstan dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (effective ten calendar days after the date of its first official publication).

Article 28. Precepts of the antimonopoly authority

Prescriptions of the antimonopoly authority shall be executed by commodity exchanges within the period stipulated by the prescriptions, but not less than fifteen and not later than thirty calendar days from the date of their receipt.

Footnote. Article 28 - as amended by the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (effective ten calendar days after the date of its first official publication)

); as amended by the Law of the RK dated 06.04.2024 № 71-VIII (shall enter into force upon expiry of sixty calendar days after the day of its first official publication).

Chapter 7. FINAL PROVISIONS

Article 29. Responsibility for violation of the legislation of the Republic of Kazakhstan on commodity exchanges

Violation of the legislation of the Republic of Kazakhstan on commodity exchanges entails responsibility in accordance with the Laws of the Republic of Kazakhstan.

Article 30. Transitional provisions

1. Commodity exchanges, established before the enactment of this Law, are required up to 1 January, 2010 to bring its activities into compliance with this Law.

2. Failure to comply with the requirement of paragraph 1 of this Article shall be the basis for a presentation to the court a demand for liquidation of a legal entity by the authorized body.

Article 31. Procedure for the enactment of this Law

1. This Law shall be enforced upon expiry of six months after its first official publication.

2. The Law of the Republic of Kazakhstan dated April 7, 1995 “On Commodity Exchanges” is recognized as invalid (Bulletin of the Supreme Council of the Republic of Kazakhstan, 1995, № 3-4, Art. 26; Bulletin of the Parliament of the Republic of Kazakhstan, 1997, №11, Art. 143; 2003, № 15, Art. 139; 2004, № 23, Art. 142).

The President

of the Republic of Kazakhstan

N. Nazarbayev