

**On Approval of standard contracts on the activities carrying out as the special economic zone participant**

***Invalidated***
***Unofficial translation***

Order No.223 of the Minister for Investments and Development of the Republic of Kazakhstan dated February 27, 2015, registered in the Ministry of Justice of the Republic of Kazakhstan under No. 10674 on April 10, 2015. Expired by Order of the Minister of Industry and Infrastructure Development of the Republic of Kazakhstan dated July 19 , 2019 No. 522

      Footnote. It became invalid by Order of the Minister of Industry and Infrastructure Development of the Republic of Kazakhstan dated 07/19/2019 No. 522 (effective after ten calendar days after the date of its first official publication).

      According to subparagraph 5) of article 5 of the Law of the Republic of Kazakhstan On Special Economic Zones dated July 21, 2011, I hereby ORDER that:

      1. Below following shall be approved:

      1) Standard contract on the activities carrying out as the special economic zone participant concluded between the managing company, autonomous cluster fund and special economic zone participant according to Appendix 1 to this Order;

      2) Standard contract on activities carrying out as a special economic zone participant concluded between the state institution of the capital to local executive body and special economic zone participant according to Appendix 2 to this Order.

      Footnote. Paragraph 1 as amended by Order No. 1283 of the Acting Minister for Investments and Development dated December 31, 2015 (shall be enforced upon expiry of ten calendar day after its first official publication).

      2. Investment Committee of the Ministry for Investments and Development of the Republic of Kazakhstan (Ye.K. Khairov) shall ensure:

      1) state registration of this order in the Ministry of Justice of the Republic of Kazakhstan according to the procedure set by the legislation;

      2) this order copy sending to printed periodicals and to Adilet information and legal system for official publication and to the Republic Center for Legal Information Republic State Enterprise on the Right of Economic Use upon the expiry of ten calendar days after the state registration of this order at the Ministry of Justice of the Republic of Kazakhstan

      3) this order posting on the Internet resource of the Ministry for Investments and Development of the Republic of Kazakhstan and on intranet portal of the state authorities;

      4) submission of data on fulfillment of measures provided for by subparagraphs 1), 2) and 3) of this paragraph to the Legal Department of the Ministry of Justice of the Republic of Kazakhstan within ten business days after its state registration in the Ministry of Justice of the Republic of Kazakhstan.

      3. Supervision over this order fulfillment shall be entrusted on supervising Vice Minister for Investment and Development of the Republic of Kazakhstan.

      4. Настоящий приказ вводится в действие по истечении десяти календарных дней после дня его первого официального опубликования.

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*Minister for**Investments and Development of**The Republic of Kazakhstan*
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*A. Issekeshev*
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|   | Appendix 1to Order No.223 of the Ministerfor Investments and Developmentof the Republic of Kazakhstandated February 27, 2015. |

 **Standard contract**
**on activities carrying out as a special economic zone participant concluded between the managing company, autonomous cluster fund and special economic zone participant**

      Footnote. Standard contract name as amended by Order No. 1283 of the Acting Minister for Investments and Development of the RK dated 31.12.2015 (shall be enforced upon expiry of ten calendar days after its first official publication).

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      \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,

                         (name of legal person)

      Hereinafter referred to as Management body represented by

      \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,

                         (position, full name of the contractor)

      acting on the basis of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

      (Charter, regulation, power of attorney No. \_\_\_\_ dated \_\_\_\_\_\_\_\_ \_\_\_, 20\_\_),

      on the one hand \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,

                                     (name of legal person)

      Hereinafter referred to as Special economic zone participant, on the other hand, hereinafter jointly referred to as Parties, and individually as Party, have concluded this Contract on the activities carrying out as the special economic zone participant (hereinafter - Contract).

 **1. Subject of Contract**

      1. The subject matter of this Contract is the priority

activities\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_carrying out

                  (hereinafter – Activity)

      \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

                   (name of SEZ)

      special economic zone territory (hereinafter - SEZ).

      2. Prior to the start of production or carrying out works and provision of services on the SEZ territory provided for by this Contract, the SEZ participant undertakes, at its own expense, to complete the design of the facility no later than \_\_\_\_\_\_\_\_\_\_\_, to carry out construction and installation works in accordance with the approved project and to ensure commissioning of the facility on the special economic zone territory by \_\_\_\_\_\_\_\_\_ 20 \_\_.

      Provisions of this paragraph shall not apply to SEZ participant in the area of information and innovation technologies.

      3. The SEZ participant shall carry out the priority activities specified in paragraph 1 of this Contract in accordance with the business plans (feasibility study) provided to the Management body and being an integral part of this Contract, in compliance with the legislation of the Republic of Kazakhstan, project documentation and this Contract.

 **3. Basic Terms**

      4. Unless not defined herein, definitions and terms shall have the meaning given in the Law of the Republic of Kazakhstan On special economic zones (hereinafter - Law):

      1) SEZ is a part of the territory of the Republic of Kazakhstan with preсisely defined boundaries, where a specific legal regime of the special economic zone applies to carry out priority activities;

      2) special legal regime of the SEZ is a set of conditions for functioning of the special economic zone in accordance with the Law, Tax, Customs and Land legislation of the Republic of Kazakhstan, as well as the Employment legislation of the Republic of Kazakhstan;

      3) management body of the SEZ is a management company, an autonomous cluster fund;

      4) SEZ participant is a legal entity, carrying out priority activities on the special economic zone territory and included in the unified register of the special economic zone participants;

      5) unified register of the SEZ participants is a register of participants of all special economic zones established in the Republic of Kazakhstan and maintained by an authorized body

      6) activity of the SEZ participant is carrying out works (production (receipt)), provision of services on the SEZ territory, in accordance with the Contract on the activities carrying out as the SEZ participant

      7) managing company is a legal entity established under the Law, in the legal status of a joint-stock company, to ensure operation of the SEZ;

      8) “one-stop shop” principle is a form of rendering public services on the SEZ territory based on the idea of minimal participation of the applicant in collection and preparation of documents and limited direct interaction with the entities rendering public services;

      8-1) unified coordination center for SEZ in the Republic of Kazakhstan (hereinafter - Coordination center) is a legal entity responsible for the development, promotion and enhancement of the SEZ investment attractiveness;

      8-2) autonomous cluster fund is a non-profit organization that is the Management body of the Park of Innovative Technologies SEZ, as well as performs other functions provided for by the legislation of the Republic of Kazakhstan;

      9) free customs zone is a customs procedure where products are located and utilized within the SEZ territory or its part without payment of customs fees, taxes, without application of non-tariff measures with respect to foreign products and without application of bans or restrictions with respect to the Customs union products;

      10) infrastructure facilities are immovable property which is part of heat and electric power production and transmission systems, water and gas supply, sewage, transport communications, communication services and other facilities in accordance with the SEZ feasibility study and approved master plan;

      11) priority activities are types of activities corresponding to the objectives of SEZ creation, to which the special legal regime of the special economic zone shall apply;

      12) persons engaged in ancillary activities are individual entrepreneurs and legal entities engaged in ancillary activities on the SEZ territory in accordance with this Law, to which the special legal regime of the special economic zone shall not apply

      13) authorised body is a central executive authority regulating the SEZ establishment, functioning and abolition on behalf of the government.

 **4. Term of the Contract**

      5. This Contract is concluded for a period of \_\_\_\_\_\_\_.

      6. The term of this Contract shall not exceed the period during which the special economic zone may function.

      7. The term of this Contract may be extended upon mutual agreement of the Parties, if the initial term of the extension of the Contract originally established by the Parties did not exceed the period defined by the relevant act of the President of the Republic of Kazakhstan during which the special economic zone functioned.

      8. An application for the extension of the term of this Contract shall be submitted to the Management body no later than one month upon the expiration of this Contract and considered no later than one month of the date of its receipt by the Management body.

      9. This Contract shall become effective of the date of SEZ participant registration in the unified register of SEZ participants. At the same time, the special legal regime for the SEZ participants shall be applied of the date of entering information about the SEZ participant into the unified register of the SEZ participants.

      10. The late receipt by the SEZ participant of the necessary permission documents shall not the reason for changing the stated deadlines for carrying out works under this Contract.

 **5. Purpose of the Contract**

      11. This Contract establishes the legal framework for the contractual relationship between the Managing company, the autonomous cluster fund and the SEZ participant in accordance with the applicable legislation of the Republic of Kazakhstan on carrying out activities on the SEZ territory under the terms of the state-provided tax and customs duties benefits, as well as tax benefits for investing in the creation and development of production and service delivery on the SEZ territory.

 **6. Rights and obligations of the Parties**

      12. The Management body shall be entitled to:

      1) monitor the performance of the contracts on the activities carrying out;

      2) within the framework of monitoring, receive the necessary information and documents from the SEZ participant through written requests to perform obligations assumed under this Contract, within the timeframe provided for by the Contract, but no more than once per quarter;

      3) in case of non-fulfilment of assumed obligations under this Contract, as well as violations related to carrying out activities on the SEZ territory, send a written notification to the SEZ participant about the need to eliminate such violations, indicating the deadline for submission to the Management body of the corresponding clarifications, as well as the term during which violations shall be eliminated;

      4) provide for the secondary land use or use (sublease) of land plots and the lease (sublease) of infrastructure facilities to the persons engaged in ancillary activities and the SEZ participants;

      5) receive remuneration determined by the Parties for the services provided by the Management body to the SEZ participant;

      6) receive income from the lease and/or sublease of infrastructure, land, and other property;

      7) on the basis of separate contracts with the SEZ participants, implement projects related to construction of infrastructure facilities ensuring the SEZ operation, in accordance with the approved feasibility study on the land plots not transferred to the SEZ participants;

      8) exercise other rights provided for by the legislation of the Republic of Kazakhstan.

      13. SEZ participant shall be entitled to:

      1) enjoy guaranteed legal protection, tax and other benefits provided for by the legislative acts of the Republic of Kazakhstan to the SEZ participants;

      2) receive land plots and build infrastructure facilities for carrying out priority activities in the manner provided for by the Law and this Contract;

      3) use, at its discretion, income received from the activities carrying out on the SEZ territory, after paying taxes and other mandatory payments into the budget in accordance with the tax legislation of the Republic of Kazakhstan;

      4) involve persons carrying out ancillary activities, and inform the other party to the Contract about this;

      5) determine the ancillary activities for its production, which by their nature shall not coincide with the priority activities and inform the other Party to the Contract about this;

      6) carry out, at its own expense, construction of the necessary infrastructure facilities on the land plot territory transferred to the SEZ participant for temporary paid land use or use (lease) or for secondary land use or use (sublease);

      7) use electrical, thermal energy, gas, water, sewage system, communications and telecommunications, other utilities, public transport and other services provided on the SEZ territory;

      8) participate in the management of the Managing company in the manner provided for by the Law of the Republic of Kazakhstan On Joint-Stock Companies, if the SEZ participant is a shareholder of the Managing company;

      9) until January 1, 2018 carry out the following activities outside the SEZ territory:

      design, development, implementation, pilot production and production of software, databases and information technology hardware, as well as data center services, online services;

      conducting research and development work on the creation and implementation of information technology projects.

      The provisions of this subparagraph shall apply exclusively to the SEZ participant engaged in information technologies and innovations;

      10) apply to the Management body for the provision of land to the persons applying for the ancillary activities carrying out and concluding contracts in the prescribed manner with the SEZ participant to carry out certain types of contract work and services;

      11) enjoy other rights provided for by the legislation of the Republic of Kazakhstan.

      14. The Management body shall:

      1) monitor on an ongoing basis the performance of the contracts on the activities carrying out by the SEZ participants, which will be valid on the SEZ territory;

      2) duly and in good faith perform obligations provided for by the legislation of the Republic of Kazakhstan and this Contract;

      3) organize reception sites for the functioning of a public service center on the basis of “one-stop shop” principle as well as providing information assistance on the provision of public services;

      4) based on a request from the tax authority operating on the SEZ territory, issue confirmation of the actual consumption of imported goods when carrying out activities that meet the objectives of the SEZ creation;

      5) issue to the SEZ participant a sample certificate established by Order No. 454 On Approval of the Instruction for Maintaining the Unified Register of the SEZ participants of the Deputy Prime Minister of the Republic of Kazakhstan - Minister of Industry and New Technologies of the Republic of Kazakhstan dated December 12, 2011 (registered in the National Register of Legal Acts under No. 7354), certifying the registration of a person as a SEZ participant.

      15. SEZ participant shall:

      1) carry out its activities in accordance with the objectives of the SEZ creation

      2) possess money, other property not withdrawn from circulation, in the amount corresponding to the feasibility study for carrying out the type of activity that is prioritized for this SEZ;

      3) submit an annual report on its activities to the Management body;

      4) provide necessary information about its activities upon additional request from the Management body;

      5) carry out priority activities on the SEZ territory, as specified in Chapter 1 of this Contract;

      6) make investments amounting to \_\_\_\_\_\_\_\_ KZT in accordance with the business plans and feasibility studies within the period of\_\_\_\_\_\_\_ month, (year);

      7) in case of receipt of a written notice of a failure to perform assumed obligations and/or elimination of revealed violations established as a result of monitoring activities, eliminate violations as agreed with the Management body within the terms established by the applicable legislation of the Republic of Kazakhstan;

      8) within one calendar year of the date of the signing of this Contract, terminate the activities of its separate structural units outside the SEZ territory on the basis of the concluded Contract on the activities carrying out.

      The latter shall not be compulsory for the SEZ participants engaged in information technologies and innovations until January 1, 2018 for the following activities:

      design, development, implementation, pilot production and production of software, databases and information technology hardware, as well as data center services, online services;

      conducting research and development work on the creation and implementation of information technology projects;

      9) at its own expense or other sources not prohibited by the legislation of the Republic of Kazakhstan carry out construction of production facilities and infrastructure they need on the land plot territory transferred to it for temporary land use or use (lease) or for secondary land use or use (sublease), in accordance with assumed obligations under this Contract;

      10) supply to the domestic market a part of the products manufactured by it, the volumes of which shall not exceed \_\_\_ percent of the annual volume, if there is a confirmed need of the population and an application from the authorized body;

      11) give preference to equipment, materials and finished products manufactured in the Republic of Kazakhstan, if they are competitiveness in environmental and technical qualities and prices;

      12) give preference to Kazakhstani organizations in the rendering of services and works while carrying out priority activities on the SEZ territory, if these services are competitive in price, efficiency and quality;

      13) in the event of an accident which occurred while carrying out the activities provided for by this Contract, immediately inform the Management body and ensure the application of additional measures to protect the health and lives of workers and the public, carry out liquidation work aimed at restoring production and the environment within the period agreed by the Parties;

      14) in the event of a direct threat to the life and health of the population while carrying out activities and/or works on the SEZ territory, immediately inform the Management body and suspend work thereon;

      15) not allow the transfer of this Contract as a pledge in order to secure monetary and other obligations of the SEZ participant to third parties;

      16) in the event of an assignment (alienation) of the share capital of the SEZ participant to a new owner, notify the Management body about the planned transaction at least two months in advance before its completion;

      17) in the event of the intention to transfer all rights and obligations under this Contract to another legal entity, provide in a new contract a provision on the joint responsibility of the SEZ participant and the legal entity accepting the rights and obligations under this Contract.

      18) notify the Management body of the planned transaction for the alienation of property and/or business at least 15 working days before the expected date of the transaction;

      19) diligently and properly perform the obligations provided for by the legislation of the Republic of Kazakhstan and this Contract;

      20) within ten working days of the date of receipt of the act for the right of temporary paid land use (lease), provide the Management body with a schedule for the production of design, construction and installation works and ensuring commissioning of the facility, which is an integral part of this Contract.

 **7. Taxes, charges and obligatory payments**

      16. SEZ participants are subject to taxes, fees and other obligatory payments into the budget in accordance with the tax legislation of the Republic of Kazakhstan.

 **8. Customs regulation**

      17. The SEZ participant shall perform the obligations to pay customs duties and taxes in accordance with the customs legislation of the Customs Union and the Republic of Kazakhstan in force at the time of the obligations to pay them.

      18. List of goods necessary for carrying out by SEZ participant of priority activities, in regard to which goods customs procedure of free customs zone will be applied, shall be determined in accordance with the Republic of Kazakhstan legislation in design-estimate documentation, which underwent state expert evaluation.

 **9. Insurance**

      19. In accordance with the legislation of the Republic of Kazakhstan, the SEZ participant shall provide, compulsory insurance, including:

      1) compulsory civil liability insurance of the employer for causing harm to the life and health of the employee performing labor (official) duties;

      2) compulsory environmental insurance in the course of carrying out environmentally hazardous types of economic and other activities on the SEZ territory, related to the responsibility for compensation for damage caused to:

      environment and / or the restoration of the state of the environment to a state preceding its deterioration;

      life and health of citizens as a result of accidental environmental pollution;

      property of third parties belonging to them by the right of ownership, the right of economic management, the right of operational management and other legal grounds as a result of accidental pollution of the environment;

      3) compulsory social insurance in the event of:

      loss of working capacity;

      loss of a breadwinner;

      job loss;

      4) compulsory civil liability insurance of vehicle owners;

      5) compulsory civil liability insurance of the carrier to passengers in the course of carrying out relevant type of activity;

      6) compulsory civil liability insurance of owners of facilities whose activities are associated with the danger of causing harm to third parties as a result of an accident.

      20. The SEZ participant shall choose insurance organizations at its own discretion, in accordance with the applicable legislation of the Republic of Kazakhstan.

 **10. Guarantees of contractual stability**

      21. The SEZ participant shall be guaranteed the protection of rights and interests, which shall be ensured by the Constitution of the Republic of Kazakhstan, this Contract and other legal acts of the Republic of Kazakhstan, as well as international treaties ratified by the Republic of Kazakhstan.

      22. Forced seizure of property of the SEZ participant (nationalization, requisition) for state needs shall be allowed in exceptional cases and in the manner provided for by the laws of the Republic of Kazakhstan.

      23. These guarantees shall not apply to:

      1) amendments in the legislation of the Republic of Kazakhstan and/or the entry into force and/or amendments in international treaties of the Republic of Kazakhstan, which change the procedure and conditions for the import, production, sale of excisable goods;

      2) amendments in the legislation of the Republic of Kazakhstan on national security, defense, environmental safety, health care, tax and customs regulation.

      The provisions of subparagraph 2) of this paragraph shall not apply to coefficients and/or rates used in calculating land tax, property tax and land use fees, calculating corporate income tax reduction if amendments to tax legislation have been made after the date of registration of the SEZ participant in the unified register of the SEZ participants. At the same time, the SEZ Participant shall apply the provisions of Chapter 17 of the Code of the Republic of Kazakhstan On taxes and other obligatory payments into the budget (Tax Code) dated December 10, 2008, in force at the effective date of this Contract, during the term of this Contract, but not more than statute of limitations.

      24. No amendment or supplement to this Contract shall be effective except in writing and signed by authorized representatives of the Parties

 **11. Accounting and Reporting**

      25. The SEZ participant shall keep records and accounts in accordance with the legislation of the Republic of Kazakhstan.

      26. The SEZ participant shall provide the Management body with full information on its activities for the previous year in accordance with the Law, and also send a report on the performance of this Contract for the past year to the Management body until \_\_\_\_\_\_\_ month, (year) of each calendar year.

 **11. Confidentiality**

      27. Information obtained or acquired by a Party while performing the obligations of this Contract shall be confidential.

      28. The Parties shall not be entitled to transfer confidential information to third parties without the prior written consent of the other Party, except:

      1) if such information shall be used during court proceedings;

      2) to authorized state bodies of the Republic of Kazakhstan, having the right to receive relevant information in accordance with the applicable legislation of the Republic of Kazakhstan;

      3) to financial institutions, to the extent it is appropriate to arrange financing, provided that such financial institutions undertake in writing to keep the information received as confidential and use it only for specified purposes;

      4) to a single coordination center to exercise functions in accordance with the Law.

      29. The Parties shall agree, if necessary, to provide the tax authorities of the Republic of Kazakhstan with information relating to their accounts, which may be requested in accordance with the applicable tax legislation of the Republic of Kazakhstan.

 **12. Transfer of rights and obligations**

      30. The SEZ participant shall dispose of its property and business on the SEZ territory at its own discretion.

      31. In the event of transferring ownership, use and/or disposal of goods placed under the customs procedure of a free customs zone by the SEZ participant to another legal entity, the customs procedure of the free customs zone shall be completed in the manner and conditions established by the customs legislation of the Customs Union and the Republic of Kazakhstan.

      32. In cases provided for by the legislation of the Republic of Kazakhstan, the state shall have a priority right to buy alienated assets of the SEZ Participant at the market price to state ownership

 **13. Force Majeure**

      33. Parties shall be released from liability for full or partial failure to perform obligations in the event of force majeure (irresistible force), such as: floods and other natural disasters, fire, earthquake, explosions, extreme weather conditions, other natural and man-made disasters, wars, embargo, strike, epidemic, quarantine, imposition of a state of emergency, curfew, as well as other circumstances independent of the will of the Parties, but directly affecting the performance of obligations under the Contract, or making it impossible for the Parties to perform their obligations hereunder.

      Publication by the state bodies of prohibition regulations or making amendments to legislation independent of the will of the Parties, but directly affecting a failure to perform obligations under this Contract, or making it impossible for the Parties to perform obligations under this Contract, may be recognized as force majeure by a court decision.

      34. In the event of force majeure circumstances, the Party whose performance of any obligations under this Contract was impossible due to the occurrence of such circumstances shall, within 3 (three) working days from the occurrence or termination of the force majeure circumstances notify about this the other Party in writing (justifying the impossibility of performing its obligations under this Contract or the occurrence of other unforeseen consequences).

      35. Failure to notify or late notification shall deprive the Party of the right to refer to any force majeure circumstance as a basis for a release from liability for failure to perform obligations under this Contract, unless such failure to notify or delayed notification is directly caused by the relevant force majeure circumstance. The notification of the commencement and termination of force majeure circumstances shall be confirmed by a document or evidence of the relevant body and / or institution competent to confirm such circumstances, unless the force majeure circumstances are well-known and widespread and do not require evidence.

      36. The deadline for the performance of obligations under this Contract shall be extended for a period equal to that, during which the performance of the Contract was suspended due to the force majeure circumstances, as well as the consequences caused by these circumstances. If the impossibility of full or partial performance by the Parties of their obligations under this Contract due to the occurrence of force majeure circumstances is in place for more than one calendar year, then the Parties shall be entitled to terminate this Contract.

      37. The onset of force majeure shall not require legal registration of the extension of the term of this Contract.

 **14. Liability of the Parties of special economic zone**

      38. The Parties shall be liable for a failure to perform or improper performance of the terms of this Contract, provided for by the Law of the Republic of Kazakhstan and this Contract.

      39. The SEZ participant shall be liable for violations of the requirements established by technical regulations and project documentation in the course of the activity carrying out.

      40. The SEZ participant shall be liable for all the risk arising during and as a result of carrying out activities under this Contract and associated with losses or damage to the state, in accordance with the legislation of the Republic of Kazakhstan.

      41. Transactions concluded by the SEZ participant that violate the legislation of the Republic of Kazakhstan on special economic zones shall entail liability to the guilty parties in accordance with the legislation of the Republic of Kazakhstan and shall be deemed as invalid.

      42. Harm caused to life and health of citizens while carrying out priority activities specified in the Contract shall be reimbursed in accordance with the legislation of the Republic of Kazakhstan.

 **15. Terms of amendment, supplement, termination of this Contract**

      43. Amendments and/or supplements to this Contract shall be made in writing at any time by mutual written consent of the Parties, in the form of an additional Contract, which is an integral part of this Contract.

      The Management body shall inform the authorized body about any amendment and/or supplement to this Contract related to the maintenance of the register of the SEZ participants within 2 (two) working days of the date of the amendments and supplement.

      44. This Contract on the activities carrying out shall terminate with:

      1) abolition of the SEZ;

      2) its expiration date, if the Parties have not reached an agreement on its extension;

      3) early termination of the Contract on the activities carrying;

      4) other cases provided for by the Civil Law of the Republic of Kazakhstan or the Contract on the activities carrying out.

      45. Early termination of this Contract shall be allowed by agreement of the Parties, as well as in cases provided for by the Law.

      46. The Management body shall unilaterally terminate the Contract with the SEZ participant in the following cases:

      1) upon non-elimination by the SEZ participant of violations of the terms of this Contract within 60 calendar days of the date of receipt of the notification of the Management Body about a failure to perform of the obligations of this Contract and the need to eliminate the violations;

      2) upon transfer by the SEZ participant of the rights and obligations under this Contract to other persons, without the permission of the Management body.

      In the event of failure to take measures to eliminate these violations by the SEZ participant, the Management body shall notify the SEZ participant about the termination of this Contract within ten working days.

      For the purposes of this paragraph, the following violations shall be considered significant:

      1) SEZ participant’s failure to meet the deadlines specified in paragraph 2 of this Contract and the schedule for the production of the design, construction and installation work and ensuring the commissioning of the facility without good reason for more than six calendar months;

      2) suspension of the activity of the SEZ participant for more than two calendar months without consulting the Management body;

      3) during the activities carrying out by the SEZ Participant, violation of the provisions of this Contract and the legislation of the Republic of Kazakhstan on construction, which can significantly affect the quality of work performed.

      46-1. Within two working days of the date of unilateral termination of this Contract, the Management body shall notify the SEZ participant, the state revenue authorities, the authorized body, as well as the local executive bodies of the region, the city of national significance, the capital.

      47. Violation of the terms of this Contract, completely eliminated by the SEZ participant within the period specified in the notification from the Managing company, shall not be the ground for early unilateral termination of this Contract.

      48. The Management body by mutual consent of the Parties shall be entitled to buy erected buildings and structures on the basis of a separate purchase contract at the book value on the day of termination of this Contract from the former SEZ participant, with the possibility of using them for other purposes or by other SEZ participants.

      If such use is impossible, the former SEZ Participant shall demolish all structures and restore the land plots returned to the other Party.

      In the event of early termination of this Contract with the SEZ Participant who rented the land plots on the SEZ territory, and erected construction sites, the SEZ participant shall ensure that equipment and machinery belonging to it are dismantled and removed from the SEZ territory.

      In the event of a failure to dismantle and remove equipment and machinery, the erected constructions belonging to it from the SEZ within three months, the rights to the specified facilities shall be transferred to the new SEZ participant.

 **16. Dispute Settlement**

      49. Disputes and differences that may arise during the performance of this Contract shall be settled through negotiations between the Parties.

      50. In the event of impossibility to settle disputes through negotiations within three months, the Parties shall refer them to the judicial authorities of the Republic of Kazakhstan for consideration.

      51. The Parties shall not be released from the performance of obligations established by the Contract until the full settlement of disputes and differences.

 **17. Applicable law**

      52. The applicable law to this Contract and other Contracts concluded by the Parties, including with other persons, in the enforcement of this Contract shall be the applicable law of the Republic of Kazakhstan.

 **18. Language of the Contract**

      53. The Contract is made in the state and Russian languages ??in 2 copies for each of the Parties, all copies shall be of equal legal force.

      54. By agreement of the Parties, the text of the Contract may also be translated into another language.

      55. In the event of any differences or disputes regarding the clarification of the content and

interpretation of the Contract, the text version in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ shall prevail.

                                           (specify language)

 **19. Final provisions**

      56. All notifications and documents required in connection with the enforcement of this Contract shall be deemed provided and duly delivered by each of the Parties hereunder only upon receipt thereof.

      57. Notification and documents shall be handed directly to the Party or sent by mail, registered airmail, fax, e-mail.

      58. When changing the mailing address, each of the Parties shall provide a written notice to the other Party within 7 working days.

      59. All annexes to the Contract shall be considered as its constituent parts. In the event there are any discrepancies between the provisions of the annexes and the Contract itself, the Contract shall be of fundamental importance.

      60. Amendments and supplements to this Contract shall be made out by the written agreement of the Parties. Such agreement shall be an integral part of this Contract.

      61. When several legal entities act as the SEZ participant, each of them shall be a signatory of this Contract with the Management body, and the Contract concluded between them on the joint activities of the participants for the priority activities carrying out in the special economic zone shall be an integral annex to the Contract.

      62. When concluding contracts with the SEZ participants of previously created special economic zones, provisions may be envisaged relating to the need for the Parties to complete the performance of previously defined obligations.

      63. This Contract was signed on \_\_\_\_\_\_\_\_ (day, month, year) in the city of \_\_\_\_\_\_\_\_\_\_\_ Republic of Kazakhstan, by the authorized representatives of the Parties.

      64. Legal addresses and signatures of the Parties:

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**Managing Company,**Autonomous cluster fund: |
**Participant:** |
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|   | Appendix 2to Order No.223 of the Ministerfor Investments and Developmentof the Republic of Kazakhstandated February 27, 2015 |

 **Standard contract**
**on carrying out of activity as a special economic zone participant concluded between state agency of a local executive authority and special economic zone participant**

      Footnote. Standard contract as amended by Order No. 1283 of the Acting Minister for Investments and Development of the RK dated 31.12.2015 (shall be enforced upon expiry of ten calendar days after its first official publication).

      State agency of the capital city local executive authority, which is a management body of the special economic zone hereinafter referred to as Management body represented by

      \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,

             (position, last, first, patronymic name of person signing the contract)

      acting on the basis of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

                   (charter, regulation, power of attorney No. \_\_\_\_ dated \_\_\_\_\_\_\_\_ \_\_\_, 20\_\_),

      on the one hand \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,

                                     (name of legal entity)

      hereinafter referred to as Special economic zone participant, on the other hand, hereinafter jointly referred to as Parties, and individually – as Party, have concluded this Contract on the activities to be carried out by special economic zone participant (hereinafter – Contract).

 **1. Subject of Contract**

      1. Subject of this Contract shall be carrying out by the Special economic zone participant (hereinafter referred to as SEZ participant) in the territory of the special economic zone (hereinafter referred to as SEZ)

      \_\_\_\_\_\_\_\_\_\_\_\_ of priority activities \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

      (name of SEZ)                   (hereinafter referred to as activity)

      2 Prior to the start of production or carrying out works and provision of services on the SEZ territory provided for by this Contract, the SEZ participant undertakes, at its own expense, to complete the design of the facility no later than \_\_\_\_\_\_\_\_\_\_\_, to carry out construction and installation works in accordance with the approved project and to ensure commissioning of the facility on the special economic zone territory by \_\_\_\_\_\_\_\_\_ 20 \_\_.

      Provisions of this paragraph shall not apply to SEZ participant in the area of information and innovation technologies.

      3. The SEZ participant shall carry out the priority activities specified in paragraph 1 of this Contract in accordance with the business plans (feasibility study) provided to the Management body and being an integral part of this Contract, in compliance with the legislation of the Republic of Kazakhstan, project documentation and this Contract.

 **3. Basic terms**

      4. Unless not defined herein, definitions and terms shall have the meaning given in the Law of the Republic of Kazakhstan On special economic zones (hereinafter - Law):

      1) SEZ is a part of the territory of the Republic of Kazakhstan with preсisely defined boundaries, where a specific legal regime of the special economic zone applies to carry out priority activities;

      2) SEZ participant is a legal entity, which carries out priority activities in the SEZ territory and which is included into the unified register of SEZ participants;

      3) the unified register of SEZ participants – is the register of participants of all SEZ created in the Republic of Kazakhstan territory, which is kept by an authorized agency;

      4) SEZ participant is a legal entity, carrying out priority activities on the special economic zone territory and included in the unified register of the special economic zone participants;

      5) special legal framework of SEZ is aggregate of conditions for operation of SEZ in accordance with the the Republic of Kazakhstan Law, tax, customs, land legislation, Republic of Kazakhstan public employment legislation;

      6) management body is a state agency of local executive authority of the capital city;

      7) “one-stop shop” principle is a form of rendering public services on the SEZ territory based on the idea of minimal participation of the applicant in collection and preparation of documents and limited direct interaction with the entities rendering public services;

      7-1) unified coordination center for SEZ in the Republic of Kazakhstan (hereinafter - Coordination center) is a legal entity responsible for the development, promotion and enhancement of the SEZ investment attractiveness;

      8) free customs zone is a customs procedure where products are located and utilized within the SEZ territory or its part without payment of customs fees, taxes, without application of non-tariff measures with respect to foreign products and without application of bans or restrictions with respect to the Customs union products;

      9) infrastructure facilities are immovable property which is part of heat and electric power production and transmission systems, water and gas supply, sewage, transport communications, communication services and other facilities in accordance with the SEZ feasibility study and approved master plan;

      10) priority activities are types of activities corresponding to the objectives of SEZ creation, to which the special legal regime of the special economic zone shall apply;

      11) persons engaged in ancillary activities are individual entrepreneurs and legal entities engaged in ancillary activities on the SEZ territory in accordance with this Law, to which the special legal regime of the special economic zone shall not apply;

      12) authorised body is a central executive authority regulating the SEZ establishment, functioning and abolition on behalf of the government.

 **4. Term of the Contract**

      5. This Contract is concluded for a period of \_\_\_\_\_\_\_.

      6. The term of this Contract shall not exceed the period during which the special economic zone may function.

      7. The term of this Contract may be extended upon mutual agreement of the Parties, if the initial term of the extension of the Contract originally established by the Parties did not exceed the period defined by the relevant act of the President of the Republic of Kazakhstan during which the special economic zone functioned.

      8. An application for the extension of the term of this Contract shall be submitted to the Management body no later than one month upon the expiration of this Contract and considered no later than one month of the date of its receipt by the Management body.

      9. This Contract shall become effective of the date of SEZ participant registration in the unified register of SEZ participants. At the same time, the special legal regime for the SEZ participants shall be applied of the date of entering information about the SEZ participant into the unified register of the SEZ participants.

      10. The late receipt by the SEZ participant of the necessary permission documents shall not the reason for changing the stated deadlines for carrying out works under this Contract.

 **5. Purpose of the Contract**

      11. This Contract shall establish legal framework of contractual relations between the Management body and SEZ participant in accordance with the applicable Republic of Kazakhstan legislation on performance of activity in SEZ territory under conditions of providing by the state to the SEZ participant of tax preferences and customs duties privileges, taxes provided by Law in the course of making investments in founding and development of production and provision of services in SEZ territory.

 **6. Rights and obligations of Parties**

      12. The Management body shall be entitled:

      1) monitor the performance of the contracts on the activities carrying out;

      2) within the framework of monitoring, receive the necessary information and documents from the SEZ participant through written requests to perform obligations assumed under this Contract, within the timeframe provided for by the Contract, but no more than once per quarter;

      3) in case of non-fulfilment of assumed obligations under this Contract, as well as violations related to carrying out activities on the SEZ territory, send a written notification to the SEZ participant about the need to eliminate such violations, indicating the deadline for submission to the Management body of the corresponding clarifications, as well as the term during which violations shall be eliminated;

      4) other rights stipulated by the Republic of Kazakhstan legislative acts.

      13. SEZ participant shall be entitled to:

      1) enjoy guaranteed legal protection, tax and other benefits provided for by the legislative acts of the Republic of Kazakhstan to the SEZ participants;

      2) receive land plots and build infrastructure facilities for carrying out priority activities in the manner provided for by the Law and this Contract;

      3) use, at its discretion, income received from the activities carrying out on the SEZ territory, after paying taxes and other mandatory payments into the budget in accordance with the tax legislation of the Republic of Kazakhstan;

      4) to involve persons carrying out ancillary activities and inform the other party to the Contract about this;

      5) determine the ancillary activities for its production, which by their nature shall not coincide with the priority activities and inform the other Party to the Contract about this;

      6) carry out, at its own expense, construction of the necessary infrastructure facilities on the land plot territory transferred to the SEZ participant for temporary paid land use or use (lease) or for secondary land use or use (sublease);

      7) use electrical, thermal energy, gas, water, sewage system, communications and telecommunications, other utilities, public transport and other services provided on the SEZ territory;

      8) enjoy other rights provided for by the legislation of the Republic of Kazakhstan.

      14. The Management body shall:

      1) monitor on an ongoing basis the performance of the contracts on the activities carrying out by the SEZ participants, which will be valid on the SEZ territory

      2) duly and in good faith perform obligations provided for by the legislation of the Republic of Kazakhstan and this Contract;

      3) organize reception sites for the functioning of a public service center on the basis of “one-stop shop” principle as well as providing information assistance on the provision of public services;

      4) based on a request from the tax authority operating on the SEZ territory, issue confirmation of the actual consumption of imported goods when carrying out activities that meet the objectives of the SEZ creation;

      5) issue to the SEZ participant a sample certificate established by Order No. 454 On Approval of the Instruction for Maintaining the Unified Register of the SEZ participants of the Deputy Prime Minister of the Republic of Kazakhstan - Minister of Industry and New Technologies of the Republic of Kazakhstan dated December 12, 2011 (registered in the National Register of Legal Acts under No. 7354), certifying the registration of a person as a SEZ participant.

      15. SEZ participant shall:

      1) carry out its activities in accordance with the objectives of the SEZ creation

      2) possess money, other property not withdrawn from circulation, in the amount corresponding to the feasibility study for carrying out the type of activity that is prioritized for this SEZ;

      3) submit an annual report on its activities to the Management body;

      4) provide necessary information about its activities upon additional request from the Management body;

      5) carry out priority activities on the SEZ territory, as specified in Chapter 1 of this Contract;

      6) make investments amounting to \_\_\_\_\_\_\_\_ KZT in accordance with the business plans and feasibility studies within the period of\_\_\_\_\_\_\_ month, (year);

      7) in case of receipt of a written notice of a failure to perform assumed obligations and/or elimination of revealed violations established as a result of monitoring activities, eliminate violations as agreed with the Management body within the terms established by the applicable legislation of the Republic of Kazakhstan;

      8) within one calendar year of the date of the signing of this Contract, terminate the activities of its separate structural units outside the SEZ territory on the basis of the concluded Contract on the activities carrying out.

      The latter shall not be compulsory for the SEZ participants engaged in information technologies and innovations until January 1, 2018 for the following activities:

      design, development, implementation, pilot production and production of software, databases and information technology hardware, as well as data center services, online services;

      conducting research and development work on the creation and implementation of information technology projects;

      9) at its own expense or other sources not prohibited by the legislation of the Republic of Kazakhstan carry out construction of production facilities and infrastructure they need on the land plot territory transferred to it for temporary land use or use (lease) or for secondary land use or use (sublease), in accordance with assumed obligations under this Contract;

      10) prefer equipment, materials and finished products manufactured in the Republic of Kazakhstan if they are competitive by environmental and technical properties and prices;

      11) give preference to equipment, materials and finished products manufactured in the Republic of Kazakhstan, if they are competitiveness in environmental and technical qualities and prices;

      12) in the event of an accident which occurred while carrying out the activities provided for by this Contract, immediately inform the Management body and ensure the application of additional measures to protect the health and lives of workers and the public, carry out liquidation work aimed at restoring production and the environment within the period agreed by the Parties;

      13) in the event of an accident which occurred while carrying out the activities provided for by this Contract, immediately inform the Management body and ensure the application of additional measures to protect the health and lives of workers and the public, carry out liquidation work aimed at restoring production and the environment within the period agreed by the Parties;

      14) in the event of a direct threat to the life and health of the population while carrying out activities and/or works on the SEZ territory, immediately inform the Management body and suspend work thereon;

      15) in the event of an assignment (alienation) of the share capital of the SEZ participant to a new owner, notify the Management body about the planned transaction at least two months in advance before its completion;

      16) diligently and properly perform the obligations provided for by the legislation of the Republic of Kazakhstan and this Contract;

      17) submit to the Management body a monthly schedule of project implementation, which shall be an integral party of the Contract, and ensure its timely performance;

      18) submit to the Management body a monthly schedule of project investments appropriation and ensure its timely performance;

      19) submit to the Management body information about project implementation process and information about investments appropriation monthly till the of each month.

 **7. Taxes, charges and compulsory payments**

      16. SEZ participants are subject to taxes, fees and other obligatory payments into the budget in accordance with the tax legislation of the Republic of Kazakhstan.

 **8. Customs regulation**

      17. Participant shall perform the obligations to pay customs duties and taxes in accordance with the customs legislation of the Customs Union and the Republic of Kazakhstan in force at the time of the obligations to pay them.

      18. List of goods necessary for carrying out by SEZ participant of priority activities, in regard to which goods customs procedure of free customs zone will be applied, shall be determined in accordance with the Republic of Kazakhstan legislation in design-estimate documentation, which underwent state expert evaluation.

 **9. Insurance**

      19. In accordance with the legislation of the Republic of Kazakhstan, the SEZ participant shall provide, compulsory insurance, including:

      1) compulsory civil liability insurance of the employer for causing harm to the life and health of the employee performing labor (official) duties;

      2) compulsory environmental insurance in the course of carrying out environmentally hazardous types of economic and other activities on the SEZ territory, related to the responsibility for compensation for damage caused to:

      environment and / or the restoration of the state of the environment to a state preceding its deterioration;

      life and health of citizens as a result of accidental environmental pollution;

      property of third parties belonging to them by the right of ownership, the right of economic management, the right of operational management and other legal grounds as a result of accidental pollution of the environment;

      3) compulsory social insurance in the event of:

      loss of working capacity;

      loss of a breadwinner;

      job loss;

      4) compulsory civil liability insurance of vehicle owners;

      5) compulsory civil liability insurance of the carrier to passengers in the course of carrying out relevant type of activity;

      6) compulsory civil liability insurance of owners of facilities whose activities are associated with the danger of causing harm to third parties as a result of an accident.

      20. The SEZ participant shall choose insurance organizations at its own discretion, in accordance with the applicable legislation of the Republic of Kazakhstan.

 **10. Guarantees of Contract stability**

      21. The SEZ participant shall be guaranteed the protection of rights and interests, which shall be ensured by the Constitution of the Republic of Kazakhstan, this Contract and other legal acts of the Republic of Kazakhstan, as well as international treaties ratified by the Republic of Kazakhstan.

      22. Forced seizure of property of the SEZ participant (nationalization, requisition) for state needs shall be allowed in exceptional cases and in the manner provided for by the laws of the Republic of Kazakhstan.

      23. These guarantees shall not apply to:

      1) amendments in the legislation of the Republic of Kazakhstan and/or the entry into force and/or amendments in international treaties of the Republic of Kazakhstan, which change the procedure and conditions for the import, production, sale of excisable goods;

      2) amendments in the legislation of the Republic of Kazakhstan on national security, defense, environmental safety, health care, tax and customs regulation.

      The provisions of subparagraph 2) of this paragraph shall not apply to coefficients and/or rates used in calculating land tax, property tax and land use fees, calculating corporate income tax reduction if amendments to tax legislation have been made after the date of registration of the SEZ participant in the unified register of the SEZ participants. At the same time, the SEZ Participant shall apply the provisions of Chapter 17 of the Code of the Republic of Kazakhstan On taxes and other obligatory payments into the budget (Tax Code) dated December 10, 2008, in force at the effective date of this Contract, during the term of this Contract, but not more than statute of limitations.

      24. No amendment or supplement to this Contract shall be effective except in writing and signed by authorized representatives of the Parties.

 **11. Accounting and reporting**

      25. The SEZ participant shall keep records and accounts in accordance with the legislation of the Republic of Kazakhstan.

      26. The SEZ participant shall provide the Management body with full information on its activities for the previous year in accordance with the Law, and also send a report on the performance of this Contract for the past year to the Management body until \_\_\_\_\_\_\_ month, (year) of each calendar year.

 **12. Confidentiality**

      27. Information obtained or acquired by a Party while performing the obligations of this Contract shall be confidential.

      28. The Parties shall not be entitled to transfer confidential information to third parties without the prior written consent of the other Party, except:

      1) if such information shall be used during court proceedings;

      2) to authorized state bodies of the Republic of Kazakhstan, having the right to receive relevant information in accordance with the applicable legislation of the Republic of Kazakhstan;

      3) to financial institutions, to the extent it is appropriate to arrange financing, provided that such financial institutions undertake in writing to keep the information received as confidential and use it only for specified purposes;

      4) to a single coordination center to exercise functions in accordance with the Law.

      29. The Parties shall agree, if necessary, to provide the tax authorities of the Republic of Kazakhstan with information relating to their accounts, which may be requested in accordance with the applicable tax legislation of the Republic of Kazakhstan.

 **12. Transfer of rights and obligations**

      30. The SEZ participant shall dispose of its property and business on the SEZ territory at its own discretion.

      31. In the event of transferring ownership, use and/or disposal of goods placed under the customs procedure of a free customs zone by the SEZ participant to another legal entity, the customs procedure of the free customs zone shall be completed in the manner and conditions established by the customs legislation of the Customs Union and the Republic of Kazakhstan.

      32. In cases provided for by the legislation of the Republic of Kazakhstan, the state shall have a priority right to buy alienated assets of the SEZ Participant at the market price to state ownership.

 **13. Force-majeure**

      33. Parties shall be released from liability for full or partial failure to perform obligations in the event of force majeure (irresistible force), such as: floods and other natural disasters, fire, earthquake, explosions, extreme weather conditions, other natural and man-made disasters, wars, embargo, strike, epidemic, quarantine, imposition of a state of emergency, curfew, as well as other circumstances independent of the will of the Parties, but directly affecting the performance of obligations under the Contract, or making it impossible for the Parties to perform their obligations hereunder.

      Publication by the state bodies of prohibition regulations or making amendments to legislation independent of the will of the Parties, but directly affecting a failure to perform obligations under this Contract, or making it impossible for the Parties to perform obligations under this Contract, may be recognized as force majeure by a court decision.

      34. In the event of force majeure circumstances, the Party whose performance of any obligations under this Contract was impossible due to the occurrence of such circumstances shall, within 3 (three) working days from the occurrence or termination of the force majeure circumstances notify about this the other Party in writing (justifying the impossibility of performing its obligations under this Contract or the occurrence of other unforeseen consequences).

      35. Failure to notify or late notification shall deprive the Party of the right to refer to any force majeure circumstance as a basis for a release from liability for failure to perform obligations under this Contract, unless such failure to notify or delayed notification is directly caused by the relevant force majeure circumstance. The notification of the commencement and termination of force majeure circumstances shall be confirmed by a document or evidence of the relevant body and / or institution competent to confirm such circumstances, unless the force majeure circumstances are well-known and widespread and do not require evidence.

      36. The deadline for the performance of obligations under this Contract shall be extended for a period equal to that, during which the performance of the Contract was suspended due to the force majeure circumstances, as well as the consequences caused by these circumstances. If the impossibility of full or partial performance by the Parties of their obligations under this Contract due to the occurrence of force majeure circumstances is in place for more than one calendar year, then the Parties shall be entitled to terminate this Contract.

      37. The onset of force majeure shall not require legal registration of the extension of the term of this Contract.

 **14. Liability of the Parties of special economic zone**

      38. The Parties shall be liable for a failure to perform or improper performance of the terms of this Contract, provided for by the Law of the Republic of Kazakhstan and this Contract.

      39. The SEZ participant shall be liable for violations of the requirements established by technical regulations and project documentation in the course of the activity carrying out.

      40. The SEZ participant shall be liable for all the risk arising during and as a result of carrying out activities under this Contract and associated with losses or damage to the state, in accordance with the legislation of the Republic of Kazakhstan.

      41. Transactions concluded by the SEZ participant that violate the legislation of the Republic of Kazakhstan on special economic zones shall entail liability to the guilty parties in accordance with the legislation of the Republic of Kazakhstan and shall be deemed as invalid.

      42. Harm caused to life and health of citizens while carrying out priority activities specified in the Contract shall be reimbursed in accordance with the legislation of the Republic of Kazakhstan.

 **15. Conditions for amending, supplementing, cancellation and termination of this Contract**

      43. Amendments and/or supplements to this Contract shall be made in writing at any time by mutual written consent of the Parties, in the form of an additional Contract, which is an integral part of this Contract.

      The Management body shall inform the authorized body about any amendment and/or supplement to this Contract related to the maintenance of the register of the SEZ participants within 2 (two) working days of the date of the amendments and supplement.

      44. This Contract on the activities carrying out shall terminate with:

      1) abolition of the SEZ;

      2) its expiration date, if the Parties have not reached an agreement on its extension;

      3) early termination of the Contract on the activities carrying;

      4) other cases provided for by the Civil Law of the Republic of Kazakhstan or the Contract on the activities carrying out.

      5) other cases stipulated by the Republic of Kazakhstan civil legislation or contract on carrying out of activity.

      45. Early termination of this Contract shall be allowed by agreement of the Parties, as well as in cases provided for by the Law.

      46. The Management body shall unilaterally terminate the Contract with the SEZ participant in the following cases:

      1) upon non-elimination by the SEZ participant of violations of the terms of this Contract within 60 calendar days of the date of receipt of the notification of the Management Body about a failure to perform of the obligations of this Contract and the need to eliminate the violations;

      2) upon transfer by the SEZ participant of the rights and obligations under this Contract to other persons, without the permission of the Management body.

      In the event of failure to take measures to eliminate these violations by the SEZ participant, the Management body shall notify the SEZ participant about the termination of this Contract within ten working days.

      For the purposes of this paragraph, the following violations shall be considered significant:

      1) SEZ participant’s failure to meet the deadlines specified in paragraph 2 of this Contract and the schedule for the production of the design, construction and installation work and ensuring the commissioning of the facility without good reason for more than six calendar months;

      2) suspension of the activity of the SEZ participant for more than two calendar months without consulting the Management body;

      3) during the activities carrying out by the SEZ Participant, violation of the provisions of this Contract and the legislation of the Republic of Kazakhstan on construction, which can significantly affect the quality of work performed.

      46-1. Within two working days of the date of unilateral termination of this Contract, the Management body shall notify the SEZ participant, the state revenue authorities, the authorized body, as well as the local executive bodies of the region, the city of national significance, the capital.

      47. Violation of the terms of this Contract, completely eliminated by the SEZ participant within the period specified in the notification from the Managing company, shall not be the ground for early unilateral termination of this Contract.

      In the event of early termination of this Contract with the SEZ Participant who rented the land plots on the SEZ territory, and erected construction sites, the SEZ participant shall ensure that equipment and machinery belonging to it are dismantled and removed from the SEZ territory.

      In the event of a failure to dismantle and remove equipment and machinery, the erected constructions belonging to it from the SEZ within three months, the rights to the specified facilities shall be transferred to the new SEZ participant.

 **16. Dispute settlement**

      48. Disputes and differences that may arise during the performance of this Contract shall be settled through negotiations between the Parties.

      49. In the event of impossibility to settle disputes through negotiations within three months, the Parties shall refer them to the judicial authorities of the Republic of Kazakhstan for consideration.

      50. The Parties shall not be released from the performance of obligations established by the Contract until the full settlement of disputes and differences.

 **17. Applicable law**

      51. The applicable law to this Contract and other Contracts concluded by the Parties, including with other persons, in the enforcement of this Contract shall be the applicable law of the Republic of Kazakhstan.

 **18. Language of the Contract**

      52. The Contract is made in the state and Russian languages in 2 copies for each of the Parties, all copies shall be of equal legal force.

      53. By agreement of the Parties, the text of the Contract may also be translated into another language.

      54. In the event of any differences or disputes regarding the clarification of the content and interpretation of the Contract, the text version in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ shall prevail.

                                           (specify language)

 **19. Final provisions**

      55. All notifications and documents required in connection with the enforcement of this Contract shall be deemed provided and duly delivered by each of the Parties hereunder only upon receipt thereof.

      56. Notification and documents shall be handed directly to the Party or sent by mail, registered airmail, fax, e-mail.

      57. When changing the mailing address, each of the Parties shall provide a written notice to the other Party within 7 working days.

      58. All annexes to the Contract shall be considered as its constituent parts. In the event there are any discrepancies between the provisions of the annexes and the Contract itself, the Contract shall be of fundamental importance.

      59. Amendments and supplements to this Contract shall be made out by the written agreement of the Parties. Such agreement shall be an integral part of this Contract.

      60. When several legal entities act as the SEZ participant, each of them shall be a signatory of this Contract with the Management body, and the Contract concluded between them on the joint activities of the participants for the priority activities carrying out in the special economic zone shall be an integral annex to the Contract.

      61. When concluding contracts with the SEZ participants of previously created special economic zones, provisions may be envisaged relating to the need for the Parties to complete the performance of previously defined obligations.

      62. This Contract was signed on \_\_\_\_\_\_\_\_ (day, month, year) in the city of \_\_\_\_\_\_\_\_\_\_\_ Republic of Kazakhstan, by the authorized representatives of the Parties.

      63. Legal addresses and signatures of the Parties:

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| --- | --- |
|
**The Management body:** |
**Participant:** |
|
State institution \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
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