

On approval of a model lease contract concerning private plots of land, where special economic zones are created

Invalidated Unofficial translation

The Minister for Investments and Development of the Republic of Kazakhstan Order No. 220 dated february 27. The Order is registered in the Ministry of Justice of the Republic of Kazakhstan on April 10, 2015 No. 10691. Expired by Order of the Minister of Industry and Infrastructure Development of the Republic of Kazakhstan dated July 19 , 2019 No. 522

Unofficial translation

On approval of a model lease contract concerning private plots of land, where special economic zones are created

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).

In accordance with subparagraph 8-2) of article 5 of the Law of the Republic of Kazakhstan named "Special Economic Zones in the Republic of Kazakhstan" dated July 21, 2011 I hereby **ORDER that:**

1. To approve the attached contract for temporary compensated use (sublease) of land plots in private ownership, where the special economic zone is created.

2. The 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;

2) direction of the copy in printed and electronic format for official publication in periodicals and Adilet information legal system, as well as to the Republican Legal Information Center for entering into the reference control bank of normative legal acts of the Republic of Kazakhstan within ten calendar days after the state registration of this order in 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 the internet portal of the state authorities;

4) submission to the Legal Department of the Ministry for Investments and Development of the Republic of Kazakhstan of information on the execution of

measures provided for by subparagraphs 1), 2) and 3) of paragraph 3 of this order within ten working days after the state registration of this order in the Ministry of Justice of the Republic of Kazakhstan.

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

4. This order shall be put into effect in 10 calendar days after the first its official publication.

*Minister
for Investments and Development
of the Republic of Kazakhstan*

A. Issekeshev

Approved by
order No.220 of the Minister
for Investments and Development
of the Republic of Kazakhstan
on December 29, 2015

**The attached lease contract concerning private plots of land,
where special economic zones are created**

_____ year "___" of 20____.

(place where the contract was entered) (date when where the contract was entered)

_____,
(name of legal entity or full name (at its availability)
of natural entity)
who is _____

_____,
who acts in accordance with _____

_____,
(statues, conditions of individual entrepreneur No.____, identity card No.____)
which is named below as "Lessor", at other side and

(name of managing company)
presented by _____,
who acts
in accordance with _____

,
(statues, conditions)
which is named below as "Leaser", at other side, they are all together
named bellow as "Parties" entered the lease contract concerning private plots of
land (which is named below as contract) Including the following conditions:

Footnote. The preamble as amended by order of the Act. Minister for Investments and Development of the Republic of Kazakhstan No. 1285, dated 31.12.2015 (shall be enforced upon expiry of ten calendar days after its first official publication).

1. Subject of the contract

1. Lessor shall lease his/her private plot of land in accordance with the private property act No. _____ published in " ____ " _____, registered in _____
" ____ " _____
_____ year in the territory of special economic zones _____.

Footnote. Paragraph 1 as amended by Order No. 1284 of the Minister for Investments and Development of the Republic of Kazakhstan dated 31.12.2015 (shall be enforced upon expiry of ten calendar days after its first official publication).

2. The location of the land plot and its data:

address: region _____

district _____

city _____, street _____

registered number: _____

area _____

target: _____

limited using and encumbrance: _____

separability of the area: _____
_____.

3. There are (are not) real estate units on the land plot

(indicate the real estate units and their characteristics in case of their location on the land plot or register the absence thereof)

The detailed list of real estate units with technical characteristics is attached to the contract (in case of their location on the land plot).

The assignment of the plot of land is executed by the act of acceptance-transfer (indicating the actual condition of the plot of land), which is drawn up and signed by the

parties in two copies (one for each of the Parties). The act of acceptance-transfer is attached to the contract and is its integral part.

2. Main definitions

4. In the present contract the following definitions are used:

- 1) Inseparable improvements are the improvements made by lessee after the lessor's consent (they are buildings which don't contrary to the designation of the plot of land) which are impossible to be separated without any damage to property;
- 2) lessee is a management company created in accordance with a Law of "Special Economic Zones of Kazakhstan Republic" (Law is hereinafter), as well as in accordance with business legal structure of joint-stock company providing functions of special economic zones;
- 3) lessor is a legal person a natural person, who is an owner of the plots of lands located in special economic zones;
- 4) lease agreement is lease agreement concerning private plots of land, where special economic zones are created; lease agreement is an agreement entered into by and between lessor and lessee In accordance with civil code of Kazakhstan Republic, as well as with Law, and other normative and legal acts; lease agreement and its appendixes and additions are made in writing;
- 5) plot of land is a plot located in special economic zones _____;
- 6) an authorized body is a central executive body for government regulation of processes of creation, working, and abolition of special economic zones.

Footnote. Paragraph 4 and its amendments by order No.1284 of Minister for Investments and Development the Republic of Kazakhstan dated 31.12.2015 (shall be brought to effect upon expiry of ten calendar days after its first official publication).

3. Rights and Obligations of Parties

5. Lessee is entitled to:

- 1) have and use his/her own plot of land
for his/her purposes basing on targets of the plot of land;
- 2) have his/her own production
made on the plot of land, as well as to have profits after selling of production;
- 3) build buildings which
don't contrary to the designation of the plot of land after the lessor's consent;
- 4) compensate payments for inseparable improvements of
the plot of land upon expiry of the period of an effect of the Agreement in
accordance with Civil Standards of the Republic of Kazakhstan;

to buy (this is a lessee's priority right) his/her private plots of land;

6) enter sublease contracts;

7) lessee has also another rights in accordance with the Republic of Kazakhstan laws.

Footnote. Paragraph 5 as amended by order No.1284 of the Republic of Kazakhstan Minister for Investments and Development dated 31.12.2015 (shall be brought to effect upon expiry of ten calendar days after its first official publication).

6. Lessee is obliged to:

1) use his/her private plot of land in accordance with the main its target and in order of this contract;

2) use protecting production technology, and not to allow environmental and ecological damages which are results of lessee's economic activity;

3) to protect lands in accordance with agrarian law of Republic of Kazakhstan;

4) to pay a tax for using a plot of land in proper time In accordance with this contract;

5) during building on a plot of land to base on current architectural and planning, and building, and ecological, and sanitary, and other special requirements In accordance with the laws of Republic of Kazakhstan;

6) let authorized bodies information about state and using of a plot of land;

7) not to allow to take fertile soil in order to sale it or to transfer it to other people except the cases when it is necessary to prevent irretrievable loss of fertile soil

8) to compensate damages completely if deteriorating of quality of soil and of environmental situation which is a result of his/her economic activity;

9) to register a leasehold or amendments of a plot of land in a judiciary according to laws of Republic of Kazakhstan;

10) to have other duties according to laws of Republic of Kazakhstan.

7. The lessor has the right to:

1) compensation in full for damages, caused by the deterioration of the quality of land and the environmental situation in the result of economic activity of the lessee;

2) other rights in accordance with the laws of the Republic of Kazakhstan.

8. The lessor is obliged to:

1) transfer the plot of land in the condition, corresponding to terms hereof;

2) compensate payments to

for inseparable improvements of the plot of land to lessee and (or) a part of special economic zone;

3) to give a priority right for buying a plot of land

to a lessee and (or) a part of special economic zone in case of impossible payments compensation

in accordance with subparagraph 2) hereof ;

4) to have other duties according to laws of Republic of Kazakhstan.

4. Term of the contract

9. This contract comes into force from the date of its conclusion by the Parties.

10. This contract is concluded for a period of _____ years, but not more than the period of creation and operation of the special economic zone _____.

11. The term of this contract may be extended by agreement of the Parties within the term of the special economic zone.

11-1. A request for the extension of the term of this contract shall be sent by the lessee to the lessor no later than 1 (one) calendar month before the expiration of this contract.

Footnote. Paragraph 11-1 is added to the model contract as amended by Order No. 1284 of the Minister for Investments and Development of the Republic of Kazakhstan dated by 31.12.2015 (shall be enforced upon expiry of ten calendar days after its first official publication).

12. The request for the extension of the term of this contract shall be considered by the lessor no later than one month from the date of its receipt from the lessee.

In this case, the lessee has a preferential right to third parties to conclude the contract for a new term.

5. Payment for the use of the plot of land

13. In accordance with the contract , monthly/quarterly/yearly payment is _____ (_____) tenge, and it is to be paid by lessee by transfer to lessor's bank account no later than ____ (_____) the month when it is paid.

14. In accordance with the contract, an amount of payment may be changed by settlement of the Parties not more than once a year.

6. Liability of the Parties

15. For non-fulfillment or improper fulfillment of the terms of the contract, the Parties shall be found liable under the laws of the Republic of Kazakhstan and this contract.

16. For violation of the procedure and terms for payment for the use of the plot of land under this contract, the lessee pays the lessor a penalty in the amount of _____ % of the cost of the payment for the use for one year under this contract.

17. Responsibility of the Parties for violation of obligations under this contract caused by force majeure is regulated by the current laws of the Republic of Kazakhstan .

7. Terms of modification, amendment, discharge and termination of this contract

18. Modification of the terms of this contract and its termination unilaterally before the expiration date, provided that the parties fulfil their obligations under this contract, shall not

be allowed except cases provided in paragraph 21 of this contract.

19. All modifications and amendments to this contract are valid only on condition that they are in writing and signed by authorized representatives of the Parties.

20. The validity of this contract is terminated if:

1) the abolition of the SEZ;

2) the expiration of this contract, if the Parties have not concluded an agreement on its extension;

3) the early termination of this contract in a judicial order;

4) the termination of the contract of the participant of the SEZ unilaterally in accordance with the Law.

8. Dispute Resolution Procedure

21. Disputes and disagreements that may arise in the performance of obligations hereunder shall be resolved through negotiations between the Parties.

22. If it is impossible to resolve disputes through negotiations within three months, the Parties submit them to the judicial authorities of the Republic of Kazakhstan for settlement.

23. The parties shall not be exempted from performing the obligations, established by the contract until complete settlement of the emerged disputes and disagreements.

9. Force Majeure

24. The party which fails to fulfill or improperly fulfills its obligations under this contract is financially liable, if it does not prove that proper execution was impossible due to force majeure, in other words extraordinary and unavoidable conditions under the given circumstances (natural disasters, military actions, etc.).

10. Final provisions

25. Legal relations of the Parties, not stipulated by this contract, are regulated by the current laws of the Republic of Kazakhstan.

26. All notifications and documents required for the implementation of this contract are deemed to be submitted and properly provided by each of the Parties under this contract only upon receipt by the Party to which they are addressed.

27. Notification and documents are handed directly to the Party in person or sent by mail, by registered airmail, and by fax.

28. If a Party changes his/her mailing address, each Party is required to provide a written notice to the other Party within 7 working days.

29. All annexes to this contract are its integral parts.

30. All modifications and amendments to this contract are made out by a written contract of the Parties. Such contract is an integral part hereof.

31. This Contract is made in three identical counterparts having the same legal effect, the first one is for lessor, the second one is for lessee, and the third one is transferred to law-enforcement agency in order to be registered.

Footnote. Paragraph 31 as amended by Order No. 1284 of the Minister for Investments and Development of the Republic of Kazakhstan dated 31.12.2015 (shall be enforced Upon the expiry of ten calendar days after its first official publication).

32. This contract was signed on _____ (day), _____ (month) of the year 20 ____ in the city of _____ of the Republic of Kazakhstan by authorized representatives of the Parties.

32. Registered Addresses and Signatures of the Parties:

Name of Lessee _____

Lessor: Name of Lessor _____

Registered Address _____

Registered Address _____

Settlement Account _____

Settlement Account _____

IIN _____
Bank _____
Telephone/Fax _____

Signature/Stamp _____

IIN _____
Bank _____
Telephone/Fax _____

Signature/Stamp _____

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