



On approval of the Rules on providing loans/ microloans in cities and industry-based towns and Rules governing loans/ microloans guarantees issued by microfinance organizations / second-tier banks in cities

Unofficial translation

Order of the Minister of National Economy of the Republic of Kazakhstan dated November 27, 2018 No. 84. Registered in the Ministry of Justice of the Republic of Kazakhstan on November 28, 2018 No. 17810.

Unofficial translation

In accordance with the “Yenbek” State Program for the Development of Productive Employment and Mass Entrepreneurship for 2017–2021, approved by Resolution No. 746 of the Government of the Republic of Kazakhstan dated November 13, 2018 **I hereby ORDER:**

1. To approve:

1) The Rules on providing loans/ microloans in cities and industry-based towns, according to appendix 1 to this order;

2) the Rules governing loans/ microloans guarantees issued by microfinance organizations / second-tier banks in cities, in accordance with Appendix 2 to this order.

2. Certain orders of the Minister of National Economy of the Republic of Kazakhstan shall be deemed to have lost force in accordance with Appendix 3 to this order.

3. The Department of State Support for Entrepreneurship of the Ministry of National Economy of the Republic of Kazakhstan shall:

1) provide the state registration of this order with the Ministry of Justice of the Republic of Kazakhstan;

2) direct the copy of this order in the Kazakh and Russian languages to the Republican State Enterprise with the Right of Economic Management “Republican Center of Legal Information” for official publication and inclusion in the Reference Control Bank of Regulatory Legal Acts of the Republic of Kazakhstan within ten calendar days from the date of state registration of this order with the Ministry of Justice of the Republic of Kazakhstan;

3) place this order on the official Internet resource of the Ministry of National Economy of the Republic of Kazakhstan;

4) within ten working days after the state registration of this order with the Ministry of Justice of the Republic of Kazakhstan, submit the data to the Legal Department of the Ministry of National Economy of the Republic of Kazakhstan on execution of the actions provided for in subparagraphs 1), 2) and 3) of this paragraph.

4. Control over the execution of this order shall be entrusted to Supervising Vice-Minister of National Economy of the Republic of Kazakhstan.

5. This order shall enter into force upon expiry of ten calendar days after the date of its first official publication.

*Minister of National Economy of the
Republic of Kazakhstan*

T. Suleymenov

"AGREED"

Ministry of Labor and Social
Protection of the Population
of the Republic of Kazakhstan

Appendix 1
to order No. 84 of the Minister of
National Economy of the
Republic of Kazakhstan
dated November 27, 2018

Rules on providing loans/ microloans in cities and industry-based towns

Chapter 1. General Provisions

1. These Rules on providing loans / microloans in cities (hereinafter referred to as the Rules) were developed as part of the “Yenbek” State Program for the Development of Productive Employment and Mass Entrepreneurship for 2017–2021 approved by Decree No. 746 of the Government of the Republic of Kazakhstan of November 13, 2018 (hereinafter - the Program) and determine the procedure for providing loans / microloans in cities and industry-based towns of the Republic of Kazakhstan, except for small towns.

Lending/microlending under the Rules shall be used as a measure to promote employment of the unemployed, self-employed with entrepreneurial potential.

2. The following terms and definitions are used in the Rules:

1) the “Fund for Financial Support of Agriculture” JSC (hereinafter referred to as the FFSA JSC) - a legal entity, which is not a bank, carrying out certain types of banking operations on the basis of a license from the National Bank of the Republic of Kazakhstan;

2) the authorized body for agriculture - the central executive body of the Republic of Kazakhstan in charge of management and cross-sectoral coordination in the field of agriculture;

3) Program participants - unemployed persons, certain categories of employed persons determined by Resolution No.178 of the Government of the Republic of Kazakhstan dated 11 April 2019 “On determination of certain categories of employed persons”, young people, including young people in the NEET category, members of young and low-income large families, low-income able-bodied people with disabilities, agricultural cooperatives and their members under retirement age, which is established by paragraph 1 of Article 11 of the Law of the Republic of Kazakhstan “On Pension Provision in the Republic of Kazakhstan” as of 21 June 2013, peasant and farming enterprises, including anchor cooperation participants;

4) startup business (startup project) - business projects of the Program participants, whose period of state registration as a legal entity/registered status of an individual entrepreneur is less than one year at the time of applying to a lender for a loan/microcredit;

5) a public budget loan agreement - a written agreement on the provision of a public budget loan entered into by a local executive body and the micro-lending institution/FFSA JSC in accordance with the civil legislation;

6) local executive body (hereinafter referred to as a LEB) - a collegial executive body headed by the akim of a region, city of republican significance and the capital, district (city of regional significance) performing the functions, within its competence, of local government and self-government in a relevant territory;

7) an active entrepreneur - an entrepreneur, whose period of state registration as an individual entrepreneur or a legal entity is more than three years at the time of applying to second-tier banks (hereinafter referred to as STBs)/microfinance institution (hereinafter referred to as MFI)/FFSA JSC/loan society (hereinafter referred to as LS) for a loan/microloan;

8) investments – acquisition/construction/modernization/ reconstruction/overhaul of fixed assets, acquisition of biological/intangible assets;

9) an entrepreneur - an aspiring entrepreneur, an aspiring young entrepreneur and an active entrepreneur implementing and (or) planning to implement his/her own projects in all cities and industry-based towns, except for small towns without industry restrictions and without taking into account the place of the entrepreneur's registration;

10) the authorized body for entrepreneurship (hereinafter referred to as the authorized body) - the central executive body of the Republic of Kazakhstan in charge of management and cross-sectoral coordination in the field of entrepreneurship;

11) loan/microloan - borrowed funds provided by STB/MFI/FFSA JSC to a Program participant under a loan/microloan agreement in the national currency of the Republic of Kazakhstan on conditions of interest payment, maturity, repayment, security and intended purpose;

12) a loan/microloan agreement - a written agreement entered into by a lender and a Program participant for providing the latter with a loan/microloan at the expense of the loan funds for the purposes determined by these Rules;

13) a lender – microfinance institution/second-tier banks/LS/FFSA JSC;

14) a loan agreement - a written agreement on the provision of a loan entered into by the micro-lending institution and a lender in accordance with the civil legislation. The form of the loan agreement is approved by the micro-lending institution;

15) loan - an amount of money provided by the micro-lending institution to a MFI/STB under a loan agreement for subsequent financing of projects of the Program participants;

16) micro-lending institution – the “Damu” Entrepreneurship Development Fund” JSC;

17) MFO - a legal entity that is a commercial organization, whose official status is determined by the state registration with the “Government for Citizens” State Corporation and record registration, engaged in providing microloans as well as in additional activities permitted by the Law of the Republic of Kazakhstan “On microfinance Organizations”;

18) aspiring entrepreneur - an entrepreneur, whose period of state registration as an individual entrepreneur or legal entity is less than three years at the time of applying to STB/FFSA JSC/MFI/LS for a loan/microloan;

19) young people in the NEET category - young people who are not in education, employment and training due to certain social and economic circumstances.

Footnote. Paragraph 2 is as amended by Order № 87 of the Minister of National Economy of the Republic of Kazakhstan as of 29.10.2019 (shall be enforced ten calendar days after its first official publication); as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 30.09.2021 No. 87 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Chapter 2. Conditions and mechanisms for conditional placement of funds with creditors

3. Loans/microloans are provided to the Program participants implementing or planning to implement business projects in cities and industry-based towns, except for small towns, from the republican budget and/or local budgets.

The authorized body and the authorized body for agriculture allocate funds to a LEB for providing loans/microloans to the Program participants to implement their projects. LEBs allocate additional funds from the local budget on terms of co-financing. A LEB and the micro-lending institution/FFSA JSC enter into a public budget loan agreement, under which the total amount of budget funds in the form of a budgetary loan is allocated to the micro-lending institution/FFSA JSC under such conditions as follows:

1) for a period of not more than 7 years on the principles of repayment, maturity, interest payment, security and intended use with an annual remuneration rate of 0.01%;

2) the intended purpose of a public budget loan for the micro-lending institution is the funding of STBs and MFIs for subsequent financing of the Program participants implementing or planning to implement projects in cities, industry-based towns of the Republic of Kazakhstan;

3) the intended purpose of a public budget loan for the FFSA JSC is microlending to business projects under the Program, implementing or planning to implement projects in cities, industry-based towns of the Republic of Kazakhstan;

4) the period for the disbursement of a public budget loan by the micro-lending institution and the FFSA JSC is 12 months running from the date of transfer of the public budget loan by the LEB;

5) the grace period for repayment of the principal debt is not more than one third of the duration of the loan term.

Footnote. Paragraph 3 is as amended by Order № 87 of the Minister of National Economy of the Republic of Kazakhstan as of 29.10.2019 (shall be enforced ten calendar days after its first official publication).

4. Pursuant to applications from STBs and MFIs, the micro-lending institution draws up the list of STBs and MFIs meeting the requirements of these Rules and the amounts allocated to them.

The micro-lending institution enters into loan agreements with STBs and MFIs in accordance with the civil legislation under such conditions as follows:

1) the loan is provided for a period of not more than 7 years, at 1% per annum with the intended purpose of financing projects of the Program participants, including projects of aspiring entrepreneurs, aspiring young entrepreneurs, active entrepreneurs, which are being implemented and (or) planned to be implemented in cities, industry-based towns of the Republic of Kazakhstan;

2) the loan currency is KZT;

3) the term for the disbursement of allocated funds by STBs and MFIs is 9 months running from the date of the loan agreement;

4) the grace period for repayment of the principal debt is not more than one third of the loan term;

5) loans to STBs are provided without security. Loans to MFIs are provided against security, except for financially stable microfinance institutions (with “highly reliable” and “reliable” ratings calculated in accordance with the internal documents of the micro-lending institution). Loans to MFIs with a lower rating level are provided against security (guarantees of second-tier banks, money, bank deposits, real estate) that meet the requirements of the security policy of the micro-lending institution;

6) STBs and MFIs report to the micro-lending institution on the disbursement and intended use of the allocated loan funds. The form of reports and frequency of their submission by STBs and MFIs, as well as other conditions for providing a loan, are specified in the loan agreement;

7) in cases of misuse, full or partial failure to disburse allocated funds by STBs and MFIs, and/or in other cases provided for in the loan agreement, the micro-lending institution applies measures in relation to STBs and MFIs in accordance with the terms of the loan agreement, including raising the issue of early termination of the loan agreement and (or) withdrawal of placed funds with their further redistribution among other STBs and MFIs. The funds withdrawn and early repaid by STBs and MFIs are redistributed among STBs and MFIs on the basis of the decision of the micro-lending institution, provided that the redistributed funds are used in the regions for which the funds were initially allocated;

8) funds allocated for investing in financial instruments and/or transactions with them are not sent to STBs and MFIs, as well as to the foreign exchange market to buy foreign currency

;

9) the loan funds under the loan agreement returned by the Program participants by way of repayment of earlier received loans/microloans are sent to STBs and MFIs within three months for subsequent financing of the projects of the Program participants, on the conditions of the loan agreement, or are early returned to the micro-lending institution.

Footnote. Paragraph 4 is as amended by Order № 87 of the Minister of National Economy of the Republic of Kazakhstan as of 29.10.2019 (shall be enforced ten calendar days after its first official publication).

Chapter 3. Terms of financing projects of the Program participants

5. Loans / microloans shall be extended by creditors to Program participants, including start-up entrepreneurs, active entrepreneurs implementing or planning to implement projects in cities and industry-based towns of the Republic of Kazakhstan, except small towns, without regard to the place of their registration as a small business entity.

6. Loans/microloans for the Program participants for opening a microbusiness are granted after the defense of business projects as part of their training in the basics of entrepreneurship under the “Bastau Business” project or the basics of entrepreneurship of the first component of the Program, or if they have a certificate of completion of training courses in the basics of entrepreneurship within the State program for support and development of business “Business Roadmap-2025” approved by Resolution No. 522 of the Government of the Republic of Kazakhstan dated December 24, 2019, within the last 24 months from the date of receipt of the certificate, preceding the date of application of the Program participants for a loan/microcredit, with the exception of existing entrepreneurs.

The Program participants with a certificate of completion of training (for those admitted to the stage of defense of business plans) in the “Bastau Business” project have the priority right to loans/microloans.

Footnote. Paragraph 6 - in the wording of the Order of the Minister of National Economy of the Republic of Kazakhstan dated 09.04.2021 No. 39 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

7. Is excluded by Order № 87 of the Minister of National Economy of the Republic of Kazakhstan as of 29.10.2019 (shall be enforced ten calendar days after its first official publication).

8. Loans/microloans are provided to the Program participants in compliance with the principles of maturity, interest payment, repayment, security and intended use under such conditions as follows:

1) the maximum funding limit for one Program participant is:

up to 6.5 thousand monthly calculation indices (hereinafter referred to as MCIs) established by the law of the Republic of Kazakhstan on the republican budget in cities, industry-based towns (except for the cities of Nur-Sultan, Almaty, Shymkent, Aktau, Atyrau);

up to 8.0 thousand MCIs established by the law of the Republic of Kazakhstan on the republican budget in the cities of Nur-Sultan, Almaty, Shymkent, Aktau, Atyrau.

In this case, when calculating the maximum funding limit per one Program participant, debts on loans, and (or) microloans and (or) financial leasing agreements of their affiliated persons/companies are not included;

2) the total amount of the principal debt on a loan/microloan (s) of one Program participant to lenders shall not exceed:

6.5 thousand MCIs in cities, industry-based towns (except for the cities of Nur-Sultan, Almaty, Shymkent, Aktau, Atyrau);

8.0 thousand MCIs in the cities of Nur-Sultan, Almaty, Shymkent, Aktau, Atyrau.

Taking into account this condition, the number of loans/microloans to one Program participant is not limited;

3) the intended purpose of loans/microloans is investing/replenishing working capital.

4) the term of loans/microloans:

for investments is not more than 5 years;

for replenishing working capital is not more than 3 years;

5) the nominal interest rate for a loan/microloan is not more than 6% per annum;

6) the currency of loans/microloans is KZT;

7) the grace period for the principal debt and accrued interest is not more than one third of the loan/microloan term by decision of the lender;

8) lenders do not charge any commissions, fees and/or other payments related to the loan/microloan of the Program participant, except for commissions, fees and/or other payments charged due to violation by the Program participant of the loan/microloan obligations, and the amount of such commissions, fees and/or other payments is preliminarily approved in writing by the micro-lending institution, except for the FFSA JSC.

Footnote. Paragraph 8 is as amended by Order № 87 of the Minister of National Economy of the Republic of Kazakhstan as of 29.10.2019 (shall be enforced ten calendar days after its first official publication).

9. Creditors shall direct at least 20% of the loan agreement sum to finance start-up business (startup project).

10. In the event of insufficient collateral security, Program participants shall have the right to receive a guarantee of the microlending organization to secure fulfillment of obligations on loan/ microloan. Herewith, the projects of the Program participants must comply with the requirements of Guarantee Rules for Microloans extended by microfinance organizations / second-tier banks in cities approved by this order.

11. The following entrepreneurs shall not be participants of the Program:

1) whose founders (including participants, shareholders) are state enterprises / institutions, national managing holdings, national companies and organizations, fifty or more percent of shares (shares in the authorized capital) of which are directly or indirectly owned by the state,

the national holding manager, national holding, a national company (with the exception of a social-entrepreneurial corporation, also entrepreneurs established under a public-private partnership agreement), as well as non-profit organizations;

2) not complying with the conditions of Chapter 1 and Chapter 3 of the Rules;

3) having tax arrears, arrears on mandatory pension contributions, mandatory professional pension contributions and social contributions and (or) fees.

Absence of arrears shall be confirmed by information on absence (presence) of debt, accounting for which is maintained by government revenue authorities in accordance with Appendix 18 to the Rules for personal accounts, approved by Order No. 306 of the Minister of Finance of the Republic of Kazakhstan dated February 27, 2018 (registered in the Register of State Registration of Regulatory Legal Acts under No. 16601), issued no later than 30 calendar days prior to the filing date of the application by the Program participant for financing;

4) implementing projects involving production or supply of weapons (including components for the production of weapons), drug-containing substances or other property withdrawn from civil circulation;

5) implementing projects involving organization and (or) development of gambling business;

6) implementing projects involving activities relating to terrorist and any other activities prohibited by the legislation of the Republic of Kazakhstan;

7) producing excisable goods / products, with the exception of projects involving production of motor vehicles and wine from own-produced grapes;

8) engaged in mining industry, with the exception of projects in development of gravel and sand pits;

9) implementing projects in metallurgical industry, which are included in the list of major taxpayers subject to monitoring in accordance with paragraph 3 of Article 130 of the Code of the Republic of Kazakhstan "On Taxes and Other Obligatory Payments to the Budget" dated December 25, 2017;

10) which are subjects of medium or large business in accordance with the legislation of the Republic of Kazakhstan;

12. Creditors shall not extend loans / microcredits to Program participants for the following purposes:

1) equity holding in the charter capital of legal entities;

2) reimbursement of previously incurred expenses by Program participants, repayment of debts incurred in connection with receipt by the Program participants of financial assistance from individuals and / or legal entities, including participants, shareholders, officials and employees of the Program participants;

3) consumer lending;

4) refinancing of existing liabilities;

5) acquisition and construction of residential real estate, land plots (the purpose of which is not associated with entrepreneurial activity), except for cases when the intended purpose of such land plots / residential real estate is changed by the Program participant for a business goal within one year since the date the loan / microloan agreement was entered into;

6) to cover losses of economic activities of the Program participants (in this case it is allowed to provide loans/ microloans to Program participants who have a negative financial result);

7) payment of services to solicitors (agents);

8) payment of commissions, fees and / or other payments linked with the loan/ microloan of the Program participants;

9) acquisition of securities (portfolio investment);

10) acquisition of fixed assets, assets from affiliated / related companies / individuals;

11) payment of imaginary or sham transactions;

12) payment of any treaties / contracts / agreements that contain information on the legal address and / or details of the bank account of counterparties registered / opened in offshore zones provided for in the List of offshore zones for the purposes of banking and insurance activities, activities of professional participants in the securities market and other licensed activities in the securities market, activities of joint-stock investment funds and activities of organizations engaged in microfinance activities, approved by the Resolution of the Board of the Agency of the Republic of Kazakhstan on Regulation and Development of Financial Market dated February 24, 2020 No. 8 (registered in the Register of State Registration of Regulatory Legal Acts under No. 20095).

Footnote. Paragraph 12 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 09.04.2021 No. 39 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

13. When financing the Program participants, lenders shall comply with such additional conditions as follows:

1) for the purpose of implementing one project, they may not finance several affiliated Program participants to a total amount over 8,000 MCIs. One project is a combination of two or more projects that simultaneously meet all of the following criteria:

the project is implemented in the territory of one object;

the project is implemented within one subclass of the common classifier of economic activities (hereinafter –referred to as the CCEA);

there are financial flows between Program participants implementing one project;

2) the Program participants do not register the title to property/assets purchased with loan microloan funds to third parties and also do not carry out the construction of an object on a land plot owned by third parties, except for cases of construction on a state-owned land plot;

3) in case of the Program participant's termination of a transaction of purchase and sale of a long-term asset or alienation of a long-term asset purchased with loan/microloan funds, the

Program participant notifies the STB/MFI/FFSA JSC thereof in writing within 3 working days. This condition is fixed in a relevant loan/microloan agreement. STBs and MFIs send a relevant notification to the micro-lending institution within 3 working days of receipt of such notification from the Program participant. If a written request is sent by the micro-lending institution, STBs and MFIs, the Program participant shall repay the loan/microloan ahead of schedule in the manner and by the deadline specified in the requirements of the micro-lending institution;

4) the Program participants use a loan/microloan or its parts as intended within 6 months of the financing date unless a different period for the purchase of goods, and/or works and/or services is specified in a relevant agreement entered into by the Program participant and his/her counterparty;

5) loans/microloans are not provided to aspiring entrepreneurs for the implementation of projects in the CCEA economy sectors, which correspond to the activities of affiliated active entrepreneurs (at the level of the CCEA class).

Footnote. Paragraph 13 is as amended by Order № 87 of the Minister of National Economy of the Republic of Kazakhstan as of 29.10.2019 (shall be enforced ten calendar days after its first official publication).

14. Other terms of financing of the Program participants shall be determined by the decision of the authorized body of the creditor.

Chapter 4. The procedure for extending microloans to Program participants

15. Applicants, directly or through district branches of Atameken regional chamber of entrepreneurs / akims of cities and districts within cities, apply to employment centers for advice on measures to promote entrepreneurial activities and to check whether they are eligible for the Program.

16. Start-up entrepreneurs shall be directed to training courses in business fundamentals. Active entrepreneurs can receive loans / microloans without participation in the courses in business fundamentals.

17. Mandatory condition for obtaining a loan/ microloan by Program participants shall be the referral from the population employment center, with the exception of projects whose purpose of funding is to expand activities of start-up and active entrepreneurs.

To obtain a referral the Program participants shall provide the following documents: copies of identity document, copies of the certificate of training in business fundamentals (identification card, certificate, diploma) if available.

In turn, after verification against Labor Market automated information system, the employment centers shall issue referrals to Program participants during 2 working days to enable their participation in support measures to entrepreneurial initiatives.

Program participants shall develop a business plan for the project and apply for a loan/ microloan to the creditor, attaching to it the referral from the employment center (with the

exception of projects whose funding is purposed to expand the activity of start-up entrepreneurs) and a training completion certificate in business fundamentals.

18. Creditors shall assess a potential business project, make their conclusion and make a decision on the possibility or impossibility of issuing a loan/microcredit. At the same time, the self-employed, the unemployed, agricultural cooperatives and their members, the laid-off worker who has not reached the retirement age established by Article 11 of the Law of the Republic of Kazakhstan “On Retirement Insurance in the Republic of Kazakhstan” before applying for a loan/ microloan shall receive the status of small business entity, including microenterprise.

Footnote. Paragraph 18 - in the wording of the Order of the Minister of National Economy of the Republic of Kazakhstan dated 30.09.2021 No. 87 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

19. Upon approval of loan/ microloan, creditors shall enter into a loan / microloan agreement with Program participants in accordance with the civil legislation of the Republic of Kazakhstan.

20. Monthly, on or before the 20th day of a month following a reporting month, STBs and MFIs submit information on provided loans/microloans to the micro-lending institution.

Footnote. Paragraph 20 is as amended by Order № 87 of the Minister of National Economy of the Republic of Kazakhstan as of 29.10.2019 (shall be enforced ten calendar days after its first official publication).

21. Monthly, on or before the 25th day of a month following a reporting month, the micro-lending institution shall submit information on provided loans/microloans to the LEB for entrepreneurship and employment (electronically via the portal/manually).

Monthly, on or before the 25th day of a month following a reporting month, FFSA JSC shall submit information on loans/microcredits issued to the LEB on the issues of agriculture/ entrepreneurship/employment (in electronic form through the portal/manually).

The authorized body and the authorized body for agriculture on a monthly basis, by the 5th day of the second month following the reporting month, submit information on loans / microcredits issued to the authorized body for employment issues.

Footnote. Paragraph 21 - in the wording of the Order of the Minister of National Economy of the Republic of Kazakhstan dated 09.04.2021 No. 39 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Chapter 5. Requirements for creditors

23. Requirements for the STB:

1) level of loans with overdue indebtedness, more than 90 days for the principal debt and / or accrued interest not more than 10% on the date of the concluded loan agreement;

2) fulfillment of prudential and other standards of the National Bank of the Republic of Kazakhstan;

3) Compliance with internal documents of the microlending organization.

24. Requirements for MFIs are as follows:

1) the equity capital of a microfinance institution may not be lower than the minimum level established by the National Bank of the Republic of Kazakhstan;

2) it shall be registered with the National Bank of the Republic of Kazakhstan;

3) it shall have at least 1 year of experience in the main activity by the date of loan application. This requirement does not apply to MFIs set up by local executive bodies together with the “Atameken” regional chamber of entrepreneurs;

4) it shall comply with prudential and other standards of the National Bank of the Republic of Kazakhstan;

5) it shall comply with the internal documents of the micro-lending institution.

Footnote. Paragraph 24 is as amended by Order № 53 of the Minister of National Economy of the Republic of Kazakhstan as of 11.06.2019 (shall be enforced ten calendar days after its first official publication).

Chapter 6. Monitoring

25. The micro-lending institution shall carry out:

1) monitoring of timely disbursement of funds by STBs and MFOs;

2) monitoring of the intended use of STBs and MFOs funds, as well as the intended use of received loans/microcredits by the participants of the Program;

3) monitoring of timely financing of STBs and MFOs of Program participants at the expense of funds released from the repayment of previously issued loans/microcredits.

FFSA JSC monitors the effectiveness (creation of new permanent jobs) and intended use by the participants of the Program of received loans/microcredits financed by FFSA JSC . At the same time, for each financed project of the Program participant, a separate credit file is maintained, in which documents are stored confirming the intended use of funds by the Program participants.

Footnote. Paragraph 25 - in the wording of the Order of the Minister of National Economy of the Republic of Kazakhstan dated 09.04.2021 No. 39 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

26. Monthly, by the 20th day of the month following the reporting month, STBs and MFOs shall file reports to the micro-lending organizations on the funds disbursement. The form and filing time of the report shall be indicated in the corresponding loan agreement.

Footnote. Paragraph 26 as amended by Order No. 87 of the Minister of National Economy of the Republic of Kazakhstan dated 29.10.2019 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

27. At the request of the sole shareholder, the Government of the Republic of Kazakhstan, the Parliament of the Republic of Kazakhstan and state bodies, the microcrediting organization / FFSA JSC shall provide information related to the receipt, development by

participants of the loan / microloan Program, targeted use by the Participants of the loan / microloan Program.

Footnote. Paragraph 26 as amended by Order No. 87 of the Minister of National Economy of the Republic of Kazakhstan dated 29.10.2019 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

28. Creditors shall conduct monitoring of the funded projects of the Program participants. At the same time, a separate credit folder shall be kept on each funded project of a Program participant, which stores documents confirming the intended use of funds by the Program participants.

29. On a quarterly basis by the 10th day of the month following the reporting quarter, the microlending organization shall analyze financial and economic performance of the creditors that are financing the participants.

Appendix 2
to order No. 84 of the Minister of
National Economy of the
Republic of Kazakhstan
dated November 27, 2018

Guarantee Rules on loans/ microloans extended by microfinance organizations / second-tier banks in cities

Chapter 1. General Provisions

1. These Rules governing microloans guarantees extended by microfinance organizations / second-tier banks in cities (hereinafter referred to as Guarantee Rules) were developed as part of the ‘Yenbek’ State Program of Development of Productive Employment and Mass Entrepreneurship for 2017–2021”, approved by the Order of the Government of the Republic of Kazakhstan dated November 13, 2018 No. 746 (hereinafter - the Program) and Employment Roadmap for 2020-2021, approved by the Order of the Prime Minister of the Republic of Kazakhstan dated March 27, 2020 No. 55-p (hereinafter – the Employment Roadmap) and shall determine the procedure for guaranteeing loans/microloans in the cities of the Republic of Kazakhstan.

Footnote. Paragraph 1 - in the wording of the Order of the Minister of National Economy of the Republic of Kazakhstan dated 30.09.2021 No. 87 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

2. Guarantee is a tool of financial support for private businesses and shall be used to expand and provide access of entrepreneurs to loan / microloan resources financed under the Program and the Employment Roadmap.

Footnote. Paragraph 2 - in the wording of the Order of the Minister of National Economy of the Republic of Kazakhstan dated 30.09.2021 No. 87 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

3. Funds provided for guarantees shall be transferred by local executive bodies to the guarantor on the basis of agreement on guaranteeing microloans by microfinance organizations (hereinafter - the MFOs) and second-tier banks (hereinafter – the STB) concluded in accordance with the civil legislation of the Republic of Kazakhstan.

4. The following terms and definitions shall be used in these Guarantee Rules:

1) bank loan agreement – is a written agreement concluded between the bank and an entrepreneur, under the terms of which the bank provides a loan/ credit to an entrepreneur. The bank loan agreement shall also comprise an agreement on credit line opening (Line of credit Agreement);

2) The STB - is a second-tier bank participating in the Program;

3) the local executive body (hereinafter referred to as the LEB) - is a collegial executive body headed by akim of the oblast, the city of republican significance and the capital, a district (of a city of oblast subordination), exercising, within its competence, local government and self-government in the relevant territory;

4) active entrepreneur - is a small business entity whose term of state registration as an individual entrepreneur or legal entity at the time of applying to the STB / MFO for a loan/ microloan is more than three years;

5) investment project - is acquisition / construction / modernization / reconstruction / overhaul of fixed assets, acquisition of biological / intangible assets;

6) entrepreneur – is a start-up entrepreneur and an active entrepreneur who implements and (or) plans to implement his own projects in all cities and industry-based towns, with the exception of small towns without industry restrictions and regardless of the place of registration of the entrepreneur;

7) guarantor - is Damu Entrepreneurship Development Fund;

8) guarantee – is a document confirming subsidiary liability of the guarantor to the MFO / STB on the obligations of the entrepreneur;

9) guaranteeing – is a form of state support for entrepreneurs, used in the form of a partial guarantee on fulfillment of obligations on the loan / microloan of an entrepreneur under the conditions set out in these Guarantee Rules and the guarantee agreement;

10) guarantee contract – is a tripartite written agreement concluded between the guarantor, the MFO / STB and the entrepreneur on provision of guarantee in the form approved by the authorized body on entrepreneurship;

11)) loan / microloan - loaned funds provided by microfinance organizations (MFOs) / second-tier banks (STB) to the borrower under the Agreement on the extension of microloan in the national currency of the Republic of Kazakhstan on the conditions of refundability, urgency, serviceability, security and intended use;

12) agreement on extension of microloan - a written agreement concluded between an MFO and an entrepreneur, under the terms of which the MFO provides microloan to an

entrepreneur. Agreement on the extension of microloan shall also comprise a line of loan agreement;

13) MFO - a legal entity that is a commercial organization, whose official status is determined by the state registration with the “Government for Citizens” State Corporation and record registration, engaged in providing microloans as well as in additional activities permitted by the Law of the Republic of Kazakhstan “On microfinance Organizations”;

14) nominal remuneration rate - is the rate of remuneration on a loan/ microloan established by the agreement on extension of microloan / bank loan agreement at the time of its conclusion;

15) portfolio guaranteeing – is a form of providing guarantees to entrepreneurs within the limits set by the Guarantor for a bank;

16) the authorized body – is the central executive body of the Republic of Kazakhstan, carrying out management and cross-sector co-ordination in the field of entrepreneurship;

17) a start-up entrepreneur -is a small business entity whose term of state registration as an individual entrepreneur or legal entity at the time of applying to the STB / MFO for a loan/ microloan is less than three years.

Footnote. Paragraph 4 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 30.09.2021 No. 87 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Chapter 2. Terms of providing guarantees

5. Participants in the guarantee under the Program may be entrepreneurs who are implementing and (or) plan to implement their own projects in all cities and industry-based towns, with the exception of small towns, without sectoral restrictions and regardless of the place of registration of the entrepreneur.

6. Entrepreneurs who receive loans that meet the requirements of the Lending/Microcredit Rules in cities and single-industry towns approved by this order and the Employment Roadmap are allowed to participate in the guaranteeing.

Footnote. Paragraph 6- in the wording of the Order of the Minister of National Economy of the Republic of Kazakhstan dated 30.09.2021 No. 87 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

7. Guarantee shall be provided only for loans / microloans extended by the MFOs / STBs from January 1, 2017 for creation of new micro enterprises, expansion of existing business in cities.

8. The Guarantor shall apply portfolio guarantee method in accordance with paragraphs 5, 6, 11, 12, 13, 14, 15, 16 and 19 of these guarantee Rules. The guarantor shall select the STB / MFOs independently and conclude a bilateral framework agreement.

9. By decision of the guarantor, the property securing the loan / microloan (s) shall be subject to insurance.

10. The guarantor shall have the right to require of the entrepreneur the provision of guarantees of affiliated and related legal entities and individuals.

11. The guarantee shall be provided only for loans / microloans with a nominal interest rate of no more than 6% per annum.

12. The amount of loan / microloan (s) of the MFO / STB for one entrepreneur, receiving guarantee, shall not exceed:

in cities, industry-based towns (except Nur-Sultan, Almaty, Shymkent, Aktau, Atyrau) - 6.5 thousand monthly calculated indicators;

in Nur-Sultan, Almaty, Shymkent, Aktau, Atyrau - 8.0 thousand monthly calculated indicators.

At the same time, the amount of the loan/microcredit(s) shall be calculated for one entrepreneur without taking into account the debt on the loan/microcredit(s) of persons affiliated with him. Credit / microcredit is provided in tenge.

Footnote. Paragraph 12- in the wording of the Order of the Minister of National Economy of the Republic of Kazakhstan dated 30.09.2021 No. 87 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

12-1. The amount of credit/microcredit(s) of MFOs with the participation of the state per one entrepreneur who is a graduate of "Bastau Business" project, under which the guaranteeing is carried out, shall not exceed:

in cities, single-industry towns (except for Shymkent, Aktau, Atyrau cities) - up to 6.5 thousand monthly calculation indices;

in Shymkent, Aktau, Atyrau cities - up to 8.0 thousand monthly calculation indices.

At the same time, the amount of the loan/microcredit(s) shall be calculated for one entrepreneur without taking into account the debt on the loan/microcredit(s) of persons affiliated with him. Credit / microcredit is provided in tenge.

Footnote. The Rules amended with paragraph 12-1, in accordance with the Order of the Minister of National Economy of the Republic of Kazakhstan dated 30.09.2021 No. 87 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

13. For a start-up entrepreneur, the guarantee amount shall be up to 85% of the loan/microcredit amount (within the framework of the Employment Roadmap up to 50% of the loan/microcredit amount), while the start-up entrepreneur provides collateral for a loan/microcredit (collateral) value of at least 15% of the loan/microcredit amount (within the framework of the Employment Roadmap, at least 50% of the loan/microcredit amount). When calculating the sufficiency of the amount of security, the pledge of the right to claim and the pledge of shares in the authorized capital shall not be taken into account.

Affiliation of a start-up entrepreneur with existing entrepreneurs shall be allowed, provided that a new type of activity is created that differs from the current activity of the current affiliated entrepreneur (at the class level of the general classifier of types of economic activity).

Footnote. Paragraph 13- in the wording of the Order of the Minister of National Economy of the Republic of Kazakhstan dated 30.09.2021 No. 87 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

14. For active entrepreneur, guarantee amount shall not exceed 50% of the loan / microloan sum, while the entrepreneur provides loan security for the loan / microloan (collateral) worth at least 50% of the loan / microloan sum. When calculating sufficiency of security, the pledge of the right of claim and the pledge of shares in the authorized capital shall not be taken into account.

15. Period of provided guarantee shall not exceed the period of loan / microloan.

16. A loan / microloan under which a guarantee agreement is concluded shall be drawn in the form of an independent agreement on extension of microloan / bank loan agreement.

17. The cost of guarantee paid by the LEB to the guarantor shall be 30% of the guarantee amount.

Footnote. Paragraph 17- in the wording of the Order of the Minister of National Economy of the Republic of Kazakhstan dated 30.09.2021 No. 87 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

18. If the requirements of the MFO/STB paid by the guarantor exceed the threshold of more than 10% of the volume (balance of debt) of the loan portfolio formed under the guarantee of the guarantor, further issuance of guarantees for loans/microcredits of this MFI/STB under the Program shall be suspended.

If the overdue debt exceeds 60 calendar days for loans/microcredits financed under the Employment Roadmap by 2% or more of the volume (balance of debt) of the loan portfolio formed under the guarantee of the guarantor, further issuance of guarantees for loans/microcredits of this MFO shall be suspended.

Footnote. Paragraph 18- in the wording of the Order of the Minister of National Economy of the Republic of Kazakhstan dated 30.09.2021 No. 87 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

19. The MFO / STB shall notify in writing not later than 3 working days about the occurrence of restrictions or bans on the operation of the MFO / STB, also about one-time sale or other one-time transfer of ownership and / or transfer of ownership and use rights in respect of more than 10% shares / share of MFOs / STB.

20. The Guarantor shall have the right to conduct an advertising campaign for the program that is being implemented and place it on its official Internet resource on the Program performance.

21. The Guarantor shall be prohibited to provide a guarantee in the following cases:

1) economic inexpediency and inefficiency of the project according to the results of conducted forecast financial analysis and the needs for this project in the city, where it is to be implemented;

2) non-compliance of the project with the Program conditions;

3) presence of a negative credit history of a potential participant of the Program and legal entities and individuals affiliated with it.

Chapter 3. Order of interaction of the Program participants for provision of guarantee

22. The entrepreneur shall submit an application for loan / microloan to the MFO / STB.

23. In accordance with procedure established by the internal documents of the MFO / STB, the MFO / STB shall independently review the application of the entrepreneur, conduct a comprehensive examination of the project, analyze the documents submitted by the entrepreneur, the financial condition of the entrepreneur, and basing on the valuation of collateralized (secured) property submitted by the entrepreneur, shall make appraisal of the entrepreneur's security and, in the case of insufficient security, decide on the possibility / impossibility of providing a loan / microloan under partial guarantee of the guarantor.

24. In the event the STB / MFO approves extension of credit against the portfolio guarantee, the STB / MFO shall provide the financial agency with copies of the bank loan agreement, on the basis of which the Guarantor shall prepare and sign the guarantee agreement, which shall be subsequently sent to the bank. The STB / MFO shall sign the guarantee agreement, ensure that it is signed by the entrepreneur and send the signed guarantee agreement to the Guarantor.

25. In the event of adopted positive decision (on loan extension), the MFO / STB, within 2 (two) working days from the date of the decision, shall send to the guarantor:

a loan approval letter with calculated amount of the guarantee on the form provided in Appendix 1 to the Guarantee Rules;

list of documents that must be submitted to the guarantor of the MFO / STB for appraisal of the entrepreneur in accordance with Appendix 2 to the Guarantee Rules for considering the issue of providing a guarantee.

26. Upon receipt of the documents from the MFO / STB the Guarantor, within 5 working days, shall review the received documents for a decision on the provision / non-provision of a guarantee.

27. In the presence of comments to the submitted documents, the identified comments shall be sent to the MFO / STB by the guarantor for their elimination within 3 working days. In this case, the period for consideration of the documents specified above for the guarantor shall be resumed.

28. In the event of positive / negative decision of the guarantor on provision (non-provision) of a guarantee, within 2 working days it shall send a letter to the MFO / STB with decision of the guarantor about the possibility (impossibility) of guaranteeing.

In the event of a negative decision on the project of the entrepreneur, a letter on such a decision shall reflect the reason for refusal.

29. In the event of positive decision of the guarantor on the possibility of providing MFO / STB guarantee, the entrepreneur shall enter into a microloan agreement / bank loan

agreement, pledge agreement (s). A copy of the microloan / bank loan agreement shall be forwarded to the guarantor.

30. Upon receipt of the letter with approval of the guarantor, at the discretion of the MFO / STB, partial issuance of up to 50% of the loan amount shall be allowed.

31. Upon receipt of a copy of the microloan / bank loan agreement from the MFO / STB, the guarantor shall issue and sign the guarantee agreement within 30 (thirty) working days, which is sent to the MFO / STB.

32. The MFO / STB shall sign the guarantee agreement, ensure that it is signed by the entrepreneur and forward the signed guarantee agreement to the guarantor;

33. MFO / STB, after receiving the guarantee agreement from the guarantor, shall extend a loan/ microloan to the entrepreneur.

34. In order to pay for issued guarantees, local executive bodies shall, at the beginning of the following year, transfer to the guarantor 50% of the amount of funds allocated for guaranteeing of loans / microloans. After conclusion of the guarantee agreement, the guarantor shall send a corresponding notice to the local executive bodies.

35. The remaining part of the funds allocated for the guarantee shall be transferred to the guarantor after full disbursement of the first half of the funds transferred to the guarantor at the beginning of the year as the guarantee contracts are concluded, as follows:

1) after conclusion of the guarantee agreement, the guarantor shall send a corresponding notification to the LEB;

2) Upon receipt of the letter of notification from the guarantor on conclusion of the guarantee agreement, the LEB shall transfer funds in the size of 30% of the guarantee amount to the current account of the guarantor.

Funds allocated for guaranteeing under the Rules and not utilized by the guarantor in the current financial year shall be returned to the local executive body.

In the event of the formation of a shortage of budgetary funds allocated for projects guaranteeing, the LEB shall notify about suspension of project guaranteeing in the current financial year.

Footnote. Paragraph 35 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 30.09.2021 No. 87 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Chapter 4. Monitoring of Program Implementation

36. Monitoring of the implementation of the Program shall be conducted by the guarantor, whose functions comprise:

1) monitoring of the targeted use of the loan by the entrepreneur with whom a guarantee agreement was concluded, on the basis of data and documents provided by the MFO / STB and / or the entrepreneur;

2) monitoring of the payment discipline of the entrepreneur on the basis of data provided by the MFO / STB, or other reliable sources.

37. To exercise the monitoring functions, the guarantor shall have the right to request information from the entrepreneur and MFO / STB, and the entrepreneur and MFO / STB shall provide documents and information relating to the subject of monitoring, conduct monitoring of the progress of the project with on-site visits.

38. With regard to entrepreneurs' working capital loans, it is not required to visit the project site to monitor whether the entrepreneur uses the loan as intended.

Footnote. Paragraph 38 is as amended by Order № 87 of the Minister of National Economy of the Republic of Kazakhstan as of 29.10.2019 (shall be enforced ten calendar days after its first official publication).

39. With regard to projects with a portfolio guarantee, the guarantor is not required to monitor the implementation of the program, except for cases of the entrepreneur's failure to fulfill his/her obligations to repay the principal debt under a loan/microloan agreement within 60 (sixty) calendar days, or by the deadline fixed in the guarantee agreement.

Footnote. Paragraph 39 is as amended by Order № 87 of the Minister of National Economy of the Republic of Kazakhstan as of 29.10.2019 (shall be enforced ten calendar days after its first official publication).

40. On a monthly basis, MFIs/STBs carry out current monitoring of the progress of implementation of the entrepreneur's project (s).

Footnote. Paragraph 40 is as amended by Order № 87 of the Minister of National Economy of the Republic of Kazakhstan as of 29.10.2019 (shall be enforced ten calendar days after its first official publication).

41. Report of the MFO / STB on current monitoring of the progress of the entrepreneur's projects under the Program in accordance with Appendix 3 to the Guarantee Rules shall be submitted to the guarantor by the MFO / STB no later than the 5th (fifth) day of the month following the reporting month, in written and electronic form.

42. Is excluded by Order № 87 of the Minister of National Economy of the Republic of Kazakhstan as of 29.10.2019 (shall be enforced ten calendar days after its first official publication).

43. The guarantor shall, on a monthly basis, by the 6th day of the month following the reporting month, provide the local executive body and the authorized body with information on guarantees issued for loans/ microloans.

By the 10th day of the month following the reporting month, the authorized body shall provide information on guarantees issued for loans / microloans to the authorized body of the population employment.

second tier banks
in cities Document form
to Regional Branch Director of
Damu" Entrepreneurship
Development Fund"
Joint Stock Company

from _____

Loan approval letter with calculation of guarantee amount

Microfinance organization " _____ " / Joint-stock company " _____ " informs that _____ of the year 201__ request was approved on opening a credit line / extending a loan / micro-loan under the Program _____ with the following conditions:

1	Full name of the borrower	
2	Product type (financing)	Non-revolving line of credit / revolving line of credit / microloan / loan
3	Amount and currency of loan / microloan	
4	Goal of crediting	
5	term of loan / microloan	
6	Remuneration rate	
7	Order and terms of principal debt repayment	
8	Order and terms of remuneration repayment	
9	List of collateral on microloan	Name of facility, location, collateral value no less than _____ tenge. Market value _____ tenge; Name of facility, location, collateral value not less than _____ tenge. Market value _____ tenge; Personal guarantee of individuals: Surname, First name Patronymic (in its existence), Surname, First name, Patronymic (in its existence). Total amount of collateral _____ __ tenge

Based on the above, we ask you to consider the possibility of providing a guarantee in the amount of _____ tenge, up to _____ months.

Microfinance organization " / Joint-stock company " _____ " _____
(position) (signature) (place of seal) _____

(full name)

to guarantee Rules
on microloans issued by
microfinance organizations /
second- tier banks in cities and
industry-based towns

List of documents provided to guarantor by microfinance organization / second-tier bank for appraisal of entrepreneur

1. General documents:

№ n/n	Name of the document	Form
1	Cover letter to the list of documents	original
2	Inventory of all documents in the package of documents, or the act of acceptance and transfer of documents	original signed by authorized employee of microfinance organization / second-tier bank and certified by seal / stamp of microfinance organization / second-tier bank
3	Application for loan/ microloan to microfinance organization / second tier bank	copy verified by authorized person of microfinance organization / second- tier bank with the original
4*	Financial documents of private entrepreneurship entities as of last reporting date (with detailing of payables and receivables, indicating date of debt occurrence, planned maturity date and subject of debt, detailing of fixed assets, commodity, report on income and expenses for the last 12 months (for individual entrepreneurs)	copy verified against the original by authorized person of microfinance organization / second-tier bank
5*	Financial documents of entrepreneur as of the beginning of the year and the last reporting date (with detailing of payables and receivables as at the beginning of the year and the last reporting date with indication of the date of debt occurrence, planned maturity date and subject of debt, detailing of fixed assets, inventory) certified by the seal of the entrepreneur (in the presence of it)	copy verified against the original by authorized person of microfinance organization / second-tier bank
6*	Detailing of report items on income and expenses - income from sales, self-cost, expenses of the period, other income and expenses, volume of sales in cash and in kind over the period in question	copy verified against the original by authorized person of microfinance organization / second-tier bank, or the original
7	Statement of debt on the loan, including overdue from financial	

	institutions (in the presence of loans, including banks)	Original (copy is allowed, verified against the original until 30 (thirty) calendar days)
8	Certificate confirming absence (presence) of debts on taxes and other obligatory payments to budget, mandatory pension and social contributions	Original (certificate from egov.kz)
9	Information on all current accounts in second-tier banks	Original letter of the entrepreneur
10	Licenses, patents, quotas (if the applicant's type of activity is licensed or if realization of certain types of goods and services is licensed for which loaned funds are directed)	copy verified against the original by authorized person of microfinance organization / second-tier bank
11	Documents on project implementation (in its existence): 1) contracts, purchase and sale agreements, contracts of intent, contracts for works (with attached license to the contractor for construction and installation works or other activities), provision of services, certificates of work performed, fee invoices; 2) estimates for planned works, permit for construction and installation works (in case the credit is issued for use in construction, reconstruction, etc.); 3) documents confirming personal participation in the project; 4) any other documents used by microfinance organization / second-tier bank in project review	copy verified against the original by authorized person of microfinance organization / second-tier bank
12	Business plan	Original or copy verified against the original by an authorized person of microfinance organization / second-tier bank
13	Current and fulfilled contracts for the last and current years (if any)	copies
14	Loan agreements (in the presence of working loans)	copies
15	Documents confirming authority of the person concluding agreement on providing loan / microloan, security and guarantees on behalf of	Copies certified by the seal of microfinance organization / second-tier bank (may be submitted by microfinance organization /

	microfinance organization / second-tier bank.	second-tier bank by the time of conclusion of the guarantee agreement)
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Note: statute of limitations of the financial reporting shall not exceed 3 months by the date of provision by the microfinance organization / second-tier bank of the package of documents

* on new projects, these documents shall be provided upon their availability.

2. Documents defining legal status and powers of private business entities

1. In case the entrepreneur is an individual entrepreneur:

№ n/n	Name of the document	Document form
1	Identity Document	copy verified against the original by authorized person of microfinance organization / second-tier bank
2	Notice of registration of individual entrepreneur	Coupon on registration of individual entrepreneur (a copy of the coupon from egov.kz is permitted)
3	Document with samples of signature and seal imprint, in its existence	Notarized original
4	Consent of entrepreneur to submit information to credit bureau and receive credit report	the original shall be provided in the name of the guarantor
5	Consent of entrepreneur to collection and processing of personal data	the original shall be provided in the name of the guarantor

2. In the event that the entrepreneur is a legal entity registered in accordance with the legislation of the Republic of Kazakhstan.

№ n/n	Name of the document	Document form
1	Charter, amendments and additions thereto	Notarized copy
2	Certificate of state registration / re-registration of legal entity	Notarized copy (statement from egov.kz is permitted)
3	Decision of authorized body of the entrepreneur on appointment of manager	original or copy verified by authorized person of microfinance organization / second-tier bank
4	Identity document of the person authorized to sign documents on behalf of the entrepreneur in microfinance organization / second-tier bank and of the guarantor, also documents confirming his authority	copy verified against the original by an authorized person of a microfinance organization / second-tier bank
5	Decision of authorized body of entrepreneur, that made decision on attracting a guarantee	original on the form approved by the guarantor
6	Decision of authorized body of the entrepreneur, that made decision on attracting microloan	original on the form approved by microfinance organization / second-tier bank

7	Document with samples of signatures of manager, chief accountant and seal of the entrepreneur	notarized original
8	Consent of entrepreneur to submit information to credit bureau and receive credit report, in its existence	the original shall be submitted to the name of the guarantor

Note:

In the event the submitted document consists of several pages, such document must be bound and numbered or signed by authorized persons, with a seal / stamp on each sheet of the document.

Appendix 3
to guarantee Rules
on microloans issued by
microfinance organizations /
second-tier banks in
cities and industry-based towns

**Report of microfinance organization " _____ " / Joint-Stock Company " _____ "
on current monitoring of the progress of projects of the entrepreneur under "Yenbek" State
Program for Development of Productive Employment and Mass Entrepreneurship for
2017–2021 from _____ to _____ year**

Name of microfinance organization / second-tier bank	Place of application of entrepreneur (oblast, region)	Name of entrepreneur (enterprise)	Individual Identification Number / Banking Identification Number of the borrower
1	2	3	4
Legal status (Individual entrepreneur / Limited Liability Partnership/ Joint-stock company)	Number of microloan agreement / Credit Line Agreement	Date of issuing microloan agreement / opening of credit line	Credit period
5	6	7	8
Sum of credit	Credit interest rate	Grace period for principal debt repayment	Grace period for remuneration payment
9	10	11	12
Date of loan (tranche) issue	Actually issued sum	Balance of the principal debt at the reporting date	Number of the guarantee agreement
13	14	15	16
Date of guarantee agreement	Sum of guarantor's guarantee	Sum of fulfilled obligations by guarantor on guarantee	Sum of arrears for principal debt
17	18	19	20
Number of overdue days on principal debt	number of overdue days on remuneration payment	Object of crediting (investment loan / working capital replenishment)	Industry Code
21	22	23	24

Business on project (start-up /active)	Availability period on microloan agreement / Credit Line Agreement	Date of decision of authorized person / body of microfinance organization / second-tier bank	Classification category according to requirements of the National Bank of the Republic of Kazakhstan
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Executive officer _____

(position) (signature)

(place of seal) (full name)

Responsible officer _____

(position) (signature)

(place of seal) (full name)

Appendix 3
to order No 84 of the Minister of
National Economy of the
Republic of Kazakhstan
Dated November 27, 2018

List of some orders of the Minister of National Economy of the Republic of Kazakhstan recognized invalid

1. Order No. 33 of the Minister of National Economy of the Republic of Kazakhstan dated January 31, 2017 "On approval of the Rules on providing loans/microloans in cities and industry-based towns and Rules governing loans/microloans guarantees issued by microfinancial organizations / second-tier banks in cities" (registered in the Register of State Registration of Regulatory Legal Acts under No. 14856, published on March 9, 2017 in the Reference Control Bank of Regulatory Legal Acts of the Republic of Kazakhstan).

2. Order No. 286 of the Minister of National Economy of the Republic of Kazakhstan dated July 25, 2017 "On Amendments to Order No. 33 of the Minister of National Economy of the Republic of Kazakhstan dated January 31, 2017 "On approval of the Rules on providing loans/microloans in cities and Rules governing loans/microloans guarantees issued by microfinancial organizations / second-tier banks in cities" (registered in the Register of State Registration of Regulatory Legal Acts under No. 15410, published on August 9, 2017 in the Reference Control Bank of Regulatory Legal Acts of the Republic of Kazakhstan).

3. Order No. 147 of the Minister of National Economy of the Republic of Kazakhstan dated April 11, 2018 "On Amendments to Order No. 33 of the Minister of National Economy of the Republic of Kazakhstan dated January 31, 2017 "On approval of the Rules on providing loans/microloans in cities and Rules governing loans/microloans guarantees issued

by microfinancial organizations / second-tier banks in cities" (registered in the Register of State Registration of Regulatory Legal Acts No. 16861, published on May 21, 2018 in the Reference Control Bank of Legal Acts of the Republic of Kazakhstan).

4. Order No. 203 of the Minister of National Economy of the Republic of Kazakhstan dated June 6, 2018 "On Amendments and Additions to Order No. 33 of the Minister of National Economy of the Republic of Kazakhstan dated January 31, 2017 " On approval of the Rules on providing loans/microloans in cities and Rules governing loans/microloans guarantees issued by microfinancial organizations / second-tier banks in cities" (registered in the Register of State Registration of Regulatory Acts under No. 17104, published on June 29, 2018 in the Reference Control Bank of Regulatory Legal Acts of the Republic of Kazakhstan)