



## **On some measures for the implementation of Yenbek State Program for the Development of Productive Employment and Mass Entrepreneurship for 2017-2021**

### *Unofficial translation*

Order of the Deputy Prime Minister of the Republic of Kazakhstan - Minister of Agriculture of the Republic of Kazakhstan dated November 27, 2018 № 477. Registered with the Ministry of Justice of the Republic of Kazakhstan on November 28, 2018 № 17812.

### **Unofficial translation**

#### **I HEREBY ORDER:**

In accordance with subparagraphs 159-1), 159-2), 159-3) of paragraph 16 of the Regulation on the Ministry of Agriculture of the Republic of Kazakhstan, approved by Resolution No. 310 of the Government of the Republic of Kazakhstan dated April 6, 2005, in order to implement the State Program for the Development of Employment Productivity and Mass Entrepreneurship for 2017 - 2021 "Yenbek", approved by Resolution No. 746 of the Government of the Republic of Kazakhstan dated November 13, 2018, I hereby ORDER:

**Footnote. Preamble as amended by order No. 252 of the Minister of Agriculture of the Republic of Kazakhstan dated 13.08.2020 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).**

1. To approve:

1) the Rules on providing loans/microloans in small cities and rural settlements according to Annex 1 to this order;

2) the Rules on providing guarantees for loans / microloans issued by microfinance organizations and credit partnerships in rural areas and small towns, in accordance with Annex 2 to this order;

3) the Rules for subsidizing operating expenses of microfinance organizations in accordance with Annex 3 to this order.

2. The Department for Investment Policy of the Ministry of Agriculture of the Republic of Kazakhstan in the manner prescribed by law shall provide:

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

Annex 2) within ten calendar days from the date of state registration of this order, sending it to the Republican State Enterprise on 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;

3) within ten calendar days after the state registration of this order, sending a copy of it for official publication in periodicals;

4) the placement of this order on the Internet resource of the Ministry of Agriculture of the Republic of Kazakhstan.

3. The control over the execution of this order shall be imposed on the Supervising Vice Minister of Agriculture of the Republic of Kazakhstan.

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

*Deputy  
Prime Minister of the  
Republic of Kazakhstan -  
Minister of Agriculture of the  
Republic of Kazakhstan*

*Shukeyev U.*

"AGREED"

Ministry of Information and Communications of the  
Republic of Kazakhstan

"AGREED"

Ministry of Finance of the Republic of Kazakhstan

"AGREED"

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

"AGREED"

Ministry of National Economy of the  
Republic of Kazakhstan

Annex 1  
to order of the Deputy  
Prime Minister of the  
Republic of Kazakhstan -  
Minister of Agriculture  
of the Republic of Kazakhstan  
No. 477 dated November 27, 2018

## **Rules of lending /microlending in small towns and rural areas**

**Footnote.** The rules as amended by order No. 252 of the Minister of Agriculture of the Republic of Kazakhstan dated 13.08.2020 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

### **Chapter 1. General provisions**

1. These Rules of lending/microlending in small towns and rural areas (hereinafter referred to as the Rules of lending/microlending) have been developed under the second direction of Yenbek State Programme for the Development of Productive Employment and Mass Entrepreneurship for 2017-2021, (hereinafter -the Programme), approved by Resolution No. 746 of the Government of the Republic of Kazakhstan dated November 13, 2018 and

govern the procedure of lending/microlending in small towns and rural areas (regardless of their administrative subordination).

2. The following basic concepts shall be used in these Rules of lending/microlending:

1) an authorized body in the field of the agro-industrial complex development (hereinafter -the authorized body) - the state body performing the state regulation in the field of agro-industrial complex development;

2) an agricultural cooperative - a legal entity in the organizational-legal form of a production cooperative established on the basis of membership by voluntary association of individuals and/or legal entities for the purpose of joint production and/or other economic activities to meet their socio-economic needs in production, processing, marketing, storage of agricultural products, aquaculture products (fish farming), supply of means of production and material and technical resources, lending, water supply or other services for members of the cooperative, as well as associated members of the cooperative;

3) the local executive body for agriculture (hereinafter - LEB for agriculture) - a structural unit of local executive bodies exercising the functions in agriculture;

4) a unified information system of social-labor sector (hereinafter UIS “Labor Market”) - hardware and software complex designed to automate the activities of the authorized body on employment issues, of local population employment agencies, population employment centers , labor resources development center and inter-agency cooperation to provide public services to the population in social and labor sphere;

5) start-up business (start-up project) - business projects of the participants of the Yenbek Programme, whose state registration as a legal entity / individual entrepreneur is less than one year as of the moment of applying for a state grant to a lender for a loan/microloan;

6) a young family - a family in which both spouses have not reached the age of twenty-nine, or a single-parent family in which the child(children) is raised by one of the parents who have not reached the age of twenty-nine;

7) a local executive body (hereinafter - LEB) - a collegial executive body, headed by the regional akim exercising local state administration and self-governance within his/her competence in the respective territory;

8) a current entrepreneur - an entrepreneur whose period of state registration as an individual entrepreneur or legal entity is more than three years at the time of applying to the lender for a loan/microloan;

9) an unemployed person – a natural person who is seeking for work and is ready to start working;

10) anchor cooperation - a partnership on the basis of a concluded civil law contract irrespective of the term of its validity of peasant (farming) holdings and/or agricultural cooperatives and other applicants having agricultural land with medium and large agro-industrial complex entities in order to increase production of agricultural commodities and their guaranteed sale;

- 11) the operator of non-financial support – Atameken National Chamber of Entrepreneurs of the Republic of Kazakhstan (hereinafter – Atameken NCE RK);
- 12) guarantor - a subsidiary of the Baiterek National Management Holding JSC entitled to provide guarantees (hereinafter referred to as the Subsidiary of the Baiterek National Management Holding JSC for guaranteeing);
- 13) guarantee - a document confirming the guarantor's subsidiary liability to the lender on the borrower's obligations;
- 14) a large family - a family with four or more underage children living together including children studying on a full-time basis in organizations of secondary, technical and vocational, post-secondary, higher and/or postgraduate education, after they have reached the age of majority until the end of their education (but no more than until the age of twenty-three);
- 15) the lender - LEB (through an attorney (agent), a microfinance organisation/second-tier banks/credit partnerships (hereinafter referred to as CPC)/Fund for Financial Support of Agriculture Joint Stock Company (hereinafter referred to as FFSA JSC);
- 16) loan/microloan - borrowed funds provided by the lender to a Participant under a loan/microloan/non-revolving credit line agreement in the national currency of the Republic of Kazakhstan on terms of payment, maturity, repayment, security and targeted use;
- 17) credit cooperative - a legal entity established by individuals and / or legal entities to meet the needs of its members for loans and other financial services including banking services by accumulating their money and from other sources not prohibited by the legislation of the Republic of Kazakhstan;
- 18) the organisation providing microloans is a subsidiary of the Baiterek National Management Holding Joint-Stock Company authorised to provide loans;
- 19) a microfinance institution (hereinafter - MFI) - a legal entity, which is a commercial organisation whose official status is established by state registration with the justice authorities and record registration, engaged in the activities on granting microloans, as well as additional activities permitted by the Law of the Republic of Kazakhstan “On Microfinance Activities”;
- 20) unproductively employed – employed persons with an income below the minimum subsistence level and/or without higher, technical and vocational education and/or engaged in menial (low-skilled) work;
- 21) attorney (agent) - a person who, on the basis of an agreement, performs orders on behalf and at the expense of the lender (grantor) or administrator of the budget program and in accordance with his instructions, certain orders related to budget lending;
- 22) an applicant – an unemployed person, a person from among certain categories of employed persons determined by the Government of the Republic of Kazakhstan, young people of NEET category, a member of a low-income family with many children, a working

disabled person, a young starting and active entrepreneur, agricultural cooperatives and their members, peasant and farming enterprises, participants of anchor cooperation regardless of the period of their activity;

23) an employment centre - a legal entity established by the local executive body of a district, cities of regional and national importance, the capital for the purpose of implementation of active measures to promote employment, organisation of social protection against unemployment and other measures to promote employment under the Law of the Republic of Kazakhstan “On Public Employment”;

24) small town - a town with a population of under 50 000 specified in Appendix 2 to the State regional development Programme until 2020 approved by Resolution No. 767 of the Government of the Republic of Kazakhstan dated November 16, 2018;

25) participants in lending/microlending measures in small towns and rural areas ( hereinafter the Participant) - starting and acting entrepreneurs and participants in anchor cooperation;

26) a young starting entrepreneur – an individual entrepreneur under the age of twenty nine (inclusive), whose state registration period as an individual entrepreneur at the time of applying to the lender for a loan/microloan/ guarantee in rural settlements, small towns, cities and single-industry towns is less than three years;

27) a starting entrepreneur - an entrepreneur whose state registration period as an individual entrepreneur or legal entity at the time of applying to the lender for a loan/microloan in rural settlements, small towns, cities and single-industry towns is less than three years;

28) youth of the NEET category - youth who due to certain social and economic circumstances do not study, do not work or improve their qualifications.

**Footnote. Paragraph 2 as amended by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 of 15.09.2021 (shall come into effect after ten calendar days from the date of its first official publication).**

## **Chapter 2. Conditions of lending /microlending in small towns and rural areas**

3. Loans/microloans shall be granted to Participants implementing or planning to implement business projects in rural areas (regardless of their administrative subordination) and small towns to open a microbusiness, expand the activities of young, starting and existing entrepreneurs, establish agricultural cooperatives and develop the activities of participants in the anchor cooperation from the national budget and/or local budgets.

For the purpose of lending /microlending to the Participants, the LEB shall grant a budget loan on the following conditions:

1) for 7 years on the principles of repayment, maturity and payment with an annual interest of 0.01%;

2) targeted use of the budget loan –microlending for business projects under the Yenbek Programme;

3) the grace period on repayment of the principal debt shall be not more than 1/3 (one-third) of the budget loan term;

4) the budget loan disbursement period shall be 6 months and shall be calculated from the moment the budget loan is transferred to the local executive body.

4. The LEB for Agriculture shall provide budget loan funds under the loan contracts of the microlending organization and FFSA JSC and conclude budget loan contracts in accordance with civil legislation on the following conditions:

1) loan term – not exceeding 7 years;

2) interest rate - 0.01% per annum;

3) development period - 12 months for microlending organization and FFSA JSC;

4) targeted use purpose for FFSA JSC – providing loans for business projects under the Yenbek Programme; for microlending organization - funding of MFO/CP for providing loans/microloans for business projects under the Yenbek Programme.

5. A microlending organization shall provide a loan to MFO/CP, enter into loan contracts with MFO/CP in conformity with civil law on the following conditions:

1) funding shall be provided on the terms of maturity, repayment, payment and targeted use (for microfinance organizations the borrowed funds shall be issued against security, except for financially sustainable microfinance organizations and credit partnerships);

2) loan term - up to 7 years;

3) nominal interest rate - up to 2 (two) % per annum for the Subsidiary of Baiterek NMH JSC on guaranteeing;

4) loan development period - 12 months in small towns and rural areas from the date of the loan contract, but not more than until March 1 of the next financial year;

5) targeted use – providing loans/microloans for business projects under the Yenbek Programme.

The microcredit organization/lender shall be granted a grace period on repayment of the principal debt for a period not exceeding one third of the loan term.

**Footnote. Paragraph 5 as amended by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 of 15.09.2021 (shall become effective ten calendar days from the date of its first official publication).**

6. LEB shall form proposals on the distribution of the budget loan funds provided by the LEB to the organization of lending/microlending in rural areas (regardless of their administrative subordination) and small towns, between FFSA JSC and the organization of microlending for subsequent lending/microlending.

The proposals of the LEB on the budget loan funds distribution shall be agreed with FFSA JSC and the microlending organization.

The decision on the microlending organization and FFSA JSC participation and the amounts allocated shall be approved by the resolution of the regional akimat.

7. The loans/microloans shall be granted to Participants in line with the principles of maturity, payment, repayment and targeted use under the following conditions:

1) the term of the loan / microloan - up to 5 (five) years, the term of the loan / microloan for projects in animal husbandry and creation of agricultural cooperatives - up to 7 (seven) years;

2) the maximum amount of loan / microloan - in rural areas (regardless of their administrative subordination) and in small towns - up to 2.5 (two and a half) thousand monthly calculation indices (hereinafter - MCI), for development of anchor cooperation - up to 8.0 (eight) thousand MCI;

3) nominal interest rate - no more than 6 (six)% per annum;

4) by the decision of the lender, the participant shall be granted a grace period for repayment of the principal debt and interest of no more than 1/3 (one third) of the lending / microlending duration;

5) mandatory conditions for obtaining a loan/microloan shall be registration of the Participant with the tax authorities pursuant to the tax legislation of the Republic of Kazakhstan and availability of a referral from the Employment Centre to the lender, except for projects aimed at expanding the activities of young, starting and existing entrepreneurs and participants in the anchor cooperation;

6) the terms and amounts of loans shall be determined in compliance with the Participant's line of business pursuant to these Rules of lending/microlending;

7) in the loan/microloan contracts in rural areas and small towns between the lender and the Participant, the creation of new jobs for existing entrepreneurs and participants in anchor cooperation must be necessarily indicated, excepting the participants whose state registration period as an individual entrepreneur or legal entity is less than three years at the time of applying for a loan/microloan.

8. The lender shall be prohibited to charge any commissions, fees and/or other payments related to the loan/microloan of the Participants, except for commissions, fees and/or other payments charged due to the Participant's breach of the obligations on the loan/microloan, and the amount of such commissions, fees and/or other payments shall be agreed in advance in writing with the microlending organization, except for FFSA JSC.

9. At the expense of funds returned by the end borrowers for previously issued loans / microloans within the framework of the Yenbek program, the lender shall carry out repeated lending / microlending of end borrowers on the terms of the Yenbek program for priority activities indicated in the specialization maps of districts and small towns, until the next financial year expiration and for a period not exceeding the term of the fundraising agreement concluded with the LEB.

If these funds are not used before the expiration of the specified terms, the microlending organization and FFSA JSC shall ensure their return to the appropriate budget.

10. The lender shall make the decision on lending to end borrowers independently.

11. Lenders shall allocate at least 20% of the amount of the budget loan agreement concluded with the LEB to finance the starting business.

12. Loans/microloans for starting a micro business shall be issued after defending of the business projects under the Bastau Business project or if there is a certificate of completing a training course in business basics under other programmes within the last 24 months from the date of obtaining the certificate preceding the date of applying for the loan/microloan.

Participants who hold a certificate of completed training course (those admitted to the business plans defending stage in the Bastau Business project shall have the priority right for loans / microloans, with the exception of business projects that will be financed through a budget loan within the project on increasing Zhambyl region population's income.

Loans / microloans issued within the framework of the project on increasing Zhambyl region population's income shall be provided through an attorney (agent), determined by the authorized body for budget execution or the LEB in accordance with the legislation of the Republic of Kazakhstan on public procurement.

A budget loan issued by local executive bodies within the framework of the project on increasing Zhambyl region population's income, for lending / microlending of participants shall be provided on the following conditions:

- 1) for 10 years on the principles of repayment, maturity and payment with an annual interest of 0.01%;
- 2) targeted use of the budget loan –microlending for Agro-industrial complex entities;
- 3) the grace period on repayment of the principal debt shall be not more than 1/3 (one-third) of the budget loan term;
- 4) the budget loan disbursement period shall be 6 months and shall be calculated from the moment the budget loan is transferred to the LEB.

Conditions for issuing loans / microloans to participants - agro-industrial complex entities within the framework of the project on increasing Zhambyl region population's income:

- 1) the term of the loan / microloan - up to 5 (five) years, the term of the loan / microloan for projects in the animal husbandry and creation of agricultural cooperatives - up to 7 (seven) years;
- 2) the maximum amount of a loan / microloan shall be determined in accordance with the current legislation of the Republic of Kazakhstan;
- 3) nominal interest rate - no more than 2.5 (two point five)% per annum;
- 4) collateral security

The procedure for granting loans / microloans, the main conditions of a budgetary loan, methods of securing a loan by the borrower, the category of borrowers, terms and amounts of



loans shall be established by the decision of the lender and shall be indicated in the budget loan contract.

Compliance of the loan product of the attorney (agent) with the requirements and conditions of the Yenbek programme shall be ensured.

Borrowers shall be determined by an attorney (agent) in accordance with the agency contract.

The attorneys (agents) shall be prohibited to charge any commissions, fees and / or other payments related to the loan/ microloan of the participants, excepting the commissions, fees and / or other payments charged for the breach of obligations by the participants on the loan/ microloan, while the amount of such commissions, fees and / or other payments shall be previously agreed with the lender in writing.

Payment of the attorney (agent) fees shall be carried out by the local executive body at the local budget expense, unless otherwise provided by the agency contract. The attorney (agent) fees shall be established in the agency contract.

On a monthly basis, by the 25th day of the month following the reporting month, the attorney (agent), shall report to the local executive body (electronically via the portal / manually) on the issued loans / microloans and their intended use in accordance with the form established in the agency contract.

13. Loans/microloans in rural areas and small towns for existing entrepreneurs and participants of anchor cooperation, except for participants, whose state registration period as an individual entrepreneur or a legal entity is less than three years at the time of applying for a loan/microloan and agricultural cooperatives shall be granted on condition that at least one new permanent job is created.

14. Loans/microloans shall be granted in priority order on projects implemented in conformity with the maps of specialization of districts, small towns and rural areas of which:

80% of the loan amount shall be allocated by the lender for loans/microloans in compliance with the priority activities specified in district and small town specialization maps ;

The lender shall allocate 20% of the loan amount for loans/microloans regardless of priority activities.

The LEB of the regional status jointly with the regional chamber of entrepreneurs Atameken (hereinafter - RCE) shall develop a map of the specialization of districts, small towns and make changes and adjustments, if necessary, in coordination with the authorized body in agro-industrial complex. At the same time, the map of specialization of districts and small towns shall be agreed with the authorized body in agro-industrial complex and approved by the deputy akim of the oblast responsible for agricultural development issues.

A map of specialization of districts and small towns shall be provided to the lender/ guarantor.

A map of specialization of districts and small towns shall be developed on the basis of marketing survey at the district level to identify potential niches and promising areas for business development.

The marketing research (by screening method) shall be carried out by the Atameken NCE RK, the non-financial support operator. Before the end of the marketing research, previously approved maps of specialization of districts and small towns are valid.

15. No loans/microloans shall be provided:

1) medium and large businesses, determined in line with the Entrepreneurial Code of the Republic of Kazakhstan;

2) to those not meeting the conditions of Chapters 2 and 3 of these Lending/Microlending Rules;

3) for consumer purposes, repayment of previous loans, production of excisable goods, purchase and construction of residential real estate, purchase of land plots (the purpose of which is unrelated to business activities), except for cases when the purpose of such land plots /residential real estate will be changed by the Participant for business purposes within one year from the date of the loan/microloan agreement;

4) to those with tax arrears, debt on mandatory pension contributions, mandatory professional pension contributions and social contributions (total debt is allowed in the amount not exceeding 10 MCI).

Absence of debt shall be confirmed by the electronic information on the absence (existence) of tax debt, accounting for which is conducted in the state revenue bodies, presented via electronic services (portal and web application of the State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan "Taxpayer's Cabinet", "e-government" portal) not later than 30 calendar days before the date of application for financing to business entities.

**Footnote. Paragraph 15 as amended by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 of 15.09.2021 (shall enter into force ten calendar days from the date of its first official publication).**

16. Conditions for issuing loans / microloans to members of low-income and / or large families:

1) loan / microloan term - up to 7 (seven) years;

2) the maximum amount of a loan / microloan from the available collateral - up to 8.0 (eight) thousand MCI;

3) nominal interest rate - no more than 4 (four)% per annum;

4) the lender shall not be allowed to charge any commissions, fees and / or other payments related to the loan / microloan of the participants, with the exception of commissions, fees and / or other payments charged for the participant's breach of obligations

on the loan / microloan, while the amount of such commissions, fees and / or other payments shall be previously agreed in writing with the microcredit organizations, excepting FFSA JSC ;

5) the possibility of obtaining a grace period for repayment of the principal debt and interest for a period not exceeding 1/3 (one third) of the duration of the lending / micro-lending period by the decision of the lender.

The lender can determine the status of low-income and / or large families on the basis of documents / information retrieved from the information systems of the state bodies and (or) organizations. The status of a low-income family can be confirmed by the status of the target social assistance recipient.

### **Chapter 3. Procedure of lending/microlending in small towns and rural areas**

17. In order to obtain loans/microloans, applicants shall apply directly or through the district RCE branches /akims of rural districts and settlements to the employment centers for advice on measures to facilitate entrepreneurial activities and pass an inspection for compliance with the requirements for the Programme participants. By the 5th day of the month following the reporting month, the employment centers and regional RCE branches shall provide microlending organizations and FFSA JSC with information on the referrals and certificates of training in the entrepreneurship basics issued in the reporting month.

18. Applicants planning to open microbusiness, those who do not have certificates of completing a training course in entrepreneurship basics and interested applicants shall be referred for participation in the Bastau Business Project.

19. To obtain a loan/microloan, the applicants shall apply to the lender with the documents attached for obtaining a loan/microloan indicated in Appendix 1 to these Rules of lending/microlending.

20. Within 3 working days upon receipt of the application with a package of documents from the Participant for obtaining a loan/microloan, the lender shall check its completeness and compliance with the conditions of the lender's loan product.

21. In the event of incomplete package of the documents and/or non-compliance of the application with the lender's loan products conditions, the lender shall return the application with the document package in a letter indicating the reasons for the return within the period specified in paragraph 20 of these Rules of lending/microlending.

When the reasons for the return are eliminated, the Participant shall resubmit the application with a full package of documents for obtaining a loan/microloan in keeping with Appendix 1 to the Rules of lending/microlending.

22. Upon receipt of the application from the Participant with a full package of documents, the lender shall assess the business project within 15 working days and make a decision on the possibility (or impossibility) of providing loans/microloans in compliance with the terms and conditions of these Rules of lending/microlending.

23. The lender shall sign a loan/microloan contract with the Participant and issue a loan/microloan with subsequent monitoring of the targeted use of the loan/microloan and timely repayment.

#### **Chapter 4. Monitoring**

24. The participant shall confirm the targeted use of loans/microloans within 90 calendar days from the date of receipt of the loan/microloan with the attachment of supporting documents. Creation of a new job shall be confirmed by the signed employment contract within 180 calendar days from the date of receiving the loan/microloan.

25. Change of the loan/microloan purpose or extension of the loan/microloan's term of confirmation of its targeted use or extension of the loan/microloan disbursement term shall be agreed upon with the lender.

26. If the Participant does not confirm the intended use and creation of jobs within the period specified in paragraph 24 of these Rules of lending/microlending, he shall pay a fine in the amount specified in the contract between the Participant and the lender and return the funds received in full to the lender.

27. In line with the internal documents and the terms of the agreement with the borrowers, the Lender shall monitor the targeted use of the financed projects until the targeted use of the loan/microloan is fully confirmed by the Participant.

28. FFSA JSC shall monthly by the 1st day of the month following the reporting one, provide information on issued loans/micro-loans to micro-credit organizations. The microcredit organization and FFSA JSC shall submit information on issued loans/microloans to the LEB on agricultural issues in compliance with Appendix 2 to these Rules of lending/microlending monthly by the 3rd day of the month following the reporting month.

29. The LEB for Agriculture shall regularly monitor the timely funds disbursement by the lenders.

On the basis of the reports of the microcredit organization and FFSA JSC, the information on issued loans/microloans shall be reported to the local executive body for employment issues and the authorized body on the mid-year and the reporting year results by the 5th day of the month following the reporting month.

On the basis of the reports, the microloan organization and FFSA JSC, shall monthly, by the 5th day of the month following the reporting month, report information on loans / microloans to the LEB for employment issues, and to the authorized body the information on the mid-year and the reporting year results shall be provided by the 10th day of the month following the reporting month.

On the basis of information from the LEB for agriculture, the authorized body shall monthly, by the 10th day of the month following the reporting month, provide information on issued loans / microloans to the authorized body for employment issues.

30. Based on the monitoring results of the targeted use of the loan/microloan, MFO/CP shall submit a quarterly report on the targeted use of the loan/microloan by the 10th day of the month following the reporting month to the microloan organization in accordance with Appendix 3 to these Rules of lending/microlending.

31. The microlending organization and FFSA JSC shall submit to the LEB on agriculture and employment (electronically through the portal / manually) on a monthly basis, by the 3rd day of the month following the reporting month, the information on loans / microloans issued in accordance with Appendix 2 to these Rules of lending/microlending and also, by the 20th day following the reporting period, a report on the targeted use of loans / microloans in accordance with Appendix 3 to these Rules of lending/microlending

Annex 1  
to the Rules for  
Providing Loans/ Microloans  
in small towns and  
rural settlements

### List of documents for obtaining a loan/microloan

**Footnote. Annex 1 - as reworded by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 of 15.09.2021 (shall be put into effect upon expiry of ten calendar days from the date of its first official publication).**

No. s/o	Name of the document	Type of document/data
for natural persons:		
1	Application form for a loan/microloan	original*/ electronic document
2	Identity document	copy**/ electronic copy of the document/ information in electronic format obtained from state databases
3	Consent of the borrower to submit his/her data to a credit bureau and to issue a credit report to the recipient of the credit report	original*/ electronic document
4	Consent of the person to present and receive data, information on the issued loan/micro loan and all information on fulfilment/ non-fulfilment of obligations under the loan agreement to the public (including law enforcement) / non-public authorities, mass media, as well as the Baiterek National Management Holding Joint-Stock Company and its subsidiaries	original*/ electronic document
5	Business plan	original signed by the borrower/ electronic document
	Decision of the competent authority of the peasant farm/farming	

6	enterprise on approval of the transaction on obtaining a loan/microloan, pledge of property	original (provided after approval of the loan/microloan)/ electronic document
7	Certificates from the servicing bank on the existence of an account	original (after approval of the loan/micro loan) /electronic document
8	Certificates on the availability of loan indebtedness, including overdue loans from financial institutions (if there are loans)	original (a copy verified with the original by an authorised person is acceptable, which is valid for up to 30 calendar days from the date of issue)/information in electronic format from credit bureaus
9	Document confirming the borrower's (co-borrower's) salary and/or other income (statement of accumulative pension fund)	original (if any) / data in electronic format from state databases
10	Evaluation report	original/electronic document
11	Documents on the pledgor and collateral	copy**/electronic data from state databases
12	Certificate of the National Chamber of Entrepreneurs of the Republic of Kazakhstan (hereinafter referred to as Atameken NCE RK) (only for Bastau Business Programme participants)	original/electronic information from the databases of Atameken NCE RK
13	Certificate of training in entrepreneurship basics (only for start-up entrepreneurs)	copy**/electronic data from state databases
14	Employment centre referral (indicating the status/category of the applicant)	original/electronic document/data from state databases
for legal entities:		
1	Application form for a loan/microloan	original*/electronic document
2	Consent of the borrower to submit data on him/her to the credit bureau and to issue a credit report to the recipient of the credit report	original*/electronic document
3	Consent of the person/entity to submit and receive data, information on the issued loan/micro loan and all information on fulfilment/non-fulfilment of obligations under the loan/micro loan agreement to the state (including law enforcement)/non-governmental authorities, mass media, as well as the Baiterek National Management Holding Joint Stock Company and its subsidiaries	original/electronic document
	Founding documents and documents of the first heads (charter/founding	

4	agreement, certificate of state registration/re-registration, documents on the election of the first head, identity document of the first head)	original/electronic document
5	Signature specimen document	original, with notary certification of authenticity of signatures of authorised persons
6	Certificates of loan indebtedness, including overdue loans from financial organisations (if there are loans)	original (a copy verified with the original by an authorised person for a period of up to 30 calendar days from the date of issue)/electronic information from credit bureaus is acceptable
7	Business plan	original signed by the borrower/ electronic document
8	Documents on the pledgor and collateral	original/electronic data from state databases
9	Certificate of the Atameken NCE RK (only for Bastau Business Programme participants)	original/electronic data from the Atameken NCE RK

Note:

\* to be completed in the presence of the creditor;

\*\* copies of documents shall be verified with the original.

Appendix 2  
to the Rules of  
lending/microlending  
in small towns and rural areas  
Document Form

**Information on loans/microloans issued as of “\_\_\_\_\_” 20\_\_.**

№ п/п	Location (district, city)	Name of the borrower	including the number of loans / microloans / tranches	Individual identification number / business identification number	Intended use	Date of loan/microloan issue	Loan / microloan term, months	Amount of loan/microloan, KZT	Interest rate	Economy sector
1	2	3	4	5	6	7	8	9	10	11
Total:										

**Continuation of the table**

Loan/microloan contract		For business starting / expansion	For start-up business (start-up projects)	Amount of guarantee (if any)	Number of created jobs
number	Date				
12	13	14	15	16	17

Executive officer \_\_\_\_\_

(signature) (full name)

Responsible officer \_\_\_\_\_

(signature) (full name)

Appendix 3  
to the Rules of  
lending/microlending  
in small towns and rural areas  
Document Form

### Report on targeted use of loans/microloans

№п/п	Name of the lender	Name of the borrower	Individual identification number / business identification number of the borrower	Name of the project	Date of loan/microloan issue	Loan / microloan term, months	Amount of loan/microloan, KZT	Interest rate on loan/microloan	targeted purpose of the borrowed funds (specifying the name and amount of each area of borrowed funds)	Actual targeted use of funds (specifying the name and amount of each area of borrowed funds)
1	2	3	4	5	6	7	8	9	10	11

#### Continuation of the table

Location (district, city)	Economy sector	Starting business/expanding business	Amount of guarantee (if any)	Number of created jobs
12	13	14	15	16

Executive officer \_\_\_\_\_

(signature) (full name)

Responsible officer \_\_\_\_\_

(signature) (full name)

Annex 2  
to order of the deputy  
Prime Minister of the  
Republic of Kazakhstan –  
Ministry of Agriculture  
of the Republic of Kazakhstan  
No. 477 dated November 27, 2018

### Rules of guaranteeing loans / microloans issued by microfinance organizations and credit partnerships in rural areas and small towns



**Footnote. The Rules as amended by Order No. 252 of the Minister of Agriculture of the Republic of Kazakhstan dated 13.08.2020 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).**

## **Chapter 1. General provisions**

1. These Rules for Guaranteeing Loans/Microloans Issued by Microfinance Institutions/ Credit Partnerships in Rural Areas and Small Towns (hereinafter - the Rules for Guaranteeing Loans/Microloans) have been developed within the framework of the second line of the Yenbek State Programme for the Development of Productive Employment and Mass Entrepreneurship for 2017-2021 (hereinafter - the Yenbek Programme), approved by Decree No. 746 of the Government of the Republic of Kazakhstan of November 13, 2018, the Employment Roadmap for 2020-2021, approved by Executive Order of the Prime Minister of the Republic of Kazakhstan No. 55-r dated March 27, 2020 (hereinafter - ERM), as well as under sub-paragraph 1) of paragraph 10 of the Law of the Republic of Kazakhstan “On Public Services” (hereinafter referred to as the Law on Public Services) and determine the procedure for guaranteeing loans/microloans issued by microfinance organisations/credit partnerships in rural areas and small towns, as well as the procedure for providing the public service “Commission for Guaranteeing Microcredits”.

**Footnote. Paragraph 1 - as reworded by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 dated 15.09.2021 (shall enter into force upon expiry of ten calendar days from the date of its first official publication).**

2. The following basic concepts shall be used in these Rules of guaranteeing loans/microloans:

1) an authorized body for agro-industrial complex development (hereinafter the authorized body) - the state body that performs state regulation in the agro-industrial complex development;

2) an agricultural cooperative - a legal entity in the legal form of a production cooperative established on the basis of membership by voluntary association of individuals and/or legal entities for the purpose of joint production and / or other economic activities to meet their socio-economic needs in production, processing, marketing, storage of agricultural products, aquaculture products (fish farming products), supply of production facilities and material and technical resources, crediting, water supply or other services for members of the cooperative, and also associated members of the cooperative;

3) a local executive body for agriculture - structural unit of local executive bodies of oblasts, implementing functions in agriculture (hereinafter - LEB for agriculture (service provider));

4) personal cabinet -personal web page of the user (microloan organization, microfinance organization, LEB for agriculture (service provider) on the web portal;

5) personal account - a set of entries contained in the electronic register allowing identification of the registered person for the purpose of registering applications for commission and of transactions thereunder;

6) a local executive body (hereinafter LEB) - a collegial executive body headed by the oblast akim, exercising local state administration and self-governance within its competence in the respective territory;

7) a current entrepreneur - an entrepreneur whose period of state registration as an individual entrepreneur or legal entity is more than 3 (three) years at the time of applying to the lender for a loan/microloan;

8) anchor cooperation - a partnership, based on concluded civil law contract irrespective of the term of its validity, of peasant (farming) holdings and/or agricultural cooperatives and other applicants possessing agricultural land with medium and large agribusiness entities for the purpose of increasing production of agricultural output and its guaranteed sale;

9) participants in lending/microlending measures in small towns and rural areas ( hereinafter -the Participant) – starting and existing entrepreneurs and participants in anchor cooperation;

10) the guarantor - a subsidiary of Baiterek National Management Holding Joint-Stock Company, approved to provide guarantees;

11) guarantee - a document confirming the guarantor's subsidiary liability to a microfinance institution/credit partnership on the borrower's obligations;

12) guaranteeing- a form of state support that consists in the provision of a guarantee to ensure that entrepreneurs meet their obligations to a microfinance organization / credit partnership on a loan / microloan under the terms of subsidiary liability within the amount of the principal debt;

13) a guarantee contract - a three-party written agreement concluded between the guarantor, lender and the borrower on granting a guarantee;

14) application for commission - an electronic application for commission payment for the issued loan/microloan guarantees;

15) electronic register of applications for commission (hereinafter -register) - collected data on applications for commission, also on borrowers, lenders and other data reflected in the subsidy information system;

16) service provider - a person providing access to the subsidy information system and its maintenance, which is determined by the LEB for agriculture in line with the legislation of the Republic of Kazakhstan on public procurement;

17) ) loan/microloan - borrowed funds provided by the lender to a Participant under a loan /microloan/non-revolving credit line agreement in the national currency of the Republic of Kazakhstan on conditions of interest payment, maturity, repayment, security and targeted use;

18) credit partnership (hereinafter - CP) - a legal entity established by individuals and/or legal entities to meet the needs of its members for loans and other financial services including

banking services by accumulating their money and from other sources not prohibited by the legislation of the Republic of Kazakhstan;

19) the lender - LEB (through a proxy (agent), microfinance organisation/second-tier banks/CP/ Fund for Financial Support of Agriculture Joint-Stock Company (hereinafter - FFSA);

20) financial institutions - second-tier banks, lending institutions holding licenses for performing banking operations, and also leasing companies and CP in agroindustrial complex ;

21) state service standard - a list of main requirements for state service rendering, including characteristics of the process, the form, content and result of the rendering, also other data taking into account the specifics of the state service rendering;

22) microloan organisation - a subsidiary of the Baiterek National Management Holding Joint Stock Company entitled for lending;

23) a microfinance institution (hereinafter - MFI) - a legal entity, which is a commercial organisation, the official status of which is determined by the state registration with the justice authorities and passing the accounting registration, engaged in activities of providing microloans, as well as additional activities permitted under the Law of the Republic of Kazakhstan “On Microfinance Activities”;

24) subsidy information system - an organizationally ordered set of information and communication technologies, service personnel and technical documentation designed to provide services for the implementation of subsidizing processes, providing the possibility to interact with the e-government web portal, register applications for a commission and process them through automatic verification of the subsidy application for compliance with the subsidy conditions;

25) web portal of the subsidy information system (hereinafter - the web portal) - an Internet resource located on the Internet that provides access to the information system on subsidizing;

26) a young, starting entrepreneur – an individual entrepreneur under the age of twenty-nine (inclusive), whose state registration period as an individual entrepreneur is less than 3 (three) years at the time of applying to the lender for a loan/microloan/guarantee in rural areas, small towns, cities and single-industry towns;

27) starting entrepreneur - an entrepreneur whose state registration period as an individual entrepreneur or legal entity is less than three years at the time of applying to the lender for a loan/microloan;

28) an electronic digital signature (hereinafter - EDS) - a set of electronic digital symbols created by means of electronic digital signature and verifying the authenticity of an electronic document, its ownership and permanence of its content, issued by a national certification center.

Footnote. Paragraph 2 as amended by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 of 15.09.2021 (shall take effect upon expiry of ten calendar days from the date of its first official publication).

## **Chapter 2. Conditions of granting guarantees**

3. To be granted a guarantee, the participants shall meet the following criteria:

1) getting approval for a loan/micro loan through MFIs/CPs for starting micro-businesses, expanding the activities of start-ups and existing entrepreneurs, establishing agricultural cooperatives and developing the activities of anchor co-operative participants in rural communities (irrespective of their administrative subordination) and small towns, funded under the Yenbek Programme and ERMs;

2) absence of tax arrears, arrears of mandatory pension contributions, mandatory professional pension contributions and social contributions as of the last reporting date before the date of applying for a loan/microloan (total debt shall be allowed in the amount not exceeding 10 MCI), absence of overdue debt to financial institutions.

Footnote. Paragraph 3 as amended by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 of 15.09.2021 (shall be put into effect upon expiry of ten calendar days from the date of its first official publication).

4. Participants of guaranteeing under the Yenbek Programme shall include small businesses and graduates of the Bastau Business Project via MFIs funded under the ERM.

Footnote. Paragraph 4 - as reworded by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 of 15.09.2021 (shall go into effect upon expiry of ten calendar days from the date of its first official publication).

5. Entrepreneurs receiving state financial support via MFIs/CPs under the programmes and graduates of the Bastau Business project via MFIs shall be eligible for participation in the guarantee provided that they satisfy the conditions of the second direction of the Yenbek Programme, funded under the ERM implemented at the expense of the national budget, the National Fund of the Republic of Kazakhstan, the Unified Accumulative Pension Fund, the Akimat of the Region and institutions providing microloans.

Footnote. Paragraph 5 - as reworded by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 of 15.09.2021 (shall enter into force upon expiry of ten calendar days from the date of its first official publication).

6. Loans/microloans shall not be subject to guarantee that are:

1) purposed to redeem interests, shares of organizations and enterprises;

2) directly issued by state development institutions;

3) granted for the acquisition and construction of residential real estate, land plots (the purpose of which is unrelated to business activities), unless the purpose of such land plots / residential real estate is changed by the Participant for business purposes within one year from the date of the loan / microloan contract;

- 4) granted for consumer purposes;
- 5) in the form of an overdraft;
- 6) aimed at the production of excisable products;
- 7) aimed at refinancing or repayment of previously obtained loans;
- 8) for repayment of debts arising in connection with the receipt by the participants of financial assistance from individuals and/or legal entities including the participants, shareholders, officials and employees of the participants;
- 9) for payment for intermediary services;
- 10) acquisition of securities (portfolio investments);
- 11) acquisition of fixed assets, assets from affiliated (related) companies;
- 12) payments for contracts (agreements) which contain information on the legal address and/or bank account details of the counterparties registered (opened) in offshore zones.

7. The guarantee shall only be granted on loans/microloans issued for opening microbusiness, expanding existing business, establishing cooperatives in rural areas (regardless of their administrative subordination) and small towns.

8. The nominal interest rate on guaranteed MFO/CP loans/microloans may not be higher than the base interest rate established by the National Bank of the Republic of Kazakhstan and increased by 6% (six percentage points) as of the date of the MFO/CP decision adopted on the participant's project.

9. The amount of the loan / microloan subject to guarantee shall not exceed 8, 0 (eight) thousand MCI.

10. The amount of the guarantee for a starting / young entrepreneur may not be more than 85 (eighty five)% of the loan / microloan amount, and for members of low-income and / or large families - no more than 95 (ninety five)% of the loan / microloan amount. The remaining unsecured% of the loan / microloan amount shall be provided by the collateral of the participant and / or third parties.

11. For an existing entrepreneur and participant of an anchor cooperation, whose state registration term with the tax authorities in compliance with the tax legislation of the Republic of Kazakhstan is more than 3 (three) years at the time of applying to the MFO / CP for a loan / microloan, the amount of guarantee may not exceed 50 (fifty) % of the loan / microloan. The remaining unsecured % of the loan/microloan amount shall be provided by the collateral of the participant and/or third parties.

12. The guarantee shall be granted for the term of the loan/microloan as security for the obligations under which it is issued.

13. The loan/microloan, under which a guarantee contract is concluded, shall be executed as a separate loan/microloan contract with the indication of collateral including in the form of a guarantee.

14. The amount of commissions from the agricultural LEB (service provider) for guaranteeing of loans/microloans shall be 30 (thirty) % of the guarantee amount and be paid out of, and within the funds provided for in the local budget for the respective financial year.

15. The issuing of guarantees for MFO/ CP shall be suspended in the following cases:

- 1) if the threshold for MFO/CP claims paid by the guarantor exceeds 10 (ten) % of the volume (balance of debt) of the loan portfolio formed under the guarantor's guarantee;
- 2) cessation of funding of MFO/CP by a lending/ microlending organization.

16. The Guarantor shall conduct an advertising campaign for the ongoing Yenbek Programme and post information on the Yenbek Programme progress on its official internet resource.

17. The guarantor shall refuse to provide guarantee in the following cases:

- 1) economic inexpediency and inefficiency of the project basing on the forecasting financial analysis results;
- 2) non-compliance of the project with the Yenbek programme conditions;
- 3) existence of a negative credit history of the participant and/or its affiliated legal entities and/or individuals, namely, the existence of a continuous delay of more than 90 (ninety) days and/or transfer of the overdue debt claim to third parties in the last 36 months and/or the existence of outstanding arrears as of the date of the application for the guarantee;
- 4) cessation of funding of MFO/CP by a microlending organization.

18. The guarantee shall be provided under the terms of partially shared (subsidiary) liability within the principal amount of the loan/microloan.

19. The property provided as collateral under the loan/microloan shall be insured at the discretion of the guarantor

### **Chapter 3. Interaction procedure of the participants for provision of guarantee**

20. The participant shall apply to MFO/CP for obtaining a loan/microloan.

21. The MFO/CP shall examine the participant's application and take a resolution on the possibility (impossibility) of granting a loan / microloan under the guarantor's guarantee in the event of the participant's insufficient security.

22. In the event of adopted positive decision, the MFO/CP shall apply to the guarantor and provide:

- 1) a loan approval letter with calculated amount of the guarantee according to the form of Appendix 1 to the Rules of guaranteeing loans / microloans;
- 2) required documents indicated in the list of documents necessary for appraisal of the participant in accordance with Appendix 2 to the Rules of guaranteeing loans / microloans.

23. Upon receipt of the documents from the MFO / CP, the guarantor, within 14 (fourteen ) working days, shall examine the received documents and make a decision on the provision / non-provision of a guarantee.

24. In the presence of objections to the submitted documents, the guarantor shall direct to the MFO / CP the identified objections and/or request for information. In this event, the process and terms of examining the application by the guarantor shall be suspended until the objections are eliminated and / or the requested information is provided.

25. Upon examination of the application, the guarantor shall decide on guaranteeing / refusing to guarantee a loan / microloan and send a response to the MFO / CT.

26. The guarantor shall decide on the guarantee on the requested or different from the requested conditions.

27. In case of a positive decision of the guarantor on the possibility of guaranteeing, the MFO / CT shall send to the guarantor the copies of the signed agreements on the provision of a loan / microloan, security contract (s).

28. Upon receipt from the MFO / CP of a copy of the signed loan/ microloan contract, registration of the security, the guarantor shall draw up and sign the guarantee contract in triplicate, which is directed to the MFO /CP.

29. The MFO / CP and the participant shall sign the guarantee contract and pass a copy of it to the guarantor.

30. After completion of the procedure for registration and signing of the guarantee contract, the MFO / CT shall issue a loan / microloan to the participant.

31. In the event of a negative decision on granting a guarantee to the participant, the guarantor shall provide a written response to the MFO / CT with a motivated refusal.

32. Implementation of the Yenbek programme, when participants apply to a guarantor for a guarantee and subsequent application to the MFO / CP for a loan / microloan, shall be carried out in the following order:

1) the guarantor, upon receipt of the full package of documents from the participant, in compliance with Appendix 2 to these Rules of guaranteeing loans / microloans, shall review the documents received for the guarantee within 14 working days for the purpose of subsequent receipt by the participant of the loan / microloan in MFO / CP

2) in the event that the guarantor makes a positive decision on granting a guarantee, the guarantor shall provide the participant with a response on the possibility of granting a guarantee specifying the conditions of the guarantee provided and the conditions of granting an MFO/CP loan/ microloan under which a guarantee may be granted on the Yenbek Programme;

3) upon receipt of the response with a positive decision of the guarantor to provide a guarantee, the participant shall apply to the MFO / CT to obtain a loan / microloan against a guarantee;

4) in compliance with the conditions of the Yenbek Programme, the MFO / CP shall review the Participant's application, carry out a comprehensive project appraisal in line with the internal documents of the MFO / CP in order to make a decision on the possibility of granting loan / microloan under a guarantee;

5) in the event of:

a loan / microloan approval by the MFO / CP, under the terms and conditions reflected in the guarantor's response on the possibility of a guarantee, the MFO / CP shall direct to the guarantor the copies of the necessary documents including the signed loan / microloan contract ,contract / contract on the opening of a credit line and security agreement (s);

adoption of any other decision that does not comply with the conditions for a guarantee and for a loan/microloan indicated in the guarantor's response on the possibility of a guarantee , the MFO / CP shall direct to the guarantor for information and / or repeat consideration the participant's application, a notice of the adopted decision, together with a copy of the decision of the authorized body of the MFO / CP. Further processing of the Participant's application shall be carried out pursuant to paragraphs 22,23,24,25,26,27,28,29,30 of these Rules of guaranteeing loans / microloans;

6) the guarantor shall draw up and sign the guarantee contract according to the form of Appendix 3 to these Rules of guaranteeing loans / microloans , which shall be directed to the MFO / CP;

7) the MFO / CP shall sign the guarantee contract, ensure its signing by the participant and send the signed guarantee contract to the guarantor;

8) after completion of the procedure for the guarantee contract registration and signing, the MFO / CP shall issue a loan / microloan to the participant.

33. The guarantor shall make repayments under the guarantee contract on the basis of the MFO/CP requirement with the attachment of documents confirming the MFO/CP actions on the loan/microloan repayment.

34. The guarantor shall make repayments under the guarantee contract in favor of the MFO/CP after 180 calendar days from the date of the emerged delay on the loan/microloan.

#### **Chapter 4. Conditions of commission payment**

35. The commission shall be paid subject to the following conditions:

1) filing by the guarantor after conclusion of the guarantee contract, of an application for commission through the e-government web portal according to the form of Appendix 4 to these Rules of guaranteeing loans / microloans;

2) on applications in which the commission amount exceeds the budget funds provided for in the Financing Plan for the corresponding month, the commission shall be paid in the next month in priority sequence from the application date;

3) if there is a shortage of budget funds allocated for project guarantee, the LEB for Agriculture (service provider) shall notify the institution providing microloans and the guarantor to suspend guaranteeing projects in the current financial year.

The list of basic requirements for obtaining commissions, including the characteristics of the process, form, content and result of granting commissions, as well as other details with due regard to the peculiarities of granting commissions shall be set out in the standard of the



Commission for Guaranteeing Microloans Public Service pursuant to Annex 5 to these Rules for Guaranteeing Loans/Microloans.

Information interaction between the e-government web portal and the subsidy information system shall be implemented under Article 43 of the Law of the Republic of Kazakhstan “On Informatisation”;

4) registration of commission application in subsidy information system;

5) availability in the information system of subsidy of the guarantor's personal account, whose data are confirmed through information interaction of the subsidy information system with the state databases "Legal Entities" or "Individuals".

**Footnote. Paragraph 35 as amended by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 dated 15.09.2021 (shall be enacted upon expiry of ten calendar days from the date of its first official publication).**

## **Chapter 5. The procedure of commission payment**

36. To provide access to the registry data through the web portal (hereinafter - Personal Cabinet):

1) the guarantor shall be given the EDS, for independent registration in the information system;

2) LEB for agriculture (service provider), the guarantor shall annually forward to the service supplier the updated lists of employees with EDS.

37. For registration in the personal cabinet, the guarantor shall provide the following information:

1) business identification number, full name and individual identification number of the top executive;

2) contact information (postal address, telephone, e-mail address);

3) details of the current account of the second-tier bank.

If the above data are changed, within one working day the guarantor shall change the personal account data entered in the “personal cabinet”.

38. Application for commission shall be formed and registered in the “personal cabinet” in the following order:

1) an application is formed for the receipt of the commission with the entry of the information required for verification by the information system of subsidizing;

2) the application for commission is registered in the subsidy information system, by the guarantor signing it using the EDS and becomes available in the “personal cabinet” of the LEB for agriculture (service provider). An electronic notification of receipt of the application for the commission is sent to the e-mail address of the LEB for agriculture (service provider).

If, before the formation by the LEB for agriculture (by the service provider) of invoices for payment, the presence of a discrepancy in the data in the registered application for

commission is revealed, the guarantor shall withdraw the application for the commission indicating the reason for the withdrawal.

39. The responsible executive of the LEB for agriculture (service provider) within 1 (one) working day from the date of registration of the application for the commission, shall confirm its acceptance by signing the corresponding notification using the EDS. This notification becomes available in the "personal cabinet" of the guarantor in the information system of subsidies in case of independent registration;

40. In accordance with the Funding Plan, the responsible executive of the LEB for agriculture (service provider) shall form invoices for the commission payment in the subsidy information system, which are uploaded into the Treasury-Client information system, within two working days after applying for the commission.

41. The provided state service shall result in notification on the commission transfer in accordance with the form in Appendix 6 to these Rules of guaranteeing loans/ microloans, or a notification of rejected state service in accordance with the form in Appendix 7 to these Rules of guaranteeing loans/ microloans.

The provided state service result shall be sent to the e-mail address indicated by the guarantor at registration in the information system of subsidies, and also in the guarantor's "personal cabinet" in the information system of subsidies.

42. The service provider shall ensure that data on the state service rendering stage are entered into the information system of the state service rendering monitoring in accordance with subparagraph 11) of paragraph 2, Article 5 of the Law on State Services.

43. Subsidizing shall be terminated in the following events:

- 1) the guarantor's accounts are seized by the effective court decision;
- 2) the guarantor's written statement of waiver of the commission receipt;
- 3) dissolution of the guarantee contract

## **Chapter 6. The procedure for appealing decisions, actions (inaction) of the service provider and (or) his officials on the state service rendering**

44. A complaint against the decision, action (inaction) of the LEB for agriculture (service provider) on the state service rendering shall be addressed to the head of the LEB, to the authorized body for assessing and monitoring of the state services rendering quality.

45. The complaint of the guarantor, in accordance with paragraph 2, Article 25 of the Law on State Services, shall be subject to examination:

by LEB - within 5 (five) working days from its registration date;

by the authorized body for the assessment and quality control of the state services rendering- within 15 (fifteen) working days from its registration date.

The term for examining the complaint by the LEB, the authorized body for assessment and control over the state services rendering quality, in accordance with paragraph 4, Article

25 of the Law on State Services shall be extended by no more than 10 (ten) working days in cases of need:

1) to conduct additional examination or verification of the complaint or on-site verification;

2) to obtain additional information.

In the event of an extension of the complaint examination term, an official authorized to consider complaints, within 3 (three) working days from the date of the complaint examination term extension, shall notify in writing (when the complaint is on paper) or electronically (when the complaint is in electronic form) the guarantor who filed the complaint, on the extension of the complaint examination term, indicating the reasons for the extension.

In the event of disagreement with the results of the state service rendering, the guarantor shall apply to the court in accordance with subparagraph 6) of paragraph 1, Article 4 of the Law on State Services.

## **Chapter 7. Monitoring**

46. The guarantor shall selectively monitor the issued guarantees in the following areas:

1) monitoring of the participant with whom the guarantee contract was concluded on the basis of data and documents provided by the MFO/CP and/or the participant, also on the basis of own data obtained in independent on-site visits to the participant;

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

47. To perform the monitoring functions, the guarantor shall request from the participant and the MFO/CP, while the Participant and the MFO/CP shall provide, the necessary documents and information related to the monitoring subject of the Yenbek Programme. The Guarantor shall independently monitor implementation of the project with on-site visits.

48. In the event of revealed facts of misuse of the issued loan/microloan, violation of the terms and conditions of the Yenbek Programme, non-compliance with the terms and conditions under these Rules of guaranteeing loans/microloans and the guarantee contract, the guarantor shall annul the loan/microloan guarantee provided.

49. The MFO/CP shall monitor the participant's project implementation, which includes:

1) monthly - ongoing monitoring;

2) annual - extended monitoring of the progress of the participant's project in conformity with the procedure established by the internal documents of the MFO/CP and containing obligatory information on the progress of project implementation (according to the business plan).

50. The MFO/CP shall report in writing, within 3 (three) working days, on emerged restrictions or prohibitions on the activities of the MFO/CP, also on the one-time sale or other

one-time transfer of ownership and/or transfer of ownership and use rights in respect of more than 10 (ten) % of the shares/stakes of the MFO/CP.

51. The report on the ongoing monitoring of the progress of the participant's project, in accordance with Appendix 5 to these Rules of guaranteeing loans/microloans, shall be submitted to the MFO/CP by the guarantor no later than the first day of the month following the reporting month, in writing on a monthly basis, and shall be additionally directed to the e-mail address of the responsible executor determined by the guarantor.

52. Basing on the MFO/CP reports, the guarantor shall provide information on the loans/microloans granted in rural localities (irrespective of their administrative subordination) and small towns on a monthly basis by the 3rd day of the month following the reporting month with the account taken of the guarantees provided to the LEB for Agriculture(service provider ).

Basing on the guarantor's reports, the LEB for Agriculture (service provider) shall submit information to the local executive body for employment and the authorized body on the basis of the guarantor's reports, on the results of the six months and the year under review by the 10th day of the month following the reporting month.

The authorized body shall report on the issued guarantees to the authorized body for employment on the basis of the information of the LEB for Agriculture (service provider) by the 10th day of the month following the reporting month.

Annex 1  
to the Rules for Guaranteeing  
Loans/Microloans Issued by Microfinance

Institutions/Credit Partnerships,  
in Rural Areas and Small Towns

Document form

A subsidiary  
of the Baiterek National Management  
Holding Joint-Stock Company  
authorised to provide guarantees  
from \_\_\_\_\_  
\_\_\_\_\_

**Letter with a favourable decision on the possibility of granting a loan/microloan with calculation of the guarantee amount**

**Footnote. Annex 1 - as reworded by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 of 15.09.2021 (shall become effective upon expiry of ten calendar days from the date of its first official publication).**

The microfinance institution / credit partnership hereby informs that on \_\_\_\_ \_\_\_\_\_ 20\_\_ , a positive decision was made to grant a microloan under the Yenbek State Programme

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, under the following conditions:

1	Full name of the borrower	
2	Type of product (financing)	loan/microloan
3	Amount and currency of the loan/ microloan/non-revolving credit line	
4	Purpose of providing of loan/ microloan	
5	Term of the loan / microloan / non-revolving line of credit	
6	Remuneration rate	
7	Procedure and terms of principal repayment	
8	Procedure and terms for repayment of remuneration	
9	List of collateral for a loan/ microloan/non-revolving credit line	Name of the facility, location, collateral value not less than KZT ____ ____. Market value KZT____. Total total amount of collateral KZT ____ _____.
10	Calculation of the amount of the guarantee	

Based on the above, we ask you to consider the provision of a guarantee in the amount of KZT \_\_\_\_\_, for a period of up to \_\_\_\_ months.

Microfinance institution/credit partnership \_\_\_\_\_

\_\_\_\_\_  
(signature)

Annex 2  
to the Rules for Guaranteeing  
Loans/Microloans Issued by  
Microfinance Institutions/Credit  
Partnerships,  
in Rural Areas and Small Towns

### List of documents to be presented for the examination of the participant

**Footnote. Annex 2 - as reworded by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 of 15.09.2021 (shall take effect upon expiry of ten calendar days from the date of its first official publication).**

No. s/o	Name of the document	Type of document/information
For natural persons:		
1	Application form for a loan/ microloan	original**/electronic document

2	Identity document	copy*/ electronic copy of the document/ information in electronic format obtained from state databases
3	Notification on commencement of activities as an individual entrepreneur / certificate of an individual entrepreneur (if a peasant/ farming farm, individual entrepreneur has several participants, data on registration of the taxpayer as a joint venture from the State Revenue Department shall be provided in addition)	copy*/electronic document
4	Consent of the borrower to submit his/her data to the credit bureau and to issue a credit report to the recipient of the credit report	original**/electronic document
5	Consent of the person/entity to submit and obtain information, data on the issued loan/microloan and all information on fulfilment/ non-fulfilment of obligations under the credit granting agreement to public authorities (including law enforcement) /non-governmental bodies, mass media, as well as the Baiterek National Management Holding Joint Stock Company and its subsidiaries	original**/electronic document
6	Business-plan	copy*/electronic document
7	Decision of the competent authority of the peasant farm/farming enterprise on attracting a guarantee and a loan/micro loan, pledging property (not required if the peasant farm/farming enterprise consists of one member) For a single-participant peasant/farming farm, individual entrepreneur - a notarised consent of the spouse to pledge the property/ statement of absence of marital relations at the time of pledge of the property	copy* (provided upon approval of the guarantee)/ electronic document
8	Certificate of absence (existence) of arrears on taxes and other mandatory payments to the budget, mandatory pension contributions and social contributions	copy*/ data in electronic format from state databases
9	Data on all existing accounts in second-tier banks	copy* (provided upon approval of the guarantee)/ electronic document
	Credit report and references on the existence of loan indebtedness,	

10	including overdue loans from financial organisations (if there are existing loans)	copy*/electronic data from credit bureaus
11	Document confirming the salary and/ or other income of the borrower ( co-borrower) - statement of the accumulative pension fund (if any)	copy*/ data in electronic format from state databases
12	Certificate of the Atameken National Chamber of Entrepreneurs of the Republic of Kazakhstan (hereinafter - Atameken NCE RK) under the Bastau Business Programme or a certificate on completion of training in the basics of entrepreneurship ( only for novice entrepreneurs and start-up projects)	copy*/electronic data from databases of the Atameken NCP RK
13	Tax declaration for the last reporting period (if any)	copy*/electronic document
For legal entities:		
14	Application form for a loan/ microloan	original**/electronic document
15	Consent of the borrower to submit his/her data to the credit bureau and to issue a credit report to the recipient of the credit report	original**/electronic document
16	Consent of the person/entity to submit and obtain information, data on the issued loan/microloan and all information on fulfilment/ non-fulfilment of obligations under the credit granting agreement to public authorities (including law enforcement) /non-governmental bodies, mass media, as well as the Baiterek National Management Holding Joint Stock Company and its subsidiaries	original**/electronic document
17	Founding documents and documents of the first heads (charter/founding agreement, certificate of state registration/re-registration, documents on election of the first head, identity document of the first head)	copy*/electronic document
18	Signature specimen document	copy*/electronic document
19	Decision of the competent authority of the legal entity that made a decision to attract a guarantee and a loan/microloan, to pledge property.	copy*/electronic document
	Certificate of absence (existence) of arrears on taxes and other mandatory	

20	payments to the budget, mandatory pension contributions and social contributions	copy*/electronic document
21	Credit report and references on the existence of loan indebtedness, including overdue loans from financial organisations (if there are any existing loans)	copy*/electronic data from credit bureaus
22	Data on all existing accounts in second-tier banks	copy*/electronic document
23	Business-plan	copy*/electronic document
24	Certificate of the Atameken NCP RK under the Bastau Business Programme or a certificate of training in the basics of entrepreneurship (only for novice entrepreneurs and start-up projects)	copy*/electronic data from databases of the Atameken NCP RK
25	Tax declaration for the last reporting period (if any)	copy*/electronic document
for microfinance institution (hereinafter referred to as MFI) / credit partnership (hereinafter referred to as CP):		
26	Annex 2 to the Rules for Guaranteeing Loans/Microloans by Microfinance Organisations/Credit Partnerships in Rural Areas and Small Towns, approved by order of the Deputy Prime Minister of the Republic of Kazakhstan - Minister of Agriculture of the Republic of Kazakhstan No. 477 of November 27, 2018 (recorded in the Register of State Registration of Regulatory Legal Acts under No. 17812) – a letter with a favourable decision on the possibility of granting a loan with a calculation of the guarantee amount, accompanied by a certificate of acceptance and transfer of the transferred documents	copy*/electronic document
27	Decision of the competent authority of the MFI/CP on granting a loan/microloan against the guarantor's guarantee	copy*/electronic document
28	Expert opinions from credit, collateral and legal departments, risk department, MFI/CP security service (if available)	copy*/electronic document
29	Certificate of state registration of a legal entity or certificate from the e-Government website on all changes of CP/MFI	copy*/electronic document/ copy*/data in electronic format from state databases



30	CP/MFI Charter (CP Charter with confirmation of the applicant's participation). In the absence of confirmation of the applicant's participation in the CP, a guarantee obligation in the form of a guarantor shall be presented	copy*/electronic document / copy*/ data in electronic format from state databases
31	Decision on appointment of the head of the CP/MFI	copy*/electronic document / copy*/ data in electronic format from state databases
32	Order on the appointment of the head of the CP/MFI	copy*/electronic document / copy*/ data in electronic format from state databases
33	Identity card of the CP/MFI head	copy*/electronic document / copy*/ data in electronic format from state databases
34	Document with specimen signatures of the first head of the CP/MFI	copy*/electronic document

\* Documents presented to the MFI/CP (when participants apply to the guarantor for a guarantee and then apply to the MFI/CP for a loan/micro loan, it shall be allowed to provide a copy of the documents).

\*\* Documents supplied by the participants.

Annex 3  
to the Rules for Guaranteeing  
Loans/Microloans Issued by  
Microfinance Institutions/Credit  
Partnerships,  
in Rural Areas and Small Towns

Document form

**Guarantee Agreement No. \_\_\_\_\_**

**Footnote. Annex 3 - as reworded by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 of 15.09.2021 (shall be enacted upon expiry of ten calendar days from the date of its first official publication).**

“ \_\_\_ ” \_\_\_\_\_ 20\_\_

\_\_\_\_\_  
Guarantor \_\_\_\_\_

Microfinance Organisation/Credit Partnership (hereinafter referred to as MFI/CP) \_\_\_\_\_

\_\_\_\_\_  
Borrower \_\_\_\_\_

hereinafter jointly referred to as the Parties, and individually as referred to above or a Party in conformity with the following:

The Yenbek State Programme for the Development of Productive Employment and Mass Entrepreneurship for 2017-2021 (hereinafter referred to as the Yenbek Programme), approved by Decree of the Government of the Republic of Kazakhstan No. 746 of November 13, 2018,

Rules for Guaranteeing Loans/Microloans Issued by Microfinance Institutions/Credit Partnerships in Rural Areas and Small Towns, approved by Order of the Deputy Prime Minister of the Republic of Kazakhstan - Minister of Agriculture of the Republic of Kazakhstan No. 477 of November 27, 2018 ( recorded in the Register of State Registration of Regulatory Legal Acts under No. 17812) (hereinafter - the Rules),

Under Contract / Memorandum of Understanding \_\_\_\_\_ No. \_\_\_\_\_ of \_\_\_\_\_, concluded between the MFI/CP and the Borrower (hereinafter referred to as the loan/microloan, loan/microloan agreement), have concluded this Guarantee Agreement (hereinafter referred to as the Agreement) as follows:

### **Chapter 1. Terms and definitions**

1. The terms and definitions used in this Agreement shall be those that are consistent with the terms and definitions specified in the Yenbek Programme and the Rules.

### **Chapter 2. Scope of the Agreement**

2. Under the terms hereof, the Guarantor shall be liable to the MFI/CP on the terms of partially joint and several liability within the amount of the principal debt under the loan/microloan, but not exceeding the amount of the Guarantee, to secure fulfilment of the Borrower's obligations under the loan/microloan.

3. The Guarantor shall not be liable for the Borrower's performance of obligations to MFI/CP under the loan/microloan in terms of payment of accrued remuneration, penalties, fines, material or moral damages, lost profit, payment of commissions and/or any other obligations of the Borrower related to the provision of the loan/microloan, including legal costs of debt collection, any other losses of MFI/CP caused by the Borrower's failure to fulfil and/or improper fulfilment of obligations undertaken to MFI/CP by the Borrower.

### **Chapter 3. Loan/microloan terms and conditions**

4. The Guarantor's liability to the MFI/CP under the loan/microloan and this Agreement shall be limited to the sum of the guarantee in the amount of KZT \_\_\_\_\_, totalling \_\_\_\_\_ % of the loan/microloan principal amount. Should the MFI/CP make a claim against the Guarantor hereunder, including in the event of a lawsuit, the Guarantor shall be liable to the MFI/CP hereunder to the extent of the guarantee amount only and only if the relevant claim of the MFI/CP consists of a claim for repayment of the principal amount of the loan/micro loan.

5. The Guarantor shall not unilaterally reduce the initial amount of the issued guarantee.

However, upon repayment/partial repayment of the principal debt, the sum of the guarantee shall be reduced by the sum equal to the sum of repayment of the principal debt

multiplied by the size of participation as the ratio of the sum of the guarantee to the sum of the principal debt in percentage terms.

6. The Guarantee shall be enforceable only if the Borrower fails to fulfil its obligations to repay the principal amount of the loan/microloan. The procedure for claiming and fulfilment of the Guarantee shall be established by this Agreement.

7. By signing this Agreement, the Borrower shall grant the MFI/CP the right to present to the Guarantor any kind of information regarding the Borrower, the Loan/Microloan Agreement, including its content and its fulfilment, including data constituting commercial, banking and other secrets protected by law, including but not limited to data on amendments and supplements to the Loan/Microloan Agreement, payments and instalments made thereunder, including overdue debts, the repaid amount and the loan debt balance. The Borrower shall also grant its irrevocable and unconditional consent to the Guarantor and the MFI/CP to collect and process personal data about it under the laws of the Republic of Kazakhstan (for natural persons).

8. By signing this Agreement, the Borrower shall agree that the Guarantor shall provide the following data to the Guarantor's shareholder and state authorities: the corporate name of the Borrower, the Borrower's participation in the Yenbek Programme, the name of the Borrower's project, the region and branch of implementation of the Borrower's project, the amount and term of the loan, the amount of the guarantee, the interest rate on the loan/microloan. The Borrower shall also grant the Guarantor the right to publish the data referred to in this paragraph in mass media, including on the Guarantor's web-site.

9. Property, rights, guarantees, sureties and other things not specified in the Loan/Microloan Agreement as security for fulfilment of the Borrower's obligations under the Loan/Microloan Agreement and (or) entered into the Loan/Microloan Agreement and (or) Pledge Agreement without prior written consent of the Guarantor shall not be acceptable as security for fulfilment of the Borrower's obligations under the Loan/Microloan Agreement.

Failure to adhere to this condition shall result in termination of the guarantee and, in cases where the guarantee has been fully or partially performed by the Guarantor, in the obligation of the MFI/CP to return to the Guarantor the full amount received under the guarantee within 7 (seven) business days from the date of receipt of the Guarantor's written claim.

10. It shall be prohibited to exclude the property acting as a security for fulfilment of the Borrower's obligations in the Loan/Microloan Agreement without prior written consent of the Guarantor.

Failure to adhere to this condition shall result in termination of the guarantee and, in cases where the guarantee has been fully or partially performed by the Guarantor, in the obligation of the MFI/CP to return to the Guarantor the full amount received under the guarantee within 7 (seven) business days from the date of receipt of the Guarantor's written claim.

11. The property accepted under the Loan/Microloan Agreement as collateral shall not act as collateral for other obligations of the Borrower and (or) third parties during the term of

validity of the Guarantee Agreement (with the exception of cases agreed in writing with the Guarantor).

12. No fee for the Guarantor's provision of the guarantee shall be stipulated and shall not be payable by the Borrower.

13. A prerequisite for the effectiveness of the guarantee shall be the fulfilment of the following requirements of the Guarantor:

1) targeted use of the loan proceeds under the terms of the loan/micro loan documented by the Borrower, including, if required, in the course of monitoring by the Guarantor, in the event of a site visit to the project implementation site;

2) \_\_\_\_\_  
\_\_\_\_\_;

3) \_\_\_\_\_  
\_\_\_\_\_

— (the data in this paragraph shall be supplemented under the terms and conditions of the Guarantor's competent authority).

#### **Chapter 4. Rights and liabilities of the parties**

14. The Guarantor must:

1) within 10 (ten) business days from the date of receipt of the MFI/CP claim to make payment under the MFI/CP guarantee under the terms and conditions hereof.

15. The Guarantor shall be entitled to:

1) claim from the MFI/CP and the Borrower the fulfilment of the obligations specified herein;

2) receive from the MFI/CP full and reliable data required to control the targeted use of the loan/microloan by the Borrower and to monitor the performance by the MFI/CP and the Borrower of this Agreement and (or) the Loan/Microloan Agreement, as well as information required hereunder, including by means of visits of the Guarantor's representatives to the MFI/CP, subject to the requirements for the preservation of commercial and other secrets protected by law;

3) visit the place of implementation of the Borrower's project financed under the Loan/Microloan Agreement to inspect the progress of the project implementation;

4) refuse to fulfil the claim of the MFI/CP to the Guarantor for fulfilment of obligations under the guarantee up to the amount of the guarantee granted hereunder (hereinafter referred to as the claim):

if such claim is not correctly submitted by the MFI/CP, until the MFI/CP eliminates the identified irregularities in the submitted claim;

if such claim is made by the MFI/CP in contravention of the terms and conditions hereof, as well as if the monitoring conducted by the Guarantor hereunder reveals contravention of

the terms and conditions of the Agreement specified in Chapter 5 hereof by sending a written motivated response to the MFI/CP;

5) raise any objections to the MFI/CP's claims that the Borrower could have raised, even if the Borrower acknowledges the debt and/or the Borrower refuses to raise its objections to the MFI/CP;

6) claim from the Borrower and MFI/CT within 5 (five) business days from the date of receipt of the Guarantor's claim to present data on the Borrower's fulfilment of obligations under the Loan/Microloan Agreement, including any breaches of the terms and conditions of the concluded Loan/Microloan Agreement;

7) require the MFI/CP ( if the Guarantor fulfils its obligations under the guarantee) to present documents and data certifying the MFI/CP's claim rights against the Borrower and transfer to the Guarantor the rights securing these claims under Clause 32 hereof;

8) claim from the Borrower (in case the Guarantor fulfils its obligations under the guarantee) to reimburse the Guarantor in full the amount of payments made under the guarantee, and reimburse other losses incurred due to liability for the Borrower;

9) claim from MFI/CP on a quarterly basis financial statements, data on the loan portfolio on loans issued by MFI/CP under Annex 1 hereto;

10) transfer the rights and obligations hereunder to third parties, if the Guarantor fulfils the MFI/CP's claim for payment of the guarantee in the order determined hereunder;

11) withdraw (write off) from any accounts of the Borrower the amount of indebtedness arising hereunder without acceptance in the order stipulated by the banking and civil legislation of the Republic of Kazakhstan or write off money from the Borrower's bank accounts opened with the bank by direct debiting of bank accounts. The grounds for direct debiting of the Borrower's bank accounts shall be a copy hereof and copies of documents confirming the Borrower's indebtedness to the Guarantor. This is the Borrower's consent to make payments by direct debit of its accounts opened with the bank;

12) decrease the amount and (or) term of the Guarantee in case of revealing the facts of improper and (or) untimely fulfilment of the terms hereof;

13) enjoy other rights envisaged herein, the Rules and the laws of the Republic of Kazakhstan.

16. The Borrower must:

1) use the loan/microloan pursuant to its intended purpose set out in the Loan/Microloan Agreement, with submission of supporting documents to the MFI/CP, Guarantor within a period not exceeding 90 (ninety) calendar days from the date of receipt of the loan/microloan. However, changes in the intended purpose of the loan/micro loan, as well as extension of the period of confirmation of intended use may be agreed upon with the MFI/CP and the Guarantor;

2) Upon the first claim of the MFI/CP and (or) the Guarantor, allow its representatives to verify the targeted use of the loan/microloan, its security and the Borrower's financial and

economic activities by directly inspecting its production (trade) facilities and (or) providing documents and data on its financial and economic activities, under the conditions (term, scope ) required by the MFI/CP and (or) the Guarantor;

3) immediately, but in any case not later than 5 (five) business days following the day of breach of the terms and conditions of the Loan/Microloan Agreement, notify the Guarantor in writing of all breaches of the Loan/Microloan Agreement committed by the Guarantor including on the late payment (repayment) of the principal and (or) interest for the use of the loan/microloan, as well as on all circumstances that affect or may affect the Borrower's fulfilment of its obligations under the Loan/Microloan Agreement;

4) in the event that the MFI/CP makes a claim for fulfilment of obligations under the Loan /Microloan Agreement, take all reasonable and available measures to properly fulfil its obligations in the current situation;

5) if the Guarantor performs its obligations under the guarantee, to reimburse the Guarantor in full the amount of payments made by the Guarantor under the guarantee, and (if so claimed by the Guarantor) to pay the interest accrued on the amount of the Borrower's indebtedness to the Guarantor from the date of transfer by the Guarantor to the MFI/CP of the amount under the guarantee until the date of actual repayment by the Borrower to the Guarantor in the sum, paid by the MFI/CT under the guarantee, at the rate specified in the Loan/Microloan Agreement, as well as reimburse other losses incurred by the Guarantor in connection with the responsibility for the Borrower, in the manner and within the terms specified in the Guarantor's claim. The date of actual repayment of the money by the Borrower to the Guarantor shall be the date of crediting the money to the Guarantor's bank account stated herein;

6) upon receipt of a written claim from the Guarantor to present data on the fulfilment of obligations under the Loan/Microloan Agreement, including breaches of the terms and conditions of the concluded Loan/Microloan Agreement, within 5 (five) business days from the date of its receipt, present the data mentioned in the claim in writing to the Guarantor;

7) in case of change of bank details and (or) location, within 5 (five) business days, notify the MFI/CP and the Guarantor in writing;

8) upon the claim of the MFI/CP/Guarantor, submit as additional collateral the property acquired under the Loan/Microloan Agreement;

9) upon the Guarantor's decision to insure movable property acquired under the Loan/Microloan Agreement;

10) be liable to the MFI/CP and the Guarantor with all its property in case of non-performance and (or) improper performance of its obligations hereunder;

11) upon the Guarantor's first claim, grant the Guarantor a statement of consent to the State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan to provide the Guarantor with the following data, which in line with Article 30 of the Code of the Republic of Kazakhstan "On Taxes and Other Obligatory Payments to the Budget (Tax

Code)" is a tax secret, to be used by the Guarantor for monitoring the efficiency of the Yenbek Programme:

income;

number of employees;

expenses on accrued income of employees and other payments to natural persons;

average monthly salary per employee;

amount of tax payments;

12) comply with the following requirements of the Guarantor:

\_\_\_\_\_ ;  
\_\_\_\_\_.

The data in this sub-paragraph shall be supplemented individually for each project under the terms and conditions of the competent authority of the Guarantor.

17. The MFI/CP shall be obliged to:

1) in case of changes in the terms and conditions of the Loan/Microloan Agreement (which do not entail an increase in the Guarantor's liability or other unfavourable consequences for the Guarantor), immediately, but in any case not later than 10 (ten) business days following the day of amendments to the Loan/Microloan Agreement, notify the Guarantor thereof in writing.

If the Loan/Microloan Agreement is amended to increase the Guarantor's liability or have other unfavourable consequences for the Guarantor, the MFI/CP shall obtain the Guarantor's prior written consent to such amendments.

In case the amendments mentioned in the second paragraph of this clause hereof are made to the Loan/Microloan Agreement without the prior written consent of the Guarantor, the guarantee shall be terminated;

2) upon receipt of a written claim from the Guarantor to present data on the fulfilment of obligations under the Loan/Microloan Agreement, including breaches of the terms and conditions of the concluded Loan/Microloan Agreement, within 5 (five) business days from the date of its receipt, provide the Guarantor with the information specified in the claim in writing;

3) within 5 (five) business days at the latest, notify the Guarantor in writing of the Borrower's fulfilment of its obligations under the Loan/Microloan Agreement in full (including in case of early fulfilment of obligations);

4) in instances prescribed herein, to repay the money to the Guarantor in the manner and within the timeframe prescribed herein;

5) in case of fulfilment of the Guarantor's obligations under the guarantee, allocate the entire amount received from the Guarantor for repayment of the principal debt, including overdue principal debt under the Loan/Microloan Agreement;

6) in case of fulfilment of the Guarantor's obligations under the guarantee, after fulfilment of Clause 32 hereof, within no later than 20 (twenty) business days, transfer to the Guarantor

the documents and information certifying the MFI/CP's claim rights to the Borrower, and transfer to the Guarantor the rights securing these claims to the extent set forth herein. The MFI/CP documents shall be delivered to the Guarantor in originals, and in case of impossibility to do so - in the form of notarised copies. The transfer of documents from the MFI/CP to the Guarantor shall be made with the drawing up of a document acceptance certificate;

7) in the event of non-performance (improper performance) by the Borrower of its obligations to pay the principal debt under the Loan/Microloan Agreement, grant the Guarantor access to the Borrower's credit file for monitoring within the procedure and terms established hereby;

8) not to prevent the Guarantor from exercising the rights obtained by the Guarantor as a result of the guarantee fulfilment;

9) duly fulfil other obligations stipulated herein;

10) provide the Guarantor on a quarterly basis with financial statements, data on the loan portfolio on loans issued by MFI/CP as per Annex 1 hereto, in writing, and additionally to the e-mail address of the responsible executor determined by the Guarantor, not later than the first day of the month following the reporting month;

11) submit to the Guarantor, on a monthly basis, a report on the current monitoring of the project implementation progress as per Annex 2 hereto, in writing, and additionally to the e-mail address of the responsible executor determined by the Guarantor, not later than the first day of the month following the reporting month;

12) within 3 (three) calendar days from the moment of actual disbursement of the loan/microloan (including tranches within the credit line), as well as changes in the repayment terms (restructuring, prolongation), notify the Guarantor in writing/by e-mail, attaching a copy of the Loan/Microloan Agreement with the repayment schedule.

18. The MFI/CP may:

1) In the event of non-performance (improper performance) by the Borrower of its obligations to pay the principal debt under the Loan/Microloan Agreement, make a claim to the Guarantor within the procedure and terms established herein;

2) require the Guarantor and the Borrower to fulfil other obligations specified herein.

## **Chapter 5. Procedure for the execution of guarantees**

19. Within 20 (twenty) calendar days from the date of continuous default by the Borrower on repayment of the principal debt under the Loan/Microloan Agreement, the MFI/CP shall notify the Guarantor thereof in writing, indicating the balance of the amount of the Guarantee for the Guarantor to fix the amount of the principal debt from which the amount of the Guarantee is calculated and attaching a certificate of the Borrower's indebtedness to the MFI/CP and a copy of the written claim for repayment of the overdue debt sent by the MFI/CP to the Borrower.



20. Within 180 (one hundred and eighty) calendar days from the date of the Borrower's default on repayment of the principal amount under the Loan/Microloan Agreement, the MFI/CP shall undertake all reasonable and available measures in the current situation to collect the overdue debt from the Borrower and persons who granted the collateral (sending notices, claims, claims, collection of the debt through out-of-court and judicial procedures), including by foreclosure of collateral and collateral under guarantees/securities of third parties (excluding guarantees), issuance of payment claims to the Borrower's accounts) with obligatory preparation of documents specified in sub-clauses 4), 5), 6), 7), 8), 9), 11) of clause 25 hereof.

21. Amounts collected as a result of actions taken by the MFI/CP to collect the Borrower's debt prior to making a claim to the Guarantor shall be used to repay the Borrower's debt in line with the following order of priority:

- 1) arrears of principal debt;
- 2) debt on remuneration;
- 3) forfeit (fine, penalty) in the amount stipulated by the Loan/Microloan Agreement;
- 4) the amount of the principal debt for the current payment period;
- 5) remuneration accrued for the current payment period;
- 6) commissions and other fees to be charged due to issuance and servicing of the loan/micro loan;
- 7) costs of MFI/CP for performance obtaining.

Upon expiry of one hundred and eighty consecutive calendar days of delay, the amount of the payment made by the Borrower under the Loan/Microloan Agreement, in case it is insufficient to fulfil the Borrower's obligation under the Loan/Microloan Agreement, shall repay the Borrower's debt in the following order of priority:

- 1) arrears of principal;
- 2) arrears of remuneration;
- 3) the amount of the principal debt for the current payment period;
- 4) remuneration accrued for the current payment period;
- 5) forfeit (fine, penalty) in the amount specified in the Loan/Microloan Agreement;
- 6) commissions and other fees to be charged due to disbursement and servicing of the loan/microloan;
- 7) costs of the MFI/CP for obtaining fulfilment.

22. In case if within 60 (sixty) calendar days the Borrower has failed to fulfil/unduly fulfilled the obligations on repayment of the principal amount under the Loan/Microloan Agreement, the MFI/CP shall, within 5 (five) calendar days at the latest, send a written notice to the Guarantor on the existence of the Borrower's overdue debt to the MFI/CP. Based on the written notification provided by the MFI/CP on the existence of the Borrower's overdue debt to the MFI/CP, the Guarantor shall monitor the adherence to the terms and conditions hereof within 5 (five) business days.

23. In the event that within 180 (one hundred eighty) calendar days from the date of the Borrower's failure to fulfil the obligations on repayment of the principal amount under the Loan/Microloan Agreement, the Borrower has failed to fulfil/executed improperly the obligations on repayment of the principal amount under the Loan/Microloan Agreement, the MFI/CP shall make a claim to the Guarantor.

In case the activities set out in clause 20 hereof are performed within 180 calendar days, the MFI/CP shall apply to the Guarantor earlier than the specified term for payment of the guarantee, enclosing supporting documents on collection of overdue debt and (or) realisation of pledged property.

24. The MFI/CP claim shall specify:

- 1) details of the Guarantee Agreement;
- 2) details of the Loan/Microloan Agreement;
- 3) name of the Borrower;
- 4) calculation of the amount payable by the Guarantor under the guarantee;
- 5) details of the MFI/CP account to which the money is to be credited.

25. The claim of the MFI/CP shall be accompanied by:

1) a statement of the Borrower's indebtedness to the MFI/CP with a list of pledged property under the Borrower's project under the Loan/Microloan Agreement as of the date of sending the written notification to the MFI/CP;

2) the Borrower's bank account statement for the period from the date of loan disbursement to the date of submitting the claim to the Guarantor (if any);

3) a copy of the document confirming the Borrower's receipt of credit funds;

4) a copy of a written claim (claim) of the MFI/CP for repayment of overdue debt sent to the Borrower, pledgers, guarantors, surety within 15 (fifteen) calendar days from the date of default by the Borrower under the Loan/Microloan Agreement, handed in person or sent by registered mail with notification to the address given in the Loan/Microloan Agreement, pledge agreement, guarantee/surety agreement;

5) a copy of the Borrower's response to the claim (claim) of the MFI/CP (if any);

6) a copy of the extended monitoring report reflecting the current situation and repayment prospects, prepared not later than 60 (sixty) calendar days from the date of overdue debt formation;

7) copies of payment claims to the Borrower's/guarantors'/pledgor' accounts issued not later than 30 (thirty) calendar days from the date of overdue debt formation (if the Borrower/guarantors/pledgers agree to write-off without acceptance);

8) a copy of a written claim (claim) of the MFI/CP to the Borrower for early repayment of the amount under the Loan/Microloan Agreement, issued not later than 60 (sixty) calendar days from the date of overdue debt, delivered by hand or sent by registered mail with notification to the address specified in the Loan/Microloan Agreement;

9) data on measures taken by the MFO/CP to recover debts under the Loan/Microloan Agreement and the amounts recovered as a result of the measures taken, accompanied by supporting documents:

a copy of the notification of non-fulfilment of the obligation recorded with the registration authority, delivered by hand or sent by registered mail with notification not later than 90 (ninety) calendar days from the date of creation of the overdue indebtedness;

a copy of the notification of auction of pledged property recorded with the registering authority, delivered by hand or sent by registered mail with notification not later than 130 (one hundred and thirty) calendar days from the date of overdue debt formation;

a copy of the auction announcement for pledged property published not later than 150 (one hundred and fifty) calendar days from the date of overdue debt formation;

a copy of the minutes on the results of the auction signed not later than 170 (one hundred and seventy) calendar days from the date of the overdue debt formation;

a copy of the court judgement on debt collection and/or foreclosure of pledged property; copies of writs of execution;

10) copies of additional agreements to the loan/microloan agreement;

11) copies of other documents proving the Borrower's debt to the MFI/CP and measures taken by the MFI/CP to collect the debt.

The Guarantor shall not fulfil the claim of the MFI/CP if the MFI/CT fails to deliver the documents specified in this paragraph and/or if the MFI/CP fails to comply with the deadlines for the activities mentioned in sub-paragraphs 4), 5), 6), 7), 8), 9) of this paragraph, with the exception of the failure to fulfil these activities within the established deadlines due to the Borrower's appeal against the actions of the MFI/CP.

26. The amount stated in the claim shall conform to the terms hereof, but in any case shall not exceed the guarantee limit set forth in Clause 4 hereof.

27. The claim shall be sent by the MFI/CP to the Guarantor by sending by registered mail or by hand to the address stated herein.

28. The claim shall be filed with the Guarantor by 4:00 p.m. on the current business day, according to the time of the capital city. A claim submitted after 4:00 p.m. of the capital city time shall be deemed to be submitted on the next business day.

29. Upon receipt of the MFI/CP claim, but in any event prior to its satisfaction, the Guarantor shall notify the Borrower in writing of the MFI/CP claim by sending a notification by registered mail to the Borrower's address specified herein or by hand delivery against the Borrower's signature. When sending a notification by registered mail, the notification shall be deemed received on the 3rd (third) day after the date stated in the document issued by the postal institution.

30. Within 10 (ten) business days from the date of receipt of the claim of the MFI/CP and all documents stipulated hereunder, and if there are no objections to the claim and the

submitted documents, the Guarantor shall make a payment to the MFI/CP in the amount indicated in the claim or send a letter to the MFI/CP indicating all existing objections.

31. The amount of the Guarantor's obligations under the Guarantee shall be reduced by the amount of the claim fulfilled by the Guarantor.

32. The MFI/CP shall work on the realisation of collateral. All amounts received by the MFI/CP as a result of measures to collect the Borrower's debt, including by realising collateral, shall be distributed between the Guarantor and the MFI/CP in the following order of priority:

- 1) repayment of the Borrower's principal debt balance to the MFI/CP;
- 2) repayment of the Borrower's debt to the Guarantor;
- 3) repayment of remuneration under the Loan/Microloan Agreement to MFI/CP;
- 4) repayment of penalties and other indebtedness of the Borrower under the Loan/Microloan Agreement to MFI/CP.

However, the distribution of the money shall be made within ten (10) business days from the date of its receipt by the MFI/CP.

33. Should the Borrower's debt to the Guarantor not be repaid/repaid insufficiently as a result of fulfilment of Clause 32 hereof, the MFI/CP shall be obliged to transfer to the Guarantor, who has fulfilled the obligation under the guarantee, all unrealised property of the MFI/CP as well as rights under guarantees, sureties, mentioned in the Loan/Microloan Agreement as a security for fulfilment of the Borrower's obligations and rights belonging to the MFI/CP as a pledgee under the Agreements with granting collateral in the amount of the Guarantor's fulfilled obligation.

Within 10 (ten) business days from the date of execution of Clause 32 hereof, the MFI/CP shall be obliged to transfer the following documents to the Guarantor under an acceptance certificate:

- an original or notarised copy of the Loan/Microloan Agreement with addenda thereto;
- an original or notarised copy of the Collateral Agreement with addenda thereto;
- Title documents for the pledged property and other documents at the Guarantor's request.

## **Chapter 6. Validity period of the guarantee**

34. The guarantee shall be valid until and including “\_\_\_\_” \_\_\_\_\_ 20\_\_.

35. The guarantee shall be terminated upon occurrence of any of the following circumstances:

- 1) full repayment of the principal amount under the Loan/Microloan Agreement secured by the guarantee;
- 2) upon expiry of the term of the guarantee specified herein;
- 3) with transfer of debt to another person under the secured Loan/Microloan Agreement if the Guarantor has not agreed to be partially jointly and severally liable to the MFI/CP under the Loan/Microloan Agreement for the new debtor;

4) in case after the due date of fulfilment of the obligation secured by the guarantee, the MFI/CP refuses to accept the proper performance offered by the Borrower or the Guarantor;

5) amendment of any of the terms and conditions of the Loan/Microloan Agreement, entailing or likely to entail an increase in the liability, without prior written consent of the Guarantor;

6) in case the MFI/CP submits to the Guarantor unreliable information (data) and (or) documents required for the Guarantor to make a decision on granting the guarantee, including when the submission of unreliable information (data) and (or) documents is caused by fraudulent actions on the part of the Borrower and/or the MFI/CP, and only if it is proved pursuant to the procedure established by the laws;

7) if the Borrower and/or the MFI/CP fails to fulfil or improperly fulfils the obligations and conditions stipulated by Clause 13 hereof;

8) in case of revealing the facts of misuse of the loan;

9) in case of refusal of the guarantee by the MFI/CP/Borrower, whereby the Borrower's refusal of the guarantee shall be agreed upon by the MFI/CP;

10) on other grounds stipulated by the laws of the Republic of Kazakhstan, the Yenbek Programme and (or) this Agreement.

Upon termination of the guarantee on the above grounds, the Guarantor shall notify the MFI/CP and the Borrower in writing thereof.

## **Chapter 7. Liability of the Parties**

36. In case of untimely payment by the Guarantor to the MFI/CP of the amount mentioned in the claim, the Guarantor shall pay to the MFI/CP a penalty (fine) in the amount of 0.01% (zero point one per cent) of the untimely paid amount for each day of delay, but not exceeding 1% (one per cent) of the untimely paid amount.

37. Should the MFI/CP fail to timely repay to the Guarantor the amounts due to the Guarantor under the terms of Clause 32 hereof, the MFI/CP shall pay to the Guarantor a penalty (fine) in the amount of 0.01% (zero point one per cent) of the untimely paid amount for each day of delay, but not exceeding 1% (one per cent) of the untimely paid amount.

38. Should the MFI/CP breach the obligations established by sub-clause 5) of Clause 17 hereof, the MFI/CP shall pay to the Guarantor a penalty (fine) in the amount of five times the monthly calculation index established by the law on the national budget for the relevant financial year for each day of delay.

39. Should the Borrower breach the obligations stipulated in sub-clauses 1), 3), 5), 6), 7) and from the date of detection of the requirements laid down in sub-clause 12) of Clause 16) hereof, the Borrower shall pay to the Guarantor a forfeit (penalty) in the amount of one-fold monthly calculation index established by the law on the national budget for the relevant financial year, for each day of delay.

40. Demanding payment of the penalty shall be the right of the Party whose rights have been violated by the guilty Party. The use of the Party's right to demand payment of the penalty shall be deemed to be the sending of a written claim for payment of the penalty. Payment of the penalty shall not release the guilty Party from proper fulfilment of the terms and conditions hereof.

41. The MFI/CP shall be solely liable for the proper execution of the Loan/Microloan Agreement and the Collateral Agreement(s), as well as for the correspondence of the loan/microloan terms and conditions to the conditions reflected in the decision of the Guarantor's Authorised Body. Should a breach of this obligation by the MFI/CP be detected, the Guarantor shall apply liability measures including cancellation of the guarantee.

### **Chapter 8. Final provisions**

42. All amendments and additions hereto shall be made in writing, signed by the authorised representatives of the Parties.

43. Any disputes and disagreements associated with the amendment, cancellation and performance hereof shall be resolved by the Parties through negotiations and discussions, in case the Parties fail to reach an agreement as a result of negotiations, such dispute shall be considered in the judicial procedure prescribed by the laws of the Republic of Kazakhstan at the location of the Guarantor's executive body in the city of Nur-Sultan.

44. This Agreement has been drawn up in 3 (three) identical copies in the State and Russian languages, 1 (one) copy in the State and Russian languages for each of the Parties, each of which shall have equal legal force.

45. In all other matters not covered hereby, the Parties shall be governed by the laws of the Republic of Kazakhstan.

46. A copy of the Loan/Microloan Agreement signed by the Parties shall be an integral part hereof.

47. By agreement of the Parties, the Guarantor shall be liable for fulfilment of its obligations hereunder only to the extent of its own funds.

### **Chapter 9. Location, details and signatures of the parties:**

Borrower:	Guarantor:	MFI/CP:
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Annex 1  
to Guarantee Agreement  
No. \_\_\_ of \_\_\_\_\_  
Subsidiary of the Baiterek  
National Management Holding  
Joint-Stock Company  
authorised to provide guarantees

\_\_\_\_\_  
(provided by:  
microfinance institution/credit partnership

(hereinafter – the MFI/CP), address)

## Data on the loan portfolio on loans issued by MFI/CP

No. s/o	Indicators	Interpretation (explanations)	From the commencement of operations to the reporting month inclusive		For the reporting month (name of the month)	
			quantity	amount, thousand tenge	quantity	amount, thousand tenge
1	2	3	4	5	6	7
Section 1. Scope and impact						
1	MFI/CP active borrowers, including	Borrowers with loans on hand. Their number and amount of money on hand in thousands of tenge				
1.1.	Legal entities					
1.2.	Natural persons					
2	Сельскохозяйственные займы	The amount of money allocated to agricultural loans by MFI/CP. Their number and amount of money.				
3	Loan portfolio of MFI/CP	The amount of money held by borrowers, including arrears. Their number and amount				
3.1.	including those issued under the guarantee of the Baiterek NMH JSC authorised to provide guarantees	including the number and amount of loans issued under the guarantee of the Baiterek NMH JSC authorised to provide guarantees				

4	Total number of loans disbursed since the commencement of MFI/CP operations	Number and amount of loans disbursed since the commencement of MFI/CP operations				
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Section 2. Portfolio status by debt maturity

5	Portfolio with no delinquencies	Number and amount of non-performing loans				
6	Portfolio risk* less than 30 days	Number and amount of overdue loans at risk for less than 30 days				
7	Portfolio risk from 31-90 days	Number and amount of overdue loans at risk for 31 to 90 days				
8	Portfolio risk from 91-180 days	Number and amount of overdue loans at risk for 91 to 180 days				
9	Portfolio risk over 180 days	Number and amount of overdue loans at risk for more than 180 days				
10	Written off loans for the month	Number and amount of written off loans per month				
11	Loans written off since the commencement of the MFI/CP operations	Number and amount of loans written off since the commencement of operations				

Note: \* portfolio risk is understood as the total amount of outstanding principal debt (overdue principal debt plus the balance of term principal debt).

Director of MFI/CP	_____ (signature)	_____ (surname, first name, patronymic (if any))



Chief Accountant of the MFI/CP	_____ (signature)	_____ (surname, first name, patronymic (if any))
Performed by:	_____	_____
Contact details:	_____	

Annex 2  
to Guarantee Agreement  
No. \_\_\_ of \_\_\_\_\_  
Subsidiary of the Baiterek  
National Management Holding  
Joint-Stock Company  
authorised to provide guarantees

(provided by:  
microfinance institution/credit partnership

(hereinafter – the MFI/CP), address)

### Report on ongoing monitoring of the project implementation progress

No. s/o	Name of creditor	Borrower's place of application	Name of the borrower	Individual identification number / business identification number of the borrower	Legal status	Number of the agreement on granting a microloan / agreement on opening a credit line	Date of the agreement granting a microloan / agreement on opening a credit line	Period of loan/ microloan / non-revolving line of credit	Amount of loan/ microloan / non-revolving credit line
1	2	3	4	5	6	7	8	9	10

Table continued

Interest rate on loan/ microloan/ non-revolving credit line	Preferential period for principal repayment	Grace period for payment of remuneration	Date of disbursement under the loan/ microloan/ non-revolving credit line (tranche)	Actual disbursement amount	Balance of outstanding principal at the reporting date	Agreement number	Date of the agreement	Amount of guarantee under the agreement
11	12	13	14	15	16	17	18	19

Table continued

Amount of fulfillment of	Amount overdue on	Number of days overdue on the	Number of days overdue for payment	Object of lending (investment loan / working	Code according to the General Classifier of	Project business (start-up/	Type of credit line	Availability period under the loan/ microloan agreement	Date of the decision of the authorised person/
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obligation under the guarantee	principal debt	principal debt	o f remuneration	capital replenishment)	Economic Activities (GCEA)	beginning business)		/credit line opening agreement	body of the MFI/CP
20	21	22	23	24	25	26	27	28	29

Official \_\_\_\_\_

(signature) (surname, first name, patronymic (if any))

Employee in charge \_\_\_\_\_

(signature) (surname, first name, patronymic (if any))

Annex 4  
to the Rules for Guaranteeing  
Loans/Microloans Issued by Microfinance

Institutions/Credit Partnerships,  
in Rural Areas and Small Towns

Document form

### Application for a commission fee

**Footnote. Annex 4 - as reworded by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 of 15.09.2021 (shall be put into effect upon expiry of ten calendar days from the date of its first official publication).**

To \_\_\_\_\_

(local executive body of the region)

from \_\_\_\_\_

(full name of the guarantor)

Hereby the subsidiary of Bayterek National Management Holding Joint Stock Company authorised to provide guarantees (hereinafter referred to as the Guarantor) hereby notifies that under the Rules for Guaranteeing Loans/Microloans issued by Microfinance Organisations/ Credit Partnerships in Rural Areas and Small Towns, approved by order of the Deputy Prime Minister of the Republic of Kazakhstan - Minister of Agriculture of the Republic of Kazakhstan No. 477 of November 27, 2018 (recorded in the Register of State Registration of Regulatory Legal Acts under No. 17812), and the "Yenbek" State Programme 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, the Guarantee Agreement was signed between the Guarantor, \_\_\_\_\_ (name of the Borrower) and \_\_\_\_\_ (name of the microfinance institution/credit partnership ( hereinafter referred to as MFI/CP).

The guarantee has been granted as a security for fulfilment of obligations of \_\_\_\_\_ (name of the Borrower) to \_\_\_\_\_ (name of the MFI\CP) under the Loan/Microloan Agreement.

Due to the above, we kindly ask you to transfer the cost of the guarantee in the amount of \_\_\_\_\_ (30% of the guarantee amount) to the following bank details:

Please specify in the payment details the name of the Borrower and the date of the Guarantee Agreement under which the value of the guarantee is transferred.

1. Details of the applicant.

Name \_\_\_\_\_

Business Identification Number (hereinafter referred to as BIN) \_\_\_\_\_

surname, first name, patronymic (if any) of the head of the organisation \_\_\_\_\_

address: \_\_\_\_\_

telephone number (fax number): \_\_\_\_\_

2. Details of the account in the second-tier bank:

BIN \_\_\_\_\_

Beneficiary code \_\_\_\_\_

Bank details: \_\_\_\_\_

Name of the bank: \_\_\_\_\_

BIK (sort code) \_\_\_\_\_

IIC (individual identification code) \_\_\_\_\_

BIN \_\_\_\_\_

Beneficiary code \_\_\_\_\_

3. Details of the loan/microloan agreement concluded between the MFI/CP and the participant (hereinafter referred to as the LA):

No. s/o	LA(No. and date)	Borrower's name	Borrower's IIN/BIN	Type of product (financing) (loan or microloan)
1	2	3	4	5

Table continued

Amount and currency of the loan/microloan/non-revolving credit line	Purpose of granting a loan/microloan	Duration period of the loan/microloan/non-revolving credit line	Remuneration rate, %
6	7	8	9

4. Information on the guarantee agreement (hereinafter referred to as the GA):

No. s/o	GA (No. and date)	Borrower's name	Borrower's IIN/BIN	Guarantee amount, KZT	Guarantee period, years
1	2	3	4	5	6

We hereby confirm the reliability of the data provided, we are aware of the responsibility for the submission of false information under the laws of the Republic of Kazakhstan and consent to the use of information that constitutes a legally protected secret, as well as to the collection and processing of personal data.

Signed and sent by the guarantor at \_\_\_\_ AM/PM on “\_\_” \_\_\_\_\_ 20\_\_:

Data from the electronic digital signature (hereinafter referred to as EDS)

Date and time of EDS signing

Notification of acceptance of the application:

Accepted by the working body at \_\_ AM/PM “\_\_” \_\_\_\_\_ 20\_\_:

Data from the EDS

Date and time of EDS signing

Subsidiary of the Baiterek National Management Holding Joint-Stock Company,  
authorised to provide guarantees from

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Appendix 5  
to the Rules of guaranteeing  
loans/microloans, issued  
by microfinance organizations/  
credit partnerships  
in rural areas and small towns  
Document Form

**Standard of the state service “Commission for guaranteeing microloans”**

1	Name of the service provider	Local executive bodies of oblasts (further- service provider).
2	Methods of the state service rendering (access channels)	Web-portal "electronic government" www.egov.kz (further – portal).
3	Term of the state service rendering	3 (three) working days from applying to the portal.
4	Form of the state service rendering	Electronic.
5	Result of the state service rendering	Notification on of the commission transfer or a motivated state service rejection. Form of the state service rendering: electronic.
6	Amount of payment charged to the service recipient in state service rendering, and methods of charging it in the cases provided for by the legislation of the Republic of Kazakhstan	Free of charge.
		1) of the service provider - Monday to Friday in accordance with established work schedule from 9.00 to 18.30, excluding days off and

7	Work schedule	<p>holidays in accordance with the Labor Code of the Republic of Kazakhstan dated November 23, 2015 (hereinafter - the Code), with a lunch break from 13.00 to 14.30.</p> <p>2) of the portal - around the clock, excepting technical breaks for repair work (when the service recipient applies after the end of working hours, on days off and holidays in accordance with the Code, applications are accepted and the state service results are issued on the next working day).</p> <p>The addresses of state services rendering places are posted on:</p> <p>1) Internet resource of the respective service provider;</p> <p>2) Internet resource of the Ministry of Agriculture of the Republic of Kazakhstan: <a href="http://www.gov.kz">www.gov.kz</a>.</p>
8	List of documents required for the state service rendering	<p>To receive a part of the commission, an application shall be filed for the commission receipt in the form of an electronic document certified by the electronic digital signature of the guarantor.</p>
9	Grounds for rejecting the state service established by the legislation of the Republic of Kazakhstan	<p>1) revealed inaccuracy of the documents provided by the guarantor to obtain the state service, and (or) the data (information) contained therein;</p> <p>2) inconsistency of the guarantor and (or) the submitted materials, objects, data and information required for the state service provision with the requirements established by the Rules of guaranteeing loans / microloans issued by microfinance organizations / credit partnerships in rural areas and small towns, approved by order No. 477 of the Deputy Prime Minister of the Republic of Kazakhstan -Minister of Agriculture of the Republic of Kazakhstan, dated November 27, 2018 (registered in the Register of State Registration of Regulatory Legal Acts under No. 17812).</p>
		<p>The guarantor shall have the opportunity of retrieving information on the procedure and status of the state service rendering in remote</p>

10

Other requirements, taking into account the state service rendering specifics, including the service provided in electronic form and through the State Corporation

access mode through the "personal account" of the portal, as well as a single contact center for state services provision.

Contact numbers of the inquiry service for state services provision: 8 (7172) 701 998, the single contact center for state services provision: 1414, 8 800 080 7777.

Appendix 6  
to the Rules of guaranteeing loans/microloans, issued by microfinance organizations/ credit partnerships in rural areas and small towns  
Document Form

**Notification of the commission transfer**

Dear \_\_\_\_\_  
(name of the guarantor)

Please be informed that on your application No. \_\_\_\_\_ of " \_\_ " \_\_\_\_\_ 20 \_\_\_\_ the state service was fulfilled and that the commission was transferred to your current account No . \_\_\_\_\_ in the amount of \_\_\_\_\_ tenge by invoice from " \_\_ " \_\_\_\_\_ 20 \_\_\_\_ .

Appendix 7  
to the Rules of guaranteeing loans/microloans, issued by microfinance organizations/ credit partnerships in rural areas and small towns  
Document Form

**Notification of rejected state service**

Dear \_\_\_\_\_  
(name of the guarantor)

On your application No. \_\_\_\_\_ of " \_\_ " \_\_\_\_\_ 20 \_\_\_\_ the state service was rejected due to:

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

Appendix 8  
to the Rules of guaranteeing loans/microloans, issued by microfinance organizations/ credit partnerships in rural areas and small towns  
Document Form

**Report on current monitoring of the project progress**

№п/п	Name of the lender	Place of borrower's application	Name of the borrower	Individual identification number / business identification number of the borrower	Legal status	Number of loan/ microloan contract / contract on credit line opening	Date of loan/ microloan contract / contract on non-revolving credit line opening	Term of loan/ microloan / non-revolving credit line
1	2	3	4	5	6	7	8	9

Continuation of the table

Amount of loan/ microloan/ non-revolving credit line	Interest rate on loan/microloan/ non revolving credit line	Grace period for repayment of principal debt	Grace period for payment of interest	Date of issue on the loan / microloan / non-revolving credit line (tranche)	Amount of actual disbursement of funds
10	11	12	13	14	15

Continuation of the table

Balance of principal debt at the reporting date	Number of guarantee contract	Date of guarantee contract	Amount of guarantee under the contract	Amount of performance of the obligation under the guarantee	Amount of arrears on the principal debt	Number of days in arrears on the principal debt
16	17	18	19	20	21	22

Continuation of the table

Number of days in arrears on interest payment	Object of lending/ financing (micro lending investment loan / working capital financing)	CCEA code	Business by project start-up / beginner)	Type of credit line	Availability period under the loan/ microloan contract/ non-revolving credit line opening contract	Decision date of the authorized person/ MFO/ CP body
23	24	25	26	27	28	29

Administrator \_\_\_\_\_

(signature) (full name)

Executive official \_\_\_\_\_

(signature) (full name)

Note: abbreviations:

CCEA – Common Classifier of Economic Activity;

MFO – microfinance organization;

CP – credit partnership.

## **Rules of subsidizing operating expenses of microfinance organizations**

**Footnote. The Rules as amended by Order No. 252 of the Minister of Agriculture of the Republic of Kazakhstan dated 13.08.2020 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).**

### **Chapter 1. General provisions**

1. These Rules for subsidizing operating expenses of microfinance organizations ( hereinafter - the Rules) have been developed as part of the second line of Yenbek State Programme for the Development of Productive Employment and Mass Entrepreneurship for 2017-2021 (hereinafter - the Programme), approved by Resolution No. 746 of the Government of the Republic of Kazakhstan dated November 13, 2018, and also in accordance with subparagraph 1) of article 10 of the Law of the Republic of Kazakhstan dated April 15, 2013 "On State Services" (hereinafter - the Law on state services) and define the procedure for subsidizing operating expenses of microfinance organizations at the expense and within the funds provided for in the local budget for the corresponding financial year, also the procedure for rendering the state service “Subsidizing operating expenses of microfinance organizations ”.

2. The following basic concepts shall be used in these Rules:

1) authorized body in development of agro-industrial complex (hereinafter -the authorized body) - the state body performing state regulation of agro-industrial complex development;

2) personal cabinet - personal web page of the user (microlending organization, microfinance organization, working body (service provider)) in the electronic register of applications for subsidizing.

3) personal account - a set of entries contained in the electronic register of applications for subsidizing, allowing to identify the registered person for the purpose of registering applications and recording transactions therein;

4) local executive body (hereinafter - LEB) - a collegial executive body, headed by the oblast akim exercising local state administration and self-governance within its competence in the respective territory;

5) service provider – a person providing access to the information subsidy system and its maintenance, which is determined by the working body (service provider) in accordance with the legislation of the Republic of Kazakhstan on public procurement;



6) loan - the amount of money provided by a microlending organization to microfinance organizations on the basis of a loan contract on the terms of maturity, payment, repayment and targeted use. The loan may be issued as a single amount or in parts (tranches);

7) loan contract - a written agreement concluded between a microlending organization and a microfinance organization under which the microlending organization provides a loan to a microfinance organization for subsequent microlending in small towns and rural areas (irrespective of their administrative subordination);

8) servicing bank - a second-tier bank authorized to maintain a special current account for the transfer and write-off of subsidies under loan agreements;

9) state service standard - a list of main requirements to state service rendering, including characteristics of the process, the form, content and result of the rendering, also other data taking into account the specifics of the state service rendering;

10) a microloan organisation - a subsidiary organisation of the Baiterek National Management Holding Joint-Stock Company entitled to provide loans (hereinafter referred to as the Baiterek National Management Holding Joint-Stock Company for lending);

11) a microfinance institution (hereinafter - MFI) - a legal entity, which is a commercial organisation, the official status of which is determined by the state registration with the justice authorities and passing the accounting registration, engaged in activities of providing microloans, as well as additional activities permitted under the Law of the Republic of Kazakhstan “On Microfinance Activities”;

12) operating expenses - expenses of MFO associated with the activities in microlending from the moment of receipt of funds from the microlending organization under the Yenbek Programme;

13) application for subsidizing operating expenses of microfinance organizations - an electronic application of MFOs for payment of subsidies to reimburse operating expenses on the issuance of microloans;

14) working body for distribution of subsidy funds (hereinafter - the working body (service provider)) - a structural unit of local executive bodies exercising functions in agriculture management;

15) subsidy information system - an organizationally ordered set of information and communication technologies, service personnel and technical documentation, designed to provide services for the implementation of subsidy processes, providing the ability to interact with the e-government web portal, register an application for subsidies, and also process it by automatically checking the application for compliance with the conditions of the subsidy;

16) web portal of the subsidy information system (hereinafter - web portal) - an Internet resource placed on the Internet that provides access to the subsidy information system;

17) electronic register of subsidy applications (hereinafter -the register) - a set of information on applications for subsidies, and also on borrowers, lenders and other information reflected in the subsidy information system;

18) electronic digital signature (hereinafter - EDS) - a set of electronic digital symbols created by means of electronic digital signature and verifying the authenticity of an electronic document, its ownership and permanence of its content, issued by the national certification center.

**Footnote. Paragraph 2 as amended by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 dated 15.09.2021 (shall become effective after ten calendar days from the date of its first official publication).**

3. Operating expenses for the issuance of microloans issued by MFO in small towns and rural areas shall be subject to subsidizing. MFOs shall be the subsidy recipients.

4. Operating expenses for the issuance of microloans under loan contracts for end borrowers, concluded on the portal integrated with the information system of subsidies shall be subject to subsidizing.

5. Operating expenses for microloans issued by MFO from repayable (principal and interest payments) funds from previously issued microloans on which operating expenses have already been subsidized shall not be subject to subsidizing.

6. Subsidies shall be paid to MFO in compliance with the amount of disbursed funds provided to MFOs by a microlending organization in small towns and in rural areas for microloans.

7. The MFO shall open a special bank account for the transfer by the working body (service provider) of the subsidy amounts under the signed subsidy contracts and, if this is not possible, shall open a special account with the servicing bank.

## **Chapter 2: Conditions for receiving subsidies**

8. Subsidies shall be paid subject to the following conditions:

1) filing by the MFO via the e-government web portal of an application for subsidizing the operating expenses of microfinance organizations, in electronic form in accordance with Appendix 1 to these Rules;

2) on applications in which the amount of subsidies exceeds the amount of budgetary funds provided for in the Financing Plan for the corresponding month, the subsidies shall be paid in the next month in priority sequence from the application date;

3) if there is a shortage of budget funds allocated for subsidising operating costs, the working body (service provider) shall notify the institution providing microloans of the suspension of subsidising operating costs in the current financial year.

The list of basic requirements for receiving a public service, including the characteristics of the process, form, content and result of public service provision, as well as other details, in view of the peculiarities of public service provision, is outlined in the public service standard "Subsidising Operating Expenses of Microfinance Institutions" as per Annex 2 hereto.

Information interaction between the e-government web portal and the subsidy information system shall be implemented under Article 43 of the Law of the Republic of Kazakhstan “On Informatisation”;

4) registration of the application in the subsidy information system;

5) extracts from the borrower's current account on receipt of the loan or a document confirming the loan transfer.

6) availability of personal account of MFO in the subsidy information system, whose data are confirmed through information interaction of the subsidy information system with the state databases "Legal Entities" or "Individuals".

**Footnote. Paragraph 8 as amended by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 dated 15.09.2021 (shall come into effect upon expiry of ten calendar days from the date of its first official publication).**

### **Chapter 3: Subsidies calculation procedure**

9. The amount of the subsidy shall be calculated on the following formula:

$SubAm = DisbAm * 10\% - RecAm$  where:

1) SubAm is the amount of subsidized operating expenses;

2) DisbAm - the amount of microloan disbursement granted to the MFO in small towns and rural areas through funding received from the microlending organization;

3) RecAm - the amount of subsidies previously received under this loan contract.

If a fractional figure is obtained, the result shall be rounded down to the whole figure.

10. The amount of subsidies shall be 10 (ten) % of the volume of microloans issued by MFIs in small towns and rural settlements, at the expense of funding received from the Subsidy of the Baiterek NMH JSC on lending.

**Footnote. Paragraph 10 - as reworded by order of the Minister of Agriculture of the Republic of Kazakhstan No. 273 of 15.09.2021 (shall become effective upon expiry of ten calendar days from the date of its first official publication).**

### **Chapter 4. Subsidies payment procedure**

11. Applications shall be accepted at the place of registration (legal address) of the MFO from February 1 to 1 December (inclusive) of the corresponding year.

12. To provide access to the registry data via the web portal (hereinafter - the “personal cabinet”):

1) the MFO must have EDS to register independently with the subsidy information system ;

2) the working body(service provider), the microlending organization, the authorized body shall annually send to the service provider the updated lists of employees with EDS.

13. For registration in the “personal cabinet”, the microfinance organization shall provide the following information:

- 1) business identification number, full name and individual identification number of the top manager;
- 2) contact information (postal address, telephone, e-mail address);
- 3) details of the current account of the second-tier bank.

If the above data are changed, within one working day the MFO shall change the personal account details entered in the “personal cabinet”.

14. Formation and registration of the application for commission shall be performed in the “personal cabinet” in the following order:

1) an application shall be formed with the entry of information necessary for the information system to verify the requirements of subparagraphs 2) and 3) of paragraph 12 of these Rules;

2) the application is registered in the information system of subsidizing by means of the MFO signature and confirmation by the microlending organization using the EDS and shall be available in the “personal cabinet” of the working body (service provider). An electronic notice of receipt of the application shall be mailed to the electronic address of the working body (service provider).

Confirmation of the acceptance of the application is the corresponding status in the "personal cabinet" of the MFO in the information system of subsidies on the acceptance of the request for the state service.

If, prior to the formation of invoices for payment by the working body (service provider), the presence of a discrepancy of data is revealed in the registered application, the MFO shall withdraw the application indicating the reason for the withdrawal.

15. The microloan organization shall, within one working day from the application receipt date, confirm the information specified by the MFO in the application or reject the confirmation if the data are inaccurate.

16. The working body (service provider) shall, within one working day from the registration date, confirm acceptance of the application by signing the corresponding notification using the EDS. This notification shall become available in the MFO “personal cabinet” in the subsidy information system in case of independent registration.

17. In accordance with the Financing Plan, the working body (service provider) shall form invoices for the payment of subsidies in the information system of subsidizing, which are uploaded into the Treasury-Client information system within two working days after applying in accordance with paragraph 11 of these Rules.

18. The provided state service shall result in notification on the subsidy amount transfer in accordance with the form in Appendix 3 to these Rules, or a notification of rejected state service in accordance with the form in Appendix 4 to these Rules.

The rendered state service result shall be sent to the e-mail address indicated by the MFO at registration in the information system of subsidies, and also in the “personal cabinet” of the MFO in the information system of subsidies.

19. The service provider shall ensure that data on the state service rendering stage are entered into the information system of the state service rendering monitoring in accordance with subparagraph 11) of paragraph 2, Article 5 of the Law on State Services.

20. Subsidizing shall be terminated in the following events:

- 1) existence of outstanding obligations of the MFO on principal debt and/or interest repayment for a period over 90 calendar days;
- 2) seizure of the MFO accounts by the effective court decision;
- 3) full repayment of the MFO liabilities to the microlending organization under the loan contract;
- 4) MFO’s written statement of waiver of the budget subsidies receipt;
- 5) dissolution of the loan contract.

#### **Chapter 5. The procedure for appealing decisions, actions (inaction) of the service provider and (or) his officials on the state services rendering**

19. On a monthly basis, by the 3rd day of the month following the reporting month, the microlending organization shall report to the working body on the actually disbursed microlending amount through the MFO and the amount of subsidies.

The working body, basing on the information reported by the microlending organization, shall, monthly, by the 5th day of the month following the reporting month, provide information to the local executive body for employment, and to the authorized body the report shall be provided on the results of the six months and the reporting year by the 10th day of the month following the reporting month.

20. Basing on the information reported by the working body, the authorized body shall, on a monthly basis by the 10th day of the month following the reporting month, report on the granted microloans through MFOs and on the amounts of subsidies to the authorized body for employment.

21. A complaint against the decision, action (inaction) of the working body (service provider) for state service rendering shall be addressed to the head of the LEB, to the authorized body for assessing and monitoring of the state services rendering quality.

22. The complaint of the MFO, in accordance with paragraph 2 of Article 25 of the Law on State Services, shall be subject to examination:

by LEB - within 5 (five) working days from the date of its registration;

by the authorized body for assessment and quality control of the state services rendering - within 15 (fifteen) working days from the date of its registration;

The term for consideration of the complaint by the LEB, the authorized body for assessment and quality control of the state services rendering, in accordance with paragraph 4

of Article 25 of the Law on State Services shall be extended by no more than 10 (ten) working days in cases of need:

1) 1) to conduct additional examination or verification of the complaint or on-site verification;

2) to obtain additional information.

In the event of an extension of the complaint examination term, an official authorized to consider complaints, within 3 (three) working days from the date of the complaint examination term extension, shall notify in writing (when the complaint is on paper) or electronically (when the complaint is in electronic form) the MFO that filed the complaint, on the extension of the complaint examination term, indicating the reasons for the extension.

In the event of disagreement with the results of the state service rendering, the MFO shall apply to the court in accordance with subparagraph 6) of paragraph 1 of Article 4 of the Law on State Services.

**Chapter 6. Monitoring**

23. On a monthly basis, by the 3rd day of the month following the reporting month, the microlending organization shall report to the working body (service provider) on the actually disbursed microlending amount through the MFO and the amounts of subsidies.

Basing on the information reported by the microlending organization, the working body (service provider) shall, on a monthly basis by the 5th day of the month following the reporting month, report to the local executive body for employment and to the authorized body the report shall be provided on the results of the six months and the reporting year by the 10th day of the month following the reporting month.

24. Basing on the information reported by the working body (service provider), the authorized body shall, on a monthly basis by the 10th day of the month following the reporting month, report on the granted microloans through MFOs and on the amounts of subsidies to the authorized body for employment.

Appendix 1  
to the Rules of subsidizing  
operating expenses of  
microfinance organizations  
Document Form

**Application for subsidizing operating expenses of microfinance organizations**

To \_\_\_\_\_  
(local executive body of the oblast)

from \_\_\_\_\_  
(full name of the microfinance organization )

Please pay subsidies to the account of microfinance organization

No. \_\_\_\_\_ in the amount of \_\_\_\_\_ KZT in accordance with information on loan agreements.

1. Information on the applicant:

name \_\_\_\_\_

(business identification number (further-BIN) \_\_\_\_\_)

full name of the manager \_\_\_\_\_

address: \_\_\_\_\_

telephone (fax): \_\_\_\_\_

2. Information on special account of the MFO in a second-tier bank:

BIN \_\_\_\_\_

beneficiary code \_\_\_\_\_

Name of the bank: \_\_\_\_\_

Bank identification code \_\_\_\_\_

Individual identification code \_\_\_\_\_

3. Information on loan contracts (further – LC)

No.	LC (No. and date)	Amount, KZT	Interest rate, %	Balance of principal debt at the subsidizing date, KZT	Date of the LC expiry	Loan currency
1	2	3	4	5	6	7

(continuation of the table)

Amount of loan disbursement subject to subsidizing	Loan purpose *	Loan subject /amount
8	9	10

Note: \* working capital financing/ acquisition of fixed assets /construction/ (specify what is applicable).

It is hereby confirmed that:

1) no support is provided under loan contracts in the form of subsidizing the interest rate under other state and/or budget programmes;

2) the MFO is not in the process of change of its legal form, liquidation or bankruptcy, and operations are not suspended in accordance with the laws of the Republic of Kazakhstan, except for the restructuring of financial indebtedness and accelerated rehabilitation procedure;

3) the target use of the microloans complies with the Rules of lending/microlending in small towns and rural areas, approved by Order No. 477 of Deputy Prime Minister of the Republic of Kazakhstan - Minister of Agriculture of the Republic of Kazakhstan dated November 27, 2018 (registered in the Register of State Registration of Regulatory Legal Acts under No. 17812) (further – Order No.477).

I confirm my acceptance of the conditions and requirements of the Rules of subsidizing operating expenses of microfinance organizations, approved by Order No.477.

I confirm the accuracy of the information provided, I am aware of the responsibility for providing inaccurate information in accordance with the legislation of the Republic of Kazakhstan and give my consent to the use of information constituting the secret protected by law, and collection, procession, storing, retrieval and use of personal data.

Signed and sent by the microfinance organization on \_\_\_\_ " \_\_ " \_\_\_\_ 20 \_\_\_\_ at am/pm \_\_\_\_

Data from the electronic digital signature (further – EDS)

Date and time of signing with the EDS

Notification of application acceptance:

Application accepted for examination on " \_\_ " \_\_\_\_ 20 \_\_\_\_ at \_\_\_\_ am/pm

Data from the EDS

Date and time of signing with EDS

Appendix2  
to the Rules of subsidizing  
operating expenses of  
microfinance organizations  
Document Form

**Standard of the state service “Subsidizing operating expenses of microfinance organizations”**

1	Name of the service provider	Local executive bodies of oblasts (further- service provider).
2	Methods of the state service rendering (access channels)	Web-portal "electronic government" www.egov.kz (further – portal).
3	Term of the state service rendering	3 (three) working days from applying to the portal.
4	Form of the state service rendering	Electronic.
5	Result of the state service rendering	Notification on of the subsidy transfer, or a motivated refusal to render the state service.
6	Amount of payment charged to the service recipient in state service rendering, and methods of charging it in the cases provided for by the legislation of the Republic of Kazakhstan	Free of charge.
		1) of the service provider - Monday to Friday in accordance with established work schedule from 9.00 to 18.30, excluding days off and holidays in accordance with the Labor Code of the Republic of Kazakhstan dated November 23, 2015 (hereinafter - the Code), with a lunch break from 13.00 to 14.30. 2) of the portal- around the clock, excepting technical breaks for repair



7	Work schedule	<p>work (when the microfinance organization applies after the end of working hours, on days off and holidays in accordance with the Code, applications are accepted and the state service results are issued on the next working day).</p> <p>The addresses of state services rendering places are posted on:</p> <ol style="list-style-type: none"> <li>1) Internet resource of the respective service provider;</li> <li>2) Internet resource of the Ministry of Agriculture of the Republic of Kazakhstan: <a href="http://www.gov.kz">www.gov.kz</a>.</li> </ol>
8	List of documents required for the state service rendering	<ol style="list-style-type: none"> <li>1) application for subsidizing operating expenses of microfinance organizations in the form of an electronic document certified by the electronic digital signature of the microfinance organization ;</li> <li>2) statement from the current account of the end borrower on the receipt of the loan or a document, confirming the loan transfer.</li> </ol>
9	Grounds for rejecting the state service established by the legislation of the Republic of Kazakhstan	<ol style="list-style-type: none"> <li>1) revealed inaccuracy of the documents provided by the microfinance organization to obtain the state service, and (or) the data (information) contained therein;</li> <li>2) inconsistency of the microfinance organization and (or) the submitted materials, objects, data and information required for the state service provision with the requirements established by the Rules of subsidizing operating expenses of microfinance organizations, approved by order No. 477 of the Deputy Prime Minister of the Republic of Kazakhstan - Minister of Agriculture of the Republic of Kazakhstan, dated November 27, 2018 (registered in the Register of State Registration of Regulatory Legal Acts under No. 17812).</li> </ol>
	Other requirements, taking into account the state service rendering	Microfinance organization shall have the opportunity of retrieving information on the procedure and status of the state service rendering in remote access mode through the "

10	specifics, including the service provided in electronic form and through the State Corporation	personal account" of the portal, as well as a single contact center for state services provision. Contact numbers of the inquiry service for state services provision: 8 (7172) 701 998, the single contact center for state services provision: 1414, 8 800 080 7777.
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Appendix3  
to the Rules of subsidizing  
operating expenses of  
microfinance organizations  
Document Form

**Notification of the subsidy amount transfer**

Dear \_\_\_\_\_  
(name of the microfinance organization)

Please be informed that on your application No. \_\_\_\_\_ of " \_\_ " \_\_\_\_\_ 20 \_\_\_\_ the state service was fulfilled and that the subsidy was transferred to your current account No. \_\_\_\_\_ in the amount of \_\_\_\_\_ tenge by invoice from " \_\_ " \_\_\_\_\_ 20 \_\_\_\_.

Appendix4  
to the Rules of subsidizing  
operating expenses of  
microfinance organizations  
Document Form

**Notification of rejected state service**

Dear \_\_\_\_\_  
(name of the microfinance organization)

On your application No. \_\_\_\_\_ of " \_\_ " \_\_\_\_\_ 20 \_\_\_\_ the state service was rejected due to:

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