



On approval of the Rules for the implementation of trust management of shares of a bank, insurance (reinsurance) company, an investment portfolio manager, owned by a major participant in a bank, insurance (reinsurance) company, an investment portfolio manager, a bank holding, an insurance holding or a person with the characteristics of a major participant in a bank, insurance (reinsurance) company, an investment portfolio manager, a bank holding, an insurance holding as well as actions of an authorized body for regulation, control and supervision of the financial market and financial organizations, or the national management holding during the period of trust management

Unofficial translation

Resolution of the Managing Board of the National Bank of the Republic of Kazakhstan dated December 31, 2019 No.261. Registered with the Ministry of Justice of the Republic of Kazakhstan on January 30, 2020 No. 19945

Unofficial translation

In accordance with the Law of the Republic of Kazakhstan dated July 3, 2019 No. 262-VI "On amendments and additions to certain legislative acts of the Republic of Kazakhstan on the regulation and development of the financial market, microfinance activities and taxation" the Managing Board of the National Bank of the Republic of Kazakhstan **HEREBY RESOLVES:**

1. To approve the attached Rules for the implementation of trust management of shares of a bank, insurance (reinsurance) company, an investment portfolio manager, owned by a major participant in a bank, insurance (reinsurance) company, an investment portfolio manager, a bank holding, an insurance holding or a person with the characteristics of a major participant in a bank, insurance (reinsurance) company, an investment portfolio manager, a bank holding, an insurance holding, as well as actions of an authorized body for regulation, control and supervision of the financial market and financial organizations or the national management holding during the period of trust management.

2. To recognize as invalid regulatory legal acts of the Republic of Kazakhstan, as well as structural elements of certain regulatory legal acts of the Republic of Kazakhstan according to the list in accordance with the Appendix to this resolution.

3. The Department for the development of non-banking organizations in accordance with the procedure established by the legislation of the Republic of Kazakhstan shall ensure:

1) jointly with the Legal Department, state registration of this resolution with the Ministry of Justice of the Republic of Kazakhstan;

2) placement of this resolution on the official Internet-resource of the National Bank of the Republic of Kazakhstan after its official publication;

3) within ten working days after the state registration of this resolution, submission to the Legal Department of information about implementation of activities, stipulated by subclause 2) of this clause and clause 4 of this resolution.

4. The Department of External Communications – press-service of the National Bank shall ensure within ten calendar days after the state registration of this resolution, submission of its copy to the official publication to the printed periodicals.

5. Control over execution of this resolution shall be entrusted to the deputy Chairman of the National Bank of the Republic of Kazakhstan Birtanov Ye.A.

6. This resolution shall come into force upon expiry of ten calendar days after the date of its first official publication.

*Chairman
of the National Bank*

Ye. Dossayev

Approved by the
resolution of the Managing Board of the National
Bank
of the Republic of Kazakhstan
dated December 31, 2019 No. 261

Rules

for the implementation of trust management of shares of a bank, insurance (reinsurance) company, an investment portfolio manager, owned by a major participant in a bank, insurance (reinsurance) company, an investment portfolio manager, a bank holding, an insurance holding or a person with the characteristics of a major participant in a bank, insurance (reinsurance) company, an investment portfolio manager, a bank holding, an insurance holding, as well as actions of an authorized body for regulation, control and supervision of the financial market and financial organizations or the national management holding during the period of trust management

1. These Rules for the implementation of trust management of shares of a bank, insurance (reinsurance) company, an investment portfolio manager, owned by a major participant in a bank, insurance (reinsurance) company, an investment portfolio manager, a bank holding, an insurance holding or a person with the characteristics of a major participant in a bank, insurance (reinsurance) company, an investment portfolio manager, a bank holding, an insurance holding, as well as actions of an authorized body for regulation, control and supervision of the financial market and financial organizations (hereinafter referred to as the authorized body) or the national management holding during the period of trust management, (hereinafter referred to as the Rules) have been developed in accordance with the laws of the Republic of Kazakhstan dated August 31, 1995 "On banks and banking activities in the Republic of Kazakhstan" (hereinafter referred to as the Law of banks), dated December 18, 2000 "On insurance activities" (hereinafter referred to as the Law on insurance), dated July 2,

2003 "On securities market" (hereinafter referred to as the Law on securities market) and shall determine the procedure for the implementation of trust management of shares of a bank, insurance (reinsurance) company, an investment portfolio manager, owned by major participant in a bank, insurance (reinsurance) company, an investment portfolio manager, bank holding, insurance holding or a person, with characteristics of a major participant in a bank, insurance (reinsurance) company, an investment portfolio manager, a bank holding, an insurance holding, as well as the activities of the authorized body or the national management holding during the period of trust management.

2. For the purposes of the Rules, the following concepts are used:

1) a financial organization – a legal entity engaged in entrepreneurial activity in the provision of financial services;

2) shares of a financial organization – bank shares owned by a major participant in a bank, a bank holding company or a person having the characteristics of a major participant in a bank or a bank holding company, shares in an insurance (reinsurance) company owned by a major participant in an insurance (reinsurance) company, an insurance holding company or a person possessing the characteristics of a major participant in an insurance (reinsurance) company) an organization, an insurance holding company, shares of an investment portfolio manager owned by a major participant or a person who has the characteristics of a major participant in an investment portfolio manager;

3) a trust manager – an authorized body or the national management holding.

3. Trust management of the shares of a financial organization shall be established in cases, stipulated by clause 3 of article 47-1 of the Law of banks, clause 3 of article 53-4 of the Law on insurance, clause 3 of article 72-3 of the Law on securities market and on the basis of the decision of the authorized body subject to the requirements of chapter 44 of the Civil Code of the Republic of Kazakhstan (Special Part) dated July 1, 1999 (hereinafter referred to as the Code) and the Rules.

4. The decision of the authorized body on the establishment of trust management of shares of a financial organization shall indicate:

1) grounds for the establishment of trust management;

2) name of the trust manager;

3) the number and type of shares of a financial organization transferred into trust;

4) term for which a trust management is established;

5) surname (surnames), name (names), if available – patronymic (patronymics), name and details of the identity document(s), place of employment and position(s) of the person(s) authorized by the trust manager to represent his/her interests in all institutions and organizations on the issues related with carrying out functions of a trust manager of the shares of a financial organization, to perform all necessary actions in the interests of the trust manager (in the case of trust management of the shares of a financial institution by the authorized body).

5. The decision on the establishment of trust management of the shares of a financial organization, no later than 5 (five) working days from the date of its adoption, is published in the media in the Kazakh and Russian languages and is brought to the attention by sending a written notification to the address of:

- 1) the financial organization;
- 2) owners of the financial organization in whose relation the trust manager is established;
- 3) national management holding, if the authorized body makes a decision to transfer the shares of the financial organization to the trust management of the national management holding;
- 4) central depository and (or) a nominee holder of shares of the financial organization, in which relation the trust management is established;
- 5) stock exchange (if the shares of the financial organization, transferred to the trust management, are in the official list of the stock exchange).

6. The trust manager shall, no later than 7 (seven) working days from the date of the decision on the establishment of trust management of the shares of the financial organization), submit documents to the central securities depository (nominee holder) for registration of the operation on making an entry on a trust manager in the system of maintaining registers of shareholders of the financial organization (nominal holding system).

7. Operation on making (deleting) an entry on a trust manager shall be made by the central depository (nominee holder) based on the decision of the authorized body on establishment of trust management of shares of the financial organization and the order of the trust manager on making (deleting) an entry on the trust manager to (from) personal account of the owner of the shares of the financial organization.

8. The trust manager shall, within the period of the trust management of shares of the financial organization, perform actions, which could perform the owner of these shares, and shall ensure the confidentiality of information received in the course of exercising its powers.

The disclosure of information to third parties shall be carried out by the trust manager in accordance with article 830 Кодекса, article 50 of the Law of banks, article 43 of the Law on securities market.

9. During the period of trust management of the shares of a financial organization, but no later than 45 (forty-five) calendar days before the expiration of the trust management period, it is allowed to submit to the authorized body a petition from the owner of the shares of the financial organization transferred to trust management for the sale of all shares of the financial institution that are transferred to trust management (hereinafter referred to as the petition).

The petition shall indicate the information about person (persons) who is (are) going to purchase shares of the financial organization, transferred to the trust management, and the number of shares, which this person (these persons) is (are) going to purchase.

10. The petition shall be submitted to the authorized body attached with:

1) documents for the receipt by the person (persons) indicated in the petition, of a status of a major participant of the financial organization (banking holding or insurance holding) in accordance with the requirements of article 17-1 of the Law of banks, article 26 of the Law on insurance and article 72-1 of the Law on securities market;

2) documents, confirming performance by the person (persons) indicated in the petition, of requirements of the authorized body in accordance with clause 2 of article 47-1 of the Law of banks, clause 2 of article 53-4 of the Law on insurance and clause 2 of article 72-3 of the Law on securities market;

3) a sale and purchase agreement concluded between the owner of shares of a financial institution transferred into trust and the person (persons) indicated in the petition, which provides for its entry into force, subject to the satisfaction of the application.

11. The petition shall be granted by the authorized body in case of performance by the purchaser (purchasers) of shares, indicated in the petition, of requirements of clause 2 of article 47-1 of the Law of banks, clause 2 of article 53-4 of the Law on insurance and clause 2 of article 72-3 of the Law on securities market.

12. In case of granting the petition, and after receipt by the person (persons) indicated in the petition, of a consent of the authorized body to obtain the status of a major participant of the financial organization (banking or insurance holding), the sale of shares of the financial organization shall be carried out to the person (persons) indicated in the petition, in the organized or non-organized market.

Payment for shares of a financial organization is made no later than 10 (ten) calendar days from the date of bringing to the notice of the person (persons) indicated (indicated) in the application, the document confirming the consent of the authorized body to acquire the status of a major participant in a financial organization (banking or insurance holding), in the cases provided for in article 17-1 of the Law of banks, article 72-1 of the Law on securities market and article 26 of the Law on insurance.

Not later than 3 (three) working days from the date of receipt by the trustee of a copy of the document confirming the payment for the shares by the person (persons) indicated in the petition, the trust manager transmits the order (orders) to the central depository (nominee holder) to write off the shares of the financial institution, transferred into trust, from the account of their owner and credited to the account (accounts) of the indicated person (indicated persons).

If a copy of the document confirming the payment for the shares by the person (persons) indicated in the application is submitted after the expiry of the period for which the trust was established, the shares of the financial organization are written off from their owner's account and credited to the account (accounts) of the said person (specified persons), shall be carried out on the basis of the order (orders) of the authorized body or the national managing holding.

13. If the grounds for the transfer of shares of a financial organization to trust management are not eliminated before the expiration of the period for which the trust

management was established, the authorized body does not receive or refuse to satisfy the petition in the manner prescribed by the Rules, these shares are sold on the organized securities market by open tender method.

At the same time, when selling shares in the amount of 10 (ten) and more percent of the total number of voting shares, the auction is attended by persons who have received the preliminary consent of the authorized body to acquire the status of a major participant in a financial organization (bank or insurance holding).

14. The parameters of the transaction (transactions) for the sale of shares of a financial organization specified in clause 13 of the Rules, as well as the broker, through the use of whose services the sale of shares will be carried out, are determined by the authorized body or the national managing holding in coordination with the authorized body.

Appendix
to the resolution of the Managing Board
of the National Bank of the Republic of
Kazakhstan
dated December 31, 2019 No. 261

List of regulatory legal acts of the Republic of Kazakhstan, as well as structural elements of certain regulatory legal acts of the Republic of Kazakhstan, recognized as invalid

1. Resolution of the Managing Board of the National Bank of the Republic of Kazakhstan dated February 13, 2012 No. 32 "On approval of the Rules for the implementation of trust management of shares of a bank, insurance (reinsurance) company, an investment portfolio manager, owned by a major participant in a bank, insurance (reinsurance) company, an investment portfolio manager, a bank holding, an insurance holding or a person with the characteristics of a major participant in a bank, insurance (reinsurance) company, an investment portfolio manager, a bank holding, an insurance holding, as well as actions of the authorized body or the national management holding during the period of trust management" (Registered in the Register of State Registration of Regulatory Legal Acts as No.7519, published on June 23, 2012 in "Kazakhstanskaya Pravda" newspaper No. 199-200 (27018-27019)).

2. Clause 1 of the List of regulatory legal acts of the Republic of Kazakhstan on the issues of control and supervision of financial organizations, which are amended, approved by the resolution of the Managing Board of the National Bank of the Republic of Kazakhstan dated August 27, 2013 No. 212 "On amendments to certain regulatory legal acts of the Republic of Kazakhstan on the issues of control and supervision of financial organizations" (Registered in the Register of State Registration of Regulatory Legal Acts as No.8805, published on November 28, 2013 in "Yuridicheskaya Gazeta" newspaper No. 180 (2555)).

3. Clause 3 of the List of regulatory legal acts of the Republic of Kazakhstan on the issues of regulation of financial market, which is amended by the resolution of the Managing Board of the National Bank of the Republic of Kazakhstan dated October 28, 2016 No. 265 "On

amendments to certain regulatory legal acts of the Republic of Kazakhstan on the issues of regulation of financial market" (Registered in the Register of State Registration of Regulatory Legal Acts as No.14733, published on February 28, 2017 in the Reference Control Bank of Regulatory Legal Acts of the Republic of Kazakhstan).

4. Clause 4 of the List of regulatory legal acts of the Republic of Kazakhstan on the issues of regulation of financial market, which is amended added by the resolution of the Managing Board of the National Bank of the Republic of Kazakhstan dated October 29, 2018 No. 246 " On amendments and addition to certain regulatory legal acts of the Republic of Kazakhstan on the issues of regulation of financial market" (Registered in the Register of State Registration of Regulatory Legal Acts as No. 17972, published on December 26, 2018 in the Reference Control Bank of Regulatory Legal Acts of the Republic of Kazakhstan).