



## **On Regional Financial Center of Almaty City**

### *Invalidated Unofficial translation*

The Law of the Republic of Kazakhstan dated 5 June, 2006 No. 145.

U n o f f i c i a l t r a n s l a t i o n

Footnote. It has lost force by the Constitutional Law of the Republic of Kazakhstan dated 07.12.2015 No. 438-V (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

This Law establishes legal basis, determining special legal regime of functioning of the regional financial center of Almaty city.

### **Article 1. Regional financial center of Almaty city and its status**

Regional financial center of Almaty city (hereinafter – financial center) shall represent the special legal regime, regulating relationships of participants of financial center and interested persons, directed on development of financial market of the Republic of Kazakhstan.

The state registration of the participants of the financial center is the procedure of conformance inspection of organizational and other documents to the legislation of the Republic of Kazakhstan, issuance of certificate on the state registration with assignment of business and identification number and transfer of the details to the National register of business and identification numbers.

Footnote. Article 1 as amended by the Laws of the Republic of Kazakhstan dated 21.07.2007 No. 309; dated 05.07.2012 No. 30-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 24.12.2012 No. 60-V (shall be enforced upon expiry of ten calendar days after its first official publication).

### **Article 2. Legislation of the Republic of Kazakhstan on financial center**

1. The legislation of the Republic of Kazakhstan on financial center shall be based on the Constitution of the Republic of Kazakhstan, shall consist of this Law and other regulatory legal acts of the Republic of Kazakhstan.

2. If international treaty, ratified by the Republic of Kazakhstan establishes the other rules, than those contained in this Law, the rules of international treaty shall be applied.

### **Article 3. Purposes of creation and principles of functioning of financial center**

Purposes of creation of financial center shall be the development of the paper market, provision of its integration with international capital market, attracting investments to the economy of the Republic of Kazakhstan through the paper market and provision of access of the foreign emitters on the special trading platform of financial center.

The financial center shall function on the following principles:

- 1) equality of all participants;
- 2) movement of capital in accordance with the currency legislation of the Republic of Kazakhstan.

**Footnote. Article 3 as amended by the Laws of the Republic of Kazakhstan dated 21.07.2007 No. 309; dated 05.07.2012 No. 30-V (shall be enforced upon expiry of ten calendar days after its first official publication).**

#### **Article 4. Authorized body on regulation of the activity of financial center**

The authorized body of regulation of the activity of financial center shall be the National Bank of the Republic of Kazakhstan (hereinafter – the authorized body).

**Footnote. Article 4 is in the wording of the Law of the Republic of Kazakhstan dated 05.07.2012 No. 30-V (shall be enforced upon expiry of ten calendar days after its first official publication).**

#### **Article 5. Objectives and functions of the authorized body**

1. Basic objectives of the authorized body shall be:

- 1) carrying out of the state powers, determined by this Law;
- 2) further development of the financial center;
- 3) increasing of the level of investment culture and financial literacy of population.

2. Functions of the authorized body shall be:

1) the state registration (re-registration) of legal entities – participants of financial center;

1-1) *is excluded by the Law of the Republic of Kazakhstan dated 05.07.2012 No. 30-V (shall be enforced upon expiry of ten calendar days after its first official publication);*

2) application on issuance of visa to foreigners and stateless persons, arriving in the territory of the Republic of Kazakhstan for carrying out of activity in the financial center in the manner established by the legislation of the Republic of Kazakhstan;

3) *is excluded by the Law of the Republic of Kazakhstan dated 05.07.2012 No. 30-V (shall be enforced upon expiry of ten calendar days after its first official publication)*  
;

4) explanation to participants of the financial center of their rights and obligations;

- 5) the state control for observance of the labor legislation of the Republic of Kazakhstan by the participants of the financial center;
- 6) representation of the financial center in the state bodies and other organizations;
- 7) maintenance of the state register of participants of the financial center;
- 8) record of foreigners and stateless persons, carrying out the labor activity in the financial center and quarterly provision of information on involvement of the foreign labors to the local executive body of Almaty city on form, established by the central executive body, coordinating the realization of the state policy in the scope of employment of population;
- 9) *is excluded – dated 21 July, 2007 No. 309*);
- 10) development and realization of measures on development of the financial center;
- 11) assistance to improvement of infrastructure of the paper market;
- 12) other functions, provided by this Law, other Laws of the Republic of Kazakhstan and the acts of the President of the Republic of Kazakhstan.

**Footnote. Article 5 as amended by the Laws of the Republic of Kazakhstan dated 21.07.2007 No. 309; dated 05.07.2011 No. 452-IV (shall be enforced from 13.10.2011) ; dated 05.07.2012 No. 30-V (shall be enforced upon expiry of ten calendar days after its first official publication).**

## **Article 6. Competence of the authorized body**

In order of realization of its objectives and functions, an authorized body shall have the following powers:

- 1) issue the certificate on the state registration (re-registration) of the legal entity – participant of the financial center;
- 2) approve the rules of the state registration (re-registration) of legal entities – participants of the financial center;
- 3) establish requirements to the emitters, whose securities shall be suggested to including or are included in the list of the special trading platform of the financial center, as well as to such securities;
- 4) establish requirements to the rating agencies, ranking scores of which are accepted by the authorized body and approve their list;
- 5) establish requirements to the ranking scores of securities and their emitters for access to the special trading platform of the financial center;
- 6) establish the order of compensation of expenses on audit of the financial reporting of emitters of securities, accepted to the special trading platform of the financial center;

7) compensate expenses on audit of the financial reporting of emitters of securities, accepted to the special trading platform of the financial center;

8) approve the qualification requirements to the audit organizations for access of the financial instruments of the special trading platform of the financial center by agreement with the authorized body on regulating in the field of auditing activity and control of activity of audit and professional organizations;

9) establish requirements to the stock exchanges, recognized by the authorized body and establish their list;

10) conduct an inspection on the subject of observance of the labor legislation of the Republic of Kazakhstan by the participants of financial center;

11) by other powers, provided by this Law, other Laws of the Republic of Kazakhstan and acts of the President of the Republic of Kazakhstan.

**Footnote. Article 6 is in the wording of the Law of the Republic of Kazakhstan dated 05.07.2012 No. 30-V (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the Law of the Republic of Kazakhstan dated 24.12.2012 No. 60-V (shall be enforced upon expiry of ten calendar days after its first official publication).**

## **Article 7. Head of the authorized body**

**Footnote. Article 7 is excluded by the Law of the Republic of Kazakhstan dated 05.07.2012 No. 30-V (shall be enforced upon expiry of ten calendar days after its first official publication).**

## **Article 8. Council on development of the financial center**

1. Council on development of the financial center (hereinafter – Council) shall be the permanently operating advisory and consultative body and shall be created upon the authorized body.

2. Basic objectives of the Council shall be assistance in the issues, relating to the activity of financial center and determining of direction of development of the financial center.

3. Functions of the Council:

1) drawing up recommendations on creation of favorable economic and legal conditions for development of the financial center and securities;

2) developing the basic directions of development of the financial center;

3) preparation of suggestions on issues of organization and functioning of activity of the financial center.

4) Provision of the Council and its structure shall be approved by the legal act of the authorized body.

Footnote. Article 8 is in the wording of the Law of the Republic of Kazakhstan dated 05.07.2012 No. 30-V (shall be enforced upon expiry of ten calendar days after its first official publication).

## **Article 9. Specialized financial court**

Specialized financial court shall resolve the disputes of participants of the financial center and consider the cases on restructuring of the financial organizations or organizations, included in the bank conglomerate as parental organization and not being the financial organizations in accordance with the legislation of the Republic of Kazakhstan in the cases, provided by the Laws of the Republic of Kazakhstan, regulating their activity.

Footnote. Article 9 is in the wording of the Law of the Republic of Kazakhstan dated 01.03.2011 No. 414-IV (shall be enforced from 01.01.2010).

## **Article 10. Relationships of the authorized body with the state bodies**

1. The state bodies of the Republic of Kazakhstan, functions of which are transferred to the authorized body on relation to the participants of the financial center by this Law, shall carry out the interaction with the authorized body on the basis of joint orders.

2. The authorized body shall have a right to request the information necessary for carrying out of its functions from the state bodies.

3. The authorized body shall provide information on activity of financial center by the state bodies of the Republic of Kazakhstan in the manner, provided by the legislation of the Republic of Kazakhstan.

4. The other powers of the state bodies in relation with the authorized body shall be carried out in accordance with the legislative acts of the Republic of Kazakhstan.

## **Article 11. Participants of the financial center**

1. Participants of the financial center shall be the professional participants of securities market, having:

1) a certificate on the state registration (re-registration) of legal entity – participant of the financial center, issued by the authorized body;

2) a license on carrying out of the broker and (or) dealing activity, issued by the authorized body.

2. Participants of the financial center shall not be banks.

3. Participants of the financial center shall have a right to carry out the other types of activity in recognition of conditions and order of adjustment of types of professional

activity on securities market, established by the regulatory legal acts of the authorized body.

4. Participants of financial center shall have a right to conclude transactions with financial instruments on:

- 1) the special trading platform of the financial center;
- 2) stock exchanges as well as foreign;
- 3) non-organized securities market.

5. The compulsory condition of the state registration by the authorized body of legal entity - participant of the financial center shall be residence of its executive body on the territory of Almaty city.

**Footnote. Article 11 is in the wording of the Law of the Republic of Kazakhstan dated 05.07.2012 No. 30-V (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the Laws of the Republic of Kazakhstan dated 24.12.2012 No. 60-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 21.06.2013 No. 106-V (shall be enforced upon expiry of ten calendar days after its first official publication).**

## **Article 12. Special trading platform of the financial center**

1. Special trading platform of the financial center shall be the trading platform of the stock exchange, functioning in the territory of Almaty city and determined by the authorized body on which the participants of the financial center shall carry out the auctions by the financial instruments.

Persons, mentioned in paragraph 2 of Article 11 of this Law, having the license on carrying out of broker and (or) dealing activity, issued by the authorized body, may carry out the auctions by the financial instruments on the special trading platform of the financial center.

2. Rules of organizer of auctions, applied in relation of special trading platform of the financial center shall subject to coordination with the authorized body.

**Footnote. Article 12 is in the wording of the Laws of the Republic of Kazakhstan dated 05.07.2012 No. 30-V (shall be enforced upon expiry of ten calendar days after its first official publication).**

## **Article 13. Visa regime of foreigners and stateless persons**

1. Foreigners and stateless persons, arriving in the territory of the Republic of Kazakhstan for carrying out of activity in the financial center shall receive an entrance visa on arrival to the international airport of Almaty city.

2. Extension of the validity of visas as well as changes of visa category to persons, mentioned in paragraph 1 of this Article may be carried out without departure beyond

the Republic of Kazakhstan upon the application of the authorized body in accordance with the legislation of the Republic of Kazakhstan.

#### **Article 14. Tax control of participants of financial center**

The tax control of participants of financial center shall be carried out in accordance with the tax legislation of the Republic of Kazakhstan.

#### **Article 15. Languages of maintenance of documentation and transactions**

The participants of financial center shall have a right to maintain documentation and conclude transactions in the state and (or) Russian, and (or) English languages.

Translation from English language to Kazakh and Russian language shall be carried out by the authorized body upon necessity of representation of documentation to the state bodies by the participants of financial center.

**Footnote. Article 15 as amended by the Law of the Republic of Kazakhstan dated 05.07.2012 No. 30-V (shall be enforced upon expiry of ten calendar days after its first official publication).**

#### **Article 16. Monetary obligations of participants of financial center**

Monetary obligations of participants of financial center may be represented in tenge and foreign currency.

#### **Article 17. Responsibility for infraction of the legislation on the financial center**

Infraction of the legislation of the Republic of Kazakhstan on the financial center shall entail the responsibility in accordance with the Laws of the Republic of Kazakhstan.

#### **Article 18. Enforcing**

This Law enters into force from the date of its official publication.

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of the Republic of Kazakhstan

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