



About limited and additional liability partnerships

Unofficial translation

Law of the Republic of Kazakhstan No. 220-1 dated 22 April, 1998.

Unofficial translation

Chapter I. GENERAL PROVISIONS

Article 1. Relations regulated by this Law

1. This Law defines, in accordance with the Civil Code of the Republic of Kazakhstan, the legal status of limited and additional liability partnerships, rights and duties of their participants, the procedure for establishment, work, reorganization and liquidation of partnerships.

2. The features of limited and additional liability partnerships established with foreign participation may be determined by legislative acts on foreign investments.

The features of limited and additional liability partnerships that carry out certain types of banking operations or are professional participants of the insurance market may be determined by legislative acts of the Republic of Kazakhstan.

2-1. The state participation in limited liability partnerships and special aspects of their management shall be determined by the Law of the Republic of Kazakhstan "On state property".

3. The rules of this Law apply to additional liability partnership unless otherwise provided by article 3 of this Law.

Footnote. Article 1 as amended by the Laws of the Republic of Kazakhstan № 436 dated 16.07.1999; № 128 dated 20.02.2006 (the order of enforcement see in Art. 2); № 414-IV dated 01.03.2011 (shall be enforced since the date of its first official publication).

Article 1-1. The main goals, objectives and principles of this Law

1. The main goals of the legislation of the Republic of Kazakhstan on partnerships with limited and additional liability are to ensure the rights, freedoms and legitimate interests of participants in the partnership, determining the procedure for establishment, activity, reorganization and liquidation of the partnership.

2. The main objectives of this Law are:

- 1) the establishment of the legal status of partnerships with limited and additional liability ;
- 2) determination of the conditions for creating partnerships with limited and additional liability;
- 3) regulation of the activities of partnerships with limited and additional liability;

4) ensuring the rights, freedoms and legitimate interests of participants in partnerships with limited and additional liability.

3. Partnerships with limited and additional liability operate on the basis of the following basic principles:

- 1) legality;
- 2) liability for their obligations in the amount of the entire property belonging to it;
- 3) transparency, accessibility of information about the activities of the partnership for all its members;
- 4) the good faith of the participants.

Footnote. Chapter 1 is supplemented by Article 1-1 in accordance with the Law of the Republic of Kazakhstan dated 05.07.2024 № 115-VIII (shall be enforced ten calendar days after the day of its first official publication).

Article 2. The concept of a limited liability partnership

1. A limited liability partnership is a partnership established by one or several persons the charter fund of which is divided into shares of the sizes specified by the constituent documents; participants in a limited liability partnership do not meet its obligations and bear the risk of loss associated with the work of the partnership, to the extent of the value of their contributions. Exceptions to the rule may be provided for by the Civil Code of the Republic of Kazakhstan and this Law.

A limited liability partnership is considered to be established for an indefinite period if the constituent documents of the partnership do not provide that it is established for a certain period of time or to achieve a specific goal.

2. Limited Liability Partnership is a legal entity.

3. A limited liability partnership meets its obligations to the extent of all of its property.

The partnership do not meet the obligations of its members.

4. Partnership members who have not fully contributed to the charter fund shall be jointly responsible for its obligations within the value of the uncontributed portion of each of the participants.

Article 3. Additional liability partnership

1. An additional liability partnership is a partnership whose members meet its obligations with their contributions to the charter fund, and if these amounts are insufficient, with their additional property at a rate that is a multiple of their contributions.

2. The limit of the liability of participants is provided for in the statute.

3. In case of bankruptcy of one of the participants, his liability for the obligations of the additional liability partnership shall be distributed among the other participants in proportion to their contributions unless a different procedure for the allocation of responsibility is provided for by the constituent documents.

Article 4. Firm name of a limited liability partnership

1. A limited liability partnership has a firm name which must contain the name of the partnership as well as the words “limited liability partnership” or the abbreviation “LLP”. A firm name of an additional liability partnership must contain respectively the words “additional liability partnership” or the abbreviation “ALP”. Under such firm name the partnership is subject to State registration.

The partnership may also use the abbreviated form of the firm name and its equivalents in foreign languages.

2. The firm name of a limited liability company established with foreign participation may include an indication of the nationality of its incorporators.

Article 5. Location and address of a limited liability partnership

1. The location of a limited liability partnership is the location of its standing body.

2. In case of a change of the location by the limited liability partnership, the partnership must notify the body responsible for the state registration of legal entities on the location address of the partnership in order to make the necessary amendments to the National Register of Business Identification Numbers.

Footnote. Article 5 as amended by the Law of the Republic of Kazakhstan № 60-V dated 24.12.2012 (shall be enforced upon the expiry of ten calendar days after its first official publication).

Article 6. Legal capacity of a limited liability partnership

1. A limited liability partnership is a commercial organization, has civil rights and perform duties related to its work necessary to carry out any kinds of activities not prohibited by the laws of the Republic of Kazakhstan.

2. Certain kinds of activities the list of which is determined by legislative acts a limited liability partnership may be engaged only on the basis of a license.

Article 7. Branches and representative offices of a limited liability partnership

1. Outside its location, a limited liability partnership has the right to establish branches and open representative offices in accordance with Article 43 of the Civil Code of the Republic of Kazakhstan (general part).

The partnership is obliged to notify the body that carried out its state registration of the establishment of its branches and the opening of representative offices as well as of their location.

2. Decisions on the establishment of branches and the opening of representative offices of a limited liability partnership are taken by the executive body of the partnership, unless the partnership charter provides that such decisions are made by the general meeting of its members.

Article 8. Participants of a limited liability partnership

1. Participants of a limited liability partnership are its incorporators as well as individuals who have become eligible for a share of the property of the partnership after its establishment.

2. (excluded)

3. (excluded)

4. Constitutions may be participants of a limited liability partnership with the owner's permission unless otherwise provided by legislative acts.

Footnote. Article 8 was amended by the Law of the RK dated May 21, 2002. № 323; dated May 16, 2003. № 416.

Article 9. Number of participants of a limited liability partnership

(Article 9 is excluded by the Law of the Republic of Kazakhstan dated May 16, 2003, № 416)

Article 10. Features of the legal status of a limited liability partnership consisting of one participant

1. A limited liability partnership may not have as a single participant another business partnership consisting of one individual.

2. In a limited liability partnership consisting of one participant decisions relating to the competence of the general meeting of participants are taken by a single participant individually and are executed in writing. Herewith, the provisions of Articles 44 - 50 of this Law shall not apply.

Article 11. Rights of participants of a limited liability partnership

1. Participants of a limited liability partnership are entitled to:

1) to participate in the management of the partnership in the order prescribed by this Law and the partnership charter;

2) to obtain information on the activities of the partnership and to become familiar with its accounting and other documentation in the order prescribed by the partnership charter;

3) to earn income from the activities of the partnership in accordance with this Law, the constituent documents of the partnership and the decisions of its general meeting;

4) to get in the case of liquidation of the partnership the value of the part of the property remaining after settlements with creditors, or, by agreement of all participants of the partnership, a part of this property in kind;

5) to terminate participation in the partnership by the alienation its share in the order prescribed by this Law;

6) to contest decision of partnership bodies, violating their rights, prescribed by this Law and (or) the partnership charter.

2. Participants of a limited liability partnership may also have other rights prescribed by this Law and the constituent documents.

Footnote. Article 11 as amended by the Law of the Republic of Kazakhstan, № 230, dated February 19, 2007 (the order of enforcement see in Art. 2).

Article 12. Duties of participants of a limited liability partnership

1. Participants of a limited liability partnership are obliged:

1) comply with the requirements of the constituent agreement;

2) to make contributions to the authorized capital of the partnership in the order, amount and within the terms prescribed by the constituent documents;

4) to notify the executive body, and also the central depository in case of maintenance of the partnership participants' register, in writing about changes in the information provided for in subparagraph 2) of paragraph 2 of Article 17 of this Law.

2. Participants of a limited liability partnership may also perform other duties prescribed by the constituent documents of the partnership, this Law and other legislative acts of the Republic of Kazakhstan.

Footnote. Article 12 as amended by the Law of the Republic of Kazakhstan dated July 8, 2005. № 72 (the order of enforcement see in Art. 2); № 230 dated February 19, 2007 (the order of enforcement see in Art. 2); № 166-VI as of 02.07.2018 (shall be enforced from 01.01.2019).

Article 12-1. Affiliated person of a limited liability partnership

1. An affiliated person of a limited liability partnership (hereinafter referred to as a partnership) is individuals or legal entities (with the exception of state bodies exercising control and supervisory functions within the authority given to them) who are able to determine decisions directly and (or) indirectly and (or) to influence decisions made by each other (one of the parties), including by virtue of the concluded transaction.

2. Affiliated person of the partnership are:

1) incorporators, participants;

2) close relatives, husband (wife), close relatives of husband (wife) of the individuals referred to in sub-paragraphs 1), 3) and 9) of this paragraph;

3) officials of the partnership or legal entities referred to in subparagraphs 1), 4), 5), 6), 7), 8), 9), 10) and 11) of this paragraph;

4) a legal entity that is controlled by a person specified in subparagraph 1) of this paragraph, or an officer of the partnership;

5) a legal entity, in relation to which the person referred to in subparagraph 1) of this paragraph or is an official of the company, shall be the major shareholder or own a share in the property;

6) a legal entity, in relation to which the company shall be a major shareholder or have the right to an appropriate share in the property;

7) a legal entity, in relation to which the entity, referred to in subparagraph 6) of this section, shall be a major shareholder or have the right to the appropriate share in the property;

8) a legal entity that together with the partnership shall be under the control of the third party;

9) a person, that has a contract with the partnership, pursuant to which it shall have the right to influence the decisions, taken by the partnership;

10) a person that alone or together with its affiliated entities, owns, uses, disposes ten or more percent of the voting shares (share ownership in the charter fund) of the legal entities referred to in subparagraphs 1), 4), 5), 6), 7), 8), 9) and 11) of this paragraph;

11) other person that is an affiliated person of the partnership in accordance with the legislative acts of the Republic of Kazakhstan.

2. Control over the partnership or other legal entity shall be the ability to define the decisions, taken accordingly by the company or other legal entity.

Footnote. Chapter 11 as amended by the article 12-1 in accordance with the Law of the Republic of Kazakhstan №524-IV dated 28.12.2011 (shall be enforced upon the expiry of ten calendar days after the date of its first publication).

Article 12-2. Disclosure of affiliated persons of a limited liability partnership

1. The data about the affiliates of a limited liability partnership shall not be the information that constitutes official, commercial or other secret, protected by law.

2. A limited liability partnership is obliged to keep a record of its affiliates based on the data provided by these persons.

3. Individuals and legal entities that are affiliated persons of a limited liability partnership are obliged to submit to the limited liability partnership within ten calendar days from the date of the affiliation information about their affiliates.

Footnote. Chapter 1 as amended by the article 12-2 in accordance with the Law of the Republic of Kazakhstan №524-IV dated 28.12.2011 (shall be enforced upon the expiry of ten calendar days after the date of its first publication).

Chapter II. ESTABLISHMENT OF A LIMITED LIABILITY PARTNERSHIP

Article 13. The procedure for the establishment of a limited liability partnership

1. The establishment of a limited liability partnership begins with the conclusion by its incorporators of the constituent agreement (Article 14 of this Law) and terminates with the state registration of the partnership as a legal entity (Article 19 of this Law).

2. The procedure for the establishment of a limited liability partnership shall be terminated until its completion:

1) in the case when during the year, and if the constituent agreement prescribes another term, then during such a term from the date of the conclusion of the constituent agreement, an appropriate statement for state registration of the partnership has not been submitted;

2) in the case of the state registration refusal of the partnership, if the refusal was not appealed in court within the prescribed term or was appealed, but the complaint was rejected.

3. Upon termination of the procedure for the establishment of a limited liability partnership prior to its completion (paragraph 2 of this article):

1) the incorporators of the partnership who contributed money, securities, things, property rights, including the intellectual property right, and other property to form the charter fund, have the right to demand their immediate return;

2) a trust agreement concluded on the basis of this Law, in the absence of another agreement between its parties, shall be terminated and the property transferred under such agreement shall be returned.

3. Upon termination of the procedure for the establishment of a limited liability partnership prior to its completion (paragraph 2 of this article), the establishment of a partnership is possible if the incorporators conclude a new constituent agreement. The circumstances for which the state registration was rejected should be taken into account.

5. The establishment of a limited liability partnership for the purpose of implementing a public-private partnership project is carried out by taking into account the provisions established by the Law of the Republic of Kazakhstan "On public-private partnership".

Footnote. Article 13 as amended by the Law of the Republic of Kazakhstan № 380-V dated 31.10.2015 (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 14. A constituent agreement of a limited liability partnership

1. A limited liability partnership is established on the basis of a constituent agreement.
2. A constituent agreement of a limited liability partnership must contain:
 - 1) the decision on the establishment of the partnership, its firm name and location;
 - 2) a list of the incorporators of the partnership with their name, location, banking details (if the incorporator is a legal entity) or name, place of residence and data of an identity document (if the incorporator is an individual);
 - 3) the procedure for the establishment of a partnership; the duties of the incorporators related to its establishment as well as other conditions for the implementation of the activities for the establishment of the partnership by the incorporators; definition of the authorities of these persons as well as other persons who are authorized to represent the interests of the partnership to be established in the process of its establishment and registration;
 - 4) the size of the charter fund of the partnership;
 - 5) information on the composition, amount and terms of paying up of the monetary contribution of each incorporator to the charter fund of the partnership or on the monetary valuation of in-kind contribution or in the form of property rights; the decision-making procedure on paying up of additional contributions to the charter fund of the partnership as well as the consequences of late contributions to the charter fund of the partnership;
 - 6) the determination of the incorporator share in the property of the partnership; the procedure for transfer of participants shares of the partnership;
 - 7) the approval of the partnership charter;
 - 8) the procedure for the distribution of the net income of the partnership.

The constituent agreement, by decision of the incorporators, may include other conditions relating to the establishment of the partnership and its activities that are not contrary to this Law and other legislative acts.

3. The constituent agreement of a limited liability partnership may provide for the subject and purpose of its activities.

4. The constituent agreement of a limited liability partnership is included in the documents constituting a commercial secret, unless otherwise provided for by the constituent agreement, and is subject to presentation to state and other official bodies, as well as to third parties, only by decision of the partnership bodies or in cases established by the laws of the Republic Kazakhstan.

It is not required to submit the constituent agreement to the “Government for Citizens” State Corporation in the course of state registration.

5. The terms of the constituent agreement are binding on the incorporators who have signed this agreement as well as on new participants who have entered the partnership after its establishment and registration.

Footnote. Article 14 as amended by Law of the Republic of Kazakhstan № 241-VI as of 02.04.2019 (shall be enforced from 01.07.2019).

Article 15. The procedure for the conclusion of the constituent agreement and its form

1. The constituent agreement of a limited liability partnership is concluded by the signing of the agreement by each incorporator or his authorized representative.

2. The constituent agreement of a limited liability partnership is concluded in writing.

3. The agreement is signed by all the incorporators of the partnership.

Representatives of the incorporators must have the relevant authority giving the right to establish a partnership and to sign the constituent agreement.

Legal entities that are among the incorporators may be represented by their chiefs authorized to act on behalf of the appropriate legal entity without a power of attorney.

4. Refusal to sign the agreement means refusal to enter the partnership. Persons who have not signed the agreement cannot be included in the list of its incorporators.

It is not allowed to sign the agreement subject to reservations. Features of the status of individual participants of the partnership should be recorded in the text of the agreement signed by all the incorporators.

5. The constituent agreement shall be subject to notarization, with the exception of the constituent agreement of a limited liability company which is a small or medium-sized entities.

6. Is excluded by Law of the Republic of Kazakhstan № 217-VI as of 21.01.2019 (shall be enforced ten calendar days after its first official publication).

Footnote. Article 15 as amended by the Laws of the Republic of Kazakhstan № 239-IV dated 20.01.2010 (enforcement procedure see in article 2); № 269-V dated 29.12.2014 (shall be enforced since 01.01.2015); № 217-VI as of 21.01.2019 (shall be enforced ten calendar days after its first official publication).

Article 16. Features of the establishment of a limited liability partnership with a single participant

1. The establishment of a limited liability partnership with a single participant shall be made on the basis of the sole decision taken by him.

The constituent agreement is not drawn up in this case.

2. The charter of a limited liability partnership with a single participant shall be approved by the person who formed this partnership.

3. The state registration of a partnership with a single participant shall be carried out in a general order established for the registration of limited liability partnerships.

4. If a limited liability partnership with a single participant due to the division of the contribution or increase of the charter fund is replenished with new participants, they are obliged to sign the constituent agreement according to the rules provided for in Article 15 of this Law.

Article 16-1. Features of the establishment and activities of a limited liability partnership, whose register is maintained by the central depository

Footnote. The heading of Article 16-1 as amended by Law of the Republic of Kazakhstan № 166-VI as of 02.07.2018 (shall be enforced from 01.01.2019).

1. A limited liability partnership has the right to conclude a contract for maintaining the partnership participants' register with the central depository engaged in the maintenance of the system of security holders' registers.

The validity of the constituent agreement is terminated on the day the partnership participants' register is formed. The document affirming the right to a share in the charter fund of a limited liability partnership, whose participants' register is maintained by the central depository, is an extract from the partnership participants' register.

If a joint stock company is reorganized into a limited liability partnership, whose participants' register will be maintained by the central depository, it is not required to conclude the constituent agreement.

2. The charter of a limited liability partnership reorganized from a joint stock company is signed by a person authorized by the stockholders meeting made the decision to reorganize.

The decision on amendments and supplements to the charter of a limited liability company reorganized from a joint stock company is made by the general meeting of the partnership participants in the order prescribed by Article 48 of this Law.

3. The procedure for the formation, maintenance and storage of the register of participants in a limited liability partnership is established by the legislation of the Republic of Kazakhstan.

Footnote. Chapter 2 is supplemented by Article 16-1 in accordance with the Law of the Republic of Kazakhstan № 416 dated 16.05.2003; as amended by the Law of the Republic of Kazakhstan № 72 dated 08.07.2005 (the order of enforcement, see in Art. 2); № 524-IV dated 28.12.2011 (shall be enforced upon the expiry of ten calendar days after the date of its first official publication); № 166-VI as of 02.07.2018 (shall be enforced from 01.01.2019).

Article 17. Charter of a limited liability partnership

1. The charter of a limited liability partnership is a document defining the legal status of the partnership as a legal entity.

2. The charter of a limited liability partnership must contain:

1) the firm name, location and address of the partnership;

2) a list of participants of a partnership (except for the partnership, whose participants' register is maintained by the central depository, with the indication of their name, location, address, banking details (if the founder is a legal entity) or the name, place of residence and details of an identity document (if the founder is an individual);

3) information on the size of the charter fund of the partnership;

4) the procedure for the formation and competence of the bodies of the partnership;

5) the conditions for the reorganization and termination of the partnership activities;

6) the procedure for distributing the partnership's net income in case of the maintenance of the partnership participants' register by the central depository;

7) the procedure and terms of providing the information on the partnership activities to participants of the partnership and share purchasers;

7-1) the name of the media used to publish the information on the partnership activities;

8) rights and duties of participants of the partnership.

If a partnership is established by one person then its charter also defines the procedure for the formation of property and the distribution of income.

The charter may contain other provisions that are not contrary to the legislation of the Republic of Kazakhstan.

The charter of the partnership may provide for the subject and purpose of its activities.

2-1. The charter of a limited liability partnership may contain a procedure for resolving impossible situations.

3. The charter must be approved by the general meeting of incorporators unanimously and signed by all incorporators or their authorized representatives.

4. Is excluded by the Law of the Republic of Kazakhstan № 60-V dated 24.12.2012, (shall be enforced upon the expiry of ten calendar days after its first official publication).

5. Is excluded by the Law of the Republic of Kazakhstan № 60-V dated 24.12.2012 (shall be enforced upon the expiry of ten calendar days after its first official publication).

6. Small, medium, and large business entities created in the legal form of a limited liability partnership may carry out their activities based on a model charter, which content shall be determined by the Ministry of Justice of the Republic of Kazakhstan.

Footnote. Article 17 as amended by the Law of the Republic of Kazakhstan № 416 dated 16.05.2003; № 72 dated 08.07.2005 (the order of enforcement see in Art. 2); № 230 dated 19.02.2007 (the order of enforcement see in Art. 2); dated № 239-IV 20.01.2010; № 421-IV dated 25.03.2011 (shall be enforced upon the expiry of ten calendar days after the date of its first official publication); № 60-V dated 24.12.2012 (shall be enforced upon the expiry of ten calendar days after the date of its first official publication); № 166-VI as of 02.07.2018 (shall

be enforced from 01.01.2019); dated 29.06.2020 № 352-VI (shall come into effect ten calendar days after the day of its first official publication); dated November 24, 2021 № 75-VII (shall come into effect upon the expiration of ten calendar days after the day of its first official publication).

Article 18. The procedure for an amendment of the charter of a limited liability partnership

1. An amendment of the charter of a limited liability partnership shall be made by decision of the general meeting adopted in accordance with the rules of Article 48 of this Law

2. Is excluded by the Law of the Republic of Kazakhstan № 60-V dated 24.12.2012 (shall be enforced upon the expiry of ten calendar days after its first official publication).

3. Is excluded by the Law of the Republic of Kazakhstan № 60-V dated 24.12.2012 (shall be enforced upon the expiry of ten calendar days after its first official publication).

Footnote. Article 18 as amended by the Law of the Republic of Kazakhstan № 60-V dated 24.12.2012 (shall be enforced upon the expiry of ten calendar days after its first official publication).

Article 19. State registration of a limited liability partnership

1. A limited liability partnership is deemed to have been established from the moment of its state registration.

2. The state registration of a limited liability partnership shall be carried out by the “Government for Citizens” State Corporation in accordance with the procedure established by the legislation of the Republic of Kazakhstan on the state registration of legal entities and record registration of the branches and representative offices.

3. State registration data, including information on the firm name, the size of the charter fund, the incorporators and the executive bodies of the partnership, its location are included in the National Register of Business Identification Numbers.

4. For state registration of a limited liability company, the incorporators must be submitted:

1) articles of the partnership signed by a person authorized by the incorporators to establish the partnership;

2) is excluded by the Law of the Republic of Kazakhstan № 60-V dated 24.12.2012 (shall be enforced upon the expiry of ten calendar days after its first official publication);

3) a receipt or other document confirming the payment to the budget of the registration fee for the state registration of a legal entity.

4-1. For the state registration of a limited liability partnership reorganized from a joint stock company, whose partnership participants’ register is maintained by the central depository, it is necessary to submit:

1) articles of the partnership signed by a person authorized by the stockholders meeting made the decision to reorganize, to establish a partnership;

2) is excluded by the Law of the Republic of Kazakhstan № 60-V dated 24.12.2012 (shall be enforced upon the expiry of ten calendar days after its first official publication);

3) a list of the partnership participants made on the basis of data from the shareholders' register signed by a person authorized by the shareholders' general meeting, who made the decision on the reorganization, and the central depository.

5. If the partnership's founders decided to carry out their activities on the basis of the Model Charter of a limited liability partnership, it is necessary to submit an application in accordance with the form established by the Ministry of Justice of the Republic of Kazakhstan to the "Government for Citizens" State Corporation.

6. The body implementing the state registration of the partnership shall not have the right to require the incorporators of the partnership to submit other documents.

Footnote. Article 19 as amended by the Laws of the Republic of Kazakhstan № 416 dated 16.05.2003; № 72 dated 08.07.2005 (the order of enforcement see in Art. 2); № 239-VI dated 20.01.2010; № 60-V dated 24.12.2012 (shall be enforced upon the expiry of ten calendar days after the date of its first official publication); № 166-VI as of 02.07.2018 (shall be enforced from 01.01.2019); № 241-VI as of 02.04.2019 (shall be enforced from 01.07.2019).

Article 20. Refusal of state registration of a limited liability partnership

1. Refusal of state registration of a limited liability partnership is allowed:

1) is excluded by the Law of the Republic of Kazakhstan № 60-V dated 24.12.2012 (shall be enforced upon the expiry of ten calendar days after its first official publication);

2) if the incorporators fail to submit any of the documents specified in paragraphs 4 and 4-1 of Article 19 of this Law;

3) if the incorporators of the partnership violate the procedure for the establishment of a partnership provided for by this Law.

2. The refusal of the state registration of a limited liability company based on the inexpediency of its establishment is not allowed.

3. Denial of state registration of a limited liability partnership, as well as evasion of such registration, may be appealed by its founders in the manner prescribed by the laws of the Republic of Kazakhstan.

Footnote. Article 20 as amended by the Law of the Republic of Kazakhstan № 416 dated 16.05.2003; № 60-V dated 24.12.2012 (shall be enforced upon the expiry of ten calendar days after the date of its first official publication); dated 29.06.2020 № 351-VI (shall come into effect from 01.07.2021).

Article 21. Liability for obligations related to the establishment of a limited liability partnership

The incorporators of a limited liability partnership shall be jointly and severally liable for obligations related to the establishment of the partnership and arisen before its state

registration, if it is proved that the incorporators acted in the interests of the partnership. The partnership is liable for such obligations in the case of subsequent approval of the actions of these persons by the general meeting of participants of the partnership.

Article 22. An amendment in the number of participants of a limited liability partnership

1. Admission of a new participant to the partnership made in compliance with the requirements of this Law, the charter of the partnership and the constituent agreement, is executed by the accession agreement to the constituent agreement. The accession agreement shall be signed by the authorized chief of the partnership body and the new entrant.

The accession agreement is an integral part of the constituent agreement which is considered to be amended in that part in which it follows from the terms of the accession agreement. The accession agreement to the constituent agreement is subject to notarization.

A new participant shall be deemed to have become a party to the constituent agreement of the partnership and its charter taking into account amendments in these documents which arise from the terms of the accession agreement.

1-1. The admission of a new participant to a limited liability partnership, whose participants' register is maintained by the central depository, shall be documented by making an entry into the partnership participants' register.

2. A person who has become a participant of the partnership as a result of the share acquisition of the exiting participant or on another basis for transfer of a share shall be deemed to have become a party to the constituent agreement and the charter of the partnership since the moment of the right transfer to a share.

Footnote. Article 22 was amended by the Laws of the Republic of Kazakhstan dated May 16, 2003. № 416; dated July 8, 2005. № 72 (the order of enforcement see in Art. 2); № 166-VI as of 02.07.2018 (shall be enforced from 01.01.2019).

Chapter III. CHARTER FUND OF A LIMITED LIABILITY PARTNERSHIP

Article 23. Formation of the chapter fund of a limited liability partnership

1. The chapter fund of a limited liability partnership is formed by pooling the contributions of the incorporators (participants).

2. The initial amount of the authorized capital shall be equal to the sum of the contributions of the founders and may not be less than the amount equivalent to one hundred times the monthly calculation index established for the corresponding financial year by the law on the republican budget as of the date of submission of documents for the state registration of a partnership, except for a limited liability partnership, which is.

1) small business entity, as well as a state Islamic special financial company, the size of the minimum authorized capital of which is determined by the zero level;

2) organization carrying out microfinance activities, the amount of the minimum authorized capital of which is determined by the legislation of the Republic of Kazakhstan on microfinance activities;

3) payment organization, the amount of the minimum authorized capital which is determined by the legislation of the Republic of Kazakhstan on payments and payment systems.

3. Contribution to the authorized capital of a limited liability partnership may be money, securities, things, property rights, including the right to land use and the right to the results of intellectual activity and other property (except for special financial companies created in accordance with the legislation of the Republic of Kazakhstan on project financing and securitization, Islamic special financial companies established in accordance with the law of the Republic of Kazakhstan on the securities market, payment organizations established in accordance with the legislation of the Republic of Kazakhstan on payments and payment systems, the authorized capital of which is formed exclusively in money, as well as cases provided for by the Law of the Republic of Kazakhstan "On banks and banking activities in the Republic of Kazakhstan").

It is not allowed to make a contribution in the form of personal non-property rights and other intangible assets.

4. Contributions of founders (participants) to the charter fund in kind or in the form of property rights shall be measured in monetary terms by agreement of all the founders or by decision of the general meeting of the partnership participants. If the value of this contribution exceeds the sum equal to twenty thousand monthly calculation indices, its assessed value shall be confirmed by an appraiser.

5. In the cases, when the right to use of property is transferred in the capacity of contribution to the partnership, the amount of this contribution shall be determined by payment for use estimated for the whole term, mentioned in the constituent documents.

Without the consent of the general meeting the early withdrawal of property the use of which serves as a contribution to the charter fund of the partnership, is not allowed.

Unless otherwise provided by the constituent documents, the risk of loss or damage of the property transferred for use to the partnership shall be assigned to the property owner.

6. Unless otherwise provided by the constituent agreement, the ratio of the contribution of each participant to the total amount of the charter fund is a share of the participant in the charter fund.

Any amendment in the size of the charter fund associated with admission of new participants to a limited liability company or withdrawal of any of the previous participants from the partnership entails an appropriate recalculation of the participants' shares in the charter fund at the time of admission or withdrawal.

7. Apportionment of the land plot in kind right on which is transferred in the capacity of contribution to the charter fund of the partnership (as well as the right to suspend the land

share), shall be carried out in accordance with the land legislation of the Republic of Kazakhstan.

Footnote. Article 23 as amended by the Laws of the Republic of Kazakhstan № 512 dated 29.12.2003; № 127 dated 20.02.2006 (the order of enforcement see in Art. 2); № 133-IV dated 12.02.2009 (the order of enforcement see in Art. 2); № 239-IV dated 20.01.2010; № 421-IV dated 25.03.2011 (shall be enforced upon the expiry of ten calendar days after the date of its first official publication); № 539-IV dated 12.01.2012 (shall be enforced upon the expiry of ten calendar days after the date of its first official publication); № 269-V dated 29.12.2014 (shall be enforced from January 1, 2015); № 422-V dated 24.11.2015 (shall be enforced from 01.01.2016); № 217-VI as of 21.01.2019 (shall be enforced ten calendar days after its first official publication); dated 03.07.2020 № 359-VI (shall come into effect ten calendar days after the day of its first official publication)

Article 24. Terms of formation of charter fund of a partnership

1. Excluded by the Law of the Republic of Kazakhstan № 239-IV dated 20.01.2010.

Within the terms established by the decision of the general meeting, all participants must fully contribute to the charter fund of the partnership. Such term shall not exceed one year from the date of the partnership registration.

3. In the case of failure to comply with the duty to contribute a share within the prescribed term by the partner of the partnership, the partnership must contribute a part of the share not contributed by the participant from its own fund (its net assets) or reduce the charter fund to its contributed part.

A participant who has not distributed his share within the term is obliged to pay the damages to the partnership, and also, unless otherwise provided by the constituent agreement or the partnership charter, to pay a penalty to the partnership in accordance with article 353 of the Civil Code of the Republic of Kazakhstan (general part).

4. By decision of the general meeting of the partnership, a share or its part that are not contributed by the participant within the prescribed term may be distributed among the other participants in the order prescribed by paragraph 1 of Article 31 of this Law or the constituent documents of the partnership, or offered for acquisition to third parties.

If it is impossible to distribute the unpaid part of the distribution within the term specified in paragraph 2 of this article, the charter fund of the partnership is reduced by this amount and the participants' shares in the charter fund amend proportionally.

5. If a participant's contribution constitutes property that can be used only after some time, such a contribution by decision of the general meeting may be recognized as contributed from the date of receipt of a notarized promissory note from the participant indicating the nature of the contribution, its monetary value and the terms for making it. Such a term may not exceed three years.

6. A participant of a limited liability company who has fully contributed, shall be entitled to obtain a certificate from the partnership certifying his participation in the partnership.

7. To pay up to the establishment of a limited liability partnership of its charter fund by contributing money, the incorporators of the partnership may indicate in the constituent agreement that one of the incorporators who must open in his own name a savings account in the bank for transferring corresponding funds to this account.

After establishment the partnership and opening its own bank account, the incorporator, in whose name the savings account is opened, is obliged to transfer money from this account to the partnership account within 5 (five) working days. If the incorporator fails to comply with the duty to transfer money, he must pay the partnership a penalty from the amount detained on the savings account in the size established by Article 353 of the Civil Code of the Republic of Kazakhstan (general part) unless other consequences of such expiration are determined by the incorporators.

8. If the charter of a limited liability company stipulates that its founders make contributions to the charter fund of the partnership not of money, but of other property, the incorporators of the partnership may indicate in the memorandum that one of the founders or the third party to whom the property should be transferred in a trust for the period before and after the establishment of the partnership.

9. The trust agreement must provide for:

1) the duty of the trustee to manage the relevant property in the interests of all incorporators, and after the establishment of a limited liability company - in the interests of the partnership;

2) giving to a limited liability partnership from the moment of its establishment the rights of the person in whose favor the agreement is concluded and to whom from that moment the property transferred to the trust management is transferred into ownership.

Footnote. Article 24 as amended by the Law of the Republic of Kazakhstan № 239-IV dated 20.01.2010.

Article 25. Verification of charter fund of a limited liability partnership

1. The charter fund and its ratio to its own capital when registering or re-registering a limited liability partnership shall not be verified.

2. The verification of the charter fund of a limited liability partnership may be carried out:

1) an independent expert at the request of any of the participants. The examination is paid by the interested participant;

2) by a court decision;

3) by the end of each fiscal year - according to financial statements.

3. If the declared charter fund of a limited liability company exceeds the actual charter fund, the participants of the partnership subsidiarity bear to the creditors joint and several liability for the debts of the partnership in the amount exceeding the charter fund over its own capital.

Article 26. Increase of charter fund of a limited liability partnership

1. An increase of the charter fund of a limited liability company is allowed after it is fully paid.

2. An increase of the charter fund of a limited liability partnership may be carried out by:

- 1) additional proportional contributions made by all participants of the partnership;
- 2) an increase of the charter fund size from the own capital of the partnership, including its reserve capital;
- 3) (excluded)
- 4) one or more participants make additional contributions with the consent of all the other participants;
- 5) the admission of new participants to the partnership (article 22 of this Law).

3. When increasing the size of the charter fund in the order provided for in subparagraphs 1) - 2) of paragraph 2 of this article, the sizes of participants' shares do not amend.

4. When increasing the charter fund by making an additional contribution by any of the participants of a limited liability partnership or a newly accepted participant (subparagraphs 4) and 5) of paragraph 2 of this article), the size of such contribution is determined taking into account the size of their previous contribution to the own capital of the partnership and the need to recalculate the shares of all participants in the charter fund.

The decision is made by a common agreement of all participants.

5. The limited liability company is obliged to notify the body that carried out its state registration of an increase of the charter fund within three months from the date of the general meeting's decision to increase the charter fund. By the time of the notification, contributions amounting to at least half the amount by which the charter fund is increased must be made.

If the partnership does not notify the body that carried out its state registration, the increase in the charter fund shall be recognized as failed.

6. In the case when increasing of the charter fund did not take place, a participant or a third person intending to enter a limited liability partnership which made its contribution, has the right to demand from the partnership the return of the contribution and payment of the penalty in accordance with article 353 of the Civil Code of the Republic of Kazakhstan (general part) or with compensation for losses, including lost profits due to the inability to use the property contributed as a contribution.

Footnote. Article 26 was amended by the Law of the RK dated May 16, 2003. № 416

Article 27. Reduction of charter fund of a limited liability partnership

1. The reduction of the charter fund of a limited liability partnership may be carried out by a proportional reduction in the size of the contributions of all participants of the partnership or by full or partial payment of the shares of individual participants.

2. When reducing the charter fund by payment of the participant's share, the shares of the other participants amend proportionally.

3. Since the decision of the general meeting of participants of a limited liability partnership to reduce the charter fund of the partnership, the partnership must notify this decision to creditors on obligations arising after the decision is made.

4. Within two months from the date of the decision of the general meeting of participants of a limited liability partnership to reduce the charter fund, the partnership must send to all its creditors written notices on the reduction of the share capital or place the corresponding announcement in the official publication which publishes information about the partnerships. The creditors of the partnership have the right within one month from the date of receipt of the notice or publication of the announcement to demand from the partnership additional guarantees or early termination or fulfillment of the relevant obligations by the partnership and compensation for losses. Demands are sent to the partnership in writing, and their copies can be submitted to the body that carried out the state registration of the partnership.

5. The reduction of the charter fund of a limited liability partnership shall be registered by the body that carried out the state registration of the partnership after the period granted to creditors for filing claims to the partnership (paragraph 4 of this article). If the body that carried out the state registration of the partnership received copies of the claims of its creditors, a reduction of the charter fund is registered subject to the partnership's presentation of evidence that these requirements were met or that the creditors who declared them had no objection to the registration of the reduction of the charter fund of the partnership.

6. If within six months from the date of the decision of the general meeting of participants of a limited liability partnership to reduce the charter fund, the partnership does not submit an application for reregistration or the necessary evidence is not provided (paragraph 5 of this article), the reduction of the charter fund shall be considered invalid. In this case, the reduction of the charter fund can be made only by a new decision of the general meeting of participants of the partnership in compliance with the requirements of this article.

7. The reduction of the charter fund in case of violation of the procedure established by this article is the basis for the liquidation of the partnership by a court decision on the application of interested parties.

8. A limited liability partnership is entitled to make payments to its participants due to the reduction of the charter fund only within the part of the net assets exceeding the new size of the charter fund. Payments are made after the registration of the reduction of the charter fund within the term established by the charter of the partnership or by decision of the general meeting to reduce the charter fund, but no later than three months from the date of registration

Payments are made according to the size of the shares of participants of the partnership.

9. The reduction of the charter fund can be carried out only after the participants make their contributions to the full size of the charter fund stated in the constituent documents except in the case provided for in the second part of paragraph 4 of article 24 of this Law.

Article 28. Shares of participants in a limited liability partnership

1. The shares of all participants in the charter fund and, respectively, their shares in the property value of the partnership (share in the property) are proportional to their contributions to the charter fund unless otherwise provided by the constituent documents.

The share value is determined in the order prescribed by paragraph 6 of Article 23 of this Law. Any amendment (increase or reduction) in the contribution to the charter fund of at least one of the participants leads to an appropriate recalculation of the size of shares of all participants of the partnership.

2. The forfeit of a right to a share for any reason entails the withdrawal of the participant from the limited liability partnership. Acquisition of a share in the order prescribed by this Law means that the purchaser of the share has entered the number of participants in the partnership.

3. The maximum size of a share that may belong to one participant of the partnership may be limited by the constituent documents of a limited liability partnership. Such a limitation cannot be established for a specific participant. Equally, the constituent documents may limit the possibility of amending the proportion of participants' shares in the partnership.

4. The right to a participant's share in the property of a limited liability company is not of a proprietary, but an obligatory nature.

Article 29. Disposal of a limited liability company participant of its share in the property of the partnership

1. A participant's share in the property of a limited liability company may be alienated or pledged until full payment of the contribution only in that part to which the contribution has already been paid.

2. A participant of a limited liability company is entitled to sell or otherwise transfer his share in the property of the partnership or its part to one or several participants of the partnership of his choice. The participant of the partnership has the right to pledge a share to secure his obligation to another participant of the partnership. The consent of the partnership or other participants for these transactions is not required. However, if the constituent documents of the partnership provide for the conditions specified in paragraph 3 of Article 28 of this Law, these conditions must be met when transferring a share.

In the case when a party of agreement on alienation (transfer) of the right of retiring participant of the partnership on a share in property (charter fund) of a partnership or its portion is an individual, then the identification of signature of individual shall be subject to be notarized.

2-1. A person, independently or jointly with his affiliates who intends to purchase in total fifty or more percent of shares in the charter fund of the partnership sends a notice to all participants of the partnership about his intention.

The notice must contain information on the person and his affiliates who intend to purchase in total fifty or more percent of shares in the charter fund, and on the proposed acquisition price of shares.

Herewith, the proposed price should not be lower than the price that was in the notice of intention to purchase.

The term for responding to the notice of intention by the participants of the partnership must be at least thirty days.

3. The pledge of a share in the partnership's property shall be registered in accordance with the legislation of the Republic of Kazakhstan. If the partnership participants' register is maintained by the central depository, the pledge of a share in the partnership's property shall be registered in accordance with the central depository's internal documents given the compliance with the requirements of this Law and (or) the partnership charter.

Footnote. Article 29 as amended by the Law of the Republic of Kazakhstan № 230 dated 19.02.2007 (the order of enforcement see in Art. 2); № 60-V dated 24.12.2012 (shall be enforced upon expiry of ten calendar days after its first official publication); № 479-V dated 29.03.2016 (shall be enforced upon expiry of twenty one calendar days after its first official publication); № 49-VI dated 27.02.2017 (shall be enforced upon expiry of ten calendar days after its first official publication); № 166-VI as of 02.07.2018 (shall be enforced from 01.01.2019).

Article 30. The possibility of alienation of participant's share of a limited liability partnership to a third party

1. Alienation by a participant of a limited liability partnership of his share (its part) to third parties or a share pledge (part of a share) to secure a participant's obligation for a third party is allowed unless otherwise provided by the constituent documents.

2. It may be stipulated by the constituent documents of a limited liability partnership that the share purchase to a third party is permissible only under certain conditions.

3. The limitations established by this article do not apply to cases of the share purchase owned by a state or state legal entity, if such sale is carried out in accordance with the Law of the Republic of Kazakhstan "On State Property" by purchasing a share by bidding.

Footnote. Article 30 as amended by the Law of the Republic of Kazakhstan № 414-IV dated 01.03.2011 (shall be enforced upon expiry of ten calendar days after its first official publication); № 504-V dated 21.04.2016 (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 31. Preferential right to acquire an alienated share

1. Participants of a limited liability partnership shall have a preferential right for the third parties to purchase a participant's share or its part when it is sold by any of the participants, with the exception of cases provided for by legislative acts. This right can be exercised by each participant. If there are several participants wishing to exercise the preferential right to purchase, and unless otherwise provided by the constituent documents or other agreement of the partnership participants, the preferential right to purchase a share (its part) is exercised by the participants in proportion to the size of their shares in the charter fund.

2. A participant of a limited liability partnership who wishes to sell his share or its part to a third party is obliged to notify the executive body of the partnership of his intention in writing indicating the guessed selling price.

3. Within seven days from the date of receipt of a notice on the bid of a share for sale from the participant of a limited liability partnership, the executive body notifies of it all participants of the partnership. A partnership participant who wishes to exercise the preferential right to purchase must notify the executive body of the partnership within seven days indicating that he intends to acquire the share bided for sale in whole or in part.

4. If the aggregate amount of the bids received does not exceed the size of the sold share, each of the participants purchases that part of it which he indicated in his notification. The remaining part of the share may be alienated to a third party, unless, prior to such alienation, there are additional bids from the participants of a limited liability partnership.

5. If within one month from the date of sending to the executive body of the limited liability company a notice on the bid of a share for sale, it or its part will not be redeemed by the participants of the partnership in the exercise of the preferential right, the participant who bided the share for sale is entitled to sell the share (the unredeemed part of a share) to a third party at a price not lower than the one specified in the notice.

6. If a share is alienated to a third party at a lower price than that specified in the notice, the share purchase agreement may be declared invalid. Participants have the right to repeat the procedure for exercising the preferential right to purchase a share taking into account the actual sale price of the share or its part.

7. When selling a share or its part with a violation of the preferential right to purchase, any participant of a limited liability partnership may, within three months, demand in court a transfer of the purchaser's rights and duties to him.

8. The preferential right to purchase an alienated share is exercised with any method of selling a share, including through bidding.

9. Transfer of the preferential right to purchase a share is not allowed.

10. In the case of purchase of the alienated share or its part by the participant (s) of the partnership, his (their) share in the charter fund of the partnership increases respectively.

11. The rules of this article shall also apply when a share is alienated under a barter.

12. If participants are unwilling to exercise the preferential right to purchase a share or its part when it is sold to a third party, the preferential right to purchase, subject to paragraphs 2, 5–9 and 11 of this article, a limited liability partnership could take advantage itself.

13. The rules of this article do not apply to the sale of a state share, national managing holdings, national holdings, national companies and their subsidiaries and affiliates in limited liability partnerships that are subject to privatization or transfer to the competitive environment according to a list determined by the Government of the Republic of Kazakhstan

Footnote. Article 31 as amended by the Law of the Republic of Kazakhstan № 321 dated 07.08.2007 (shall be enforced upon expiry of ten calendar days after its first official publication); № 504-V dated 21.04.2016 (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 32. A share of the participant of a limited liability partnership is sold if other participants refuse to purchase a share

1. The constituent documents of a limited liability partnership may provide for the prohibition or limitation for the sale by the participant of the partnership of its share to third parties (for example, sale of a share only to other participants of the partnership or to a limited number of third parties). In this case a sale must be made in compliance with such prohibitions or limitations.

The procedure for the participant's sale of a share in the charter fund of a limited liability partnership, whose participants' registers are maintained by the central depository, is established by the partnership charter.

2. In the case when a sale of a share cannot be made in compliance with the prohibitions or limitations provided for by paragraph 1 of this article, due to circumstances beyond the control of the seller, the participant who wishes to sell the share has the right to file an application to a limited liability company for redemption of this share or allow its sale to a third party.

The choice of one of these options is made by the general meeting of participants of the partnership.

3. When a share is redeemed by a limited liability partnership, the price of a share is determined by agreement of the parties, and, in default of agreement, court.

4. With the consent of the limited liability partnership to sell the share to a third party, the participants of the partnership retain the preferential right to purchase the share as provided for in Article 31 of this Law.

Footnote. Article 32 as amended by the Laws of the Republic of Kazakhstan № 416 dated 16.05.2003; № 72 dated 08.07.2005 (the order of enforcement see in Art. 2); № 421-IV dated 25.03.2011 (shall be enforced upon the expiry of ten calendar days after the date of its first official publication); № 166-VI as of 02.07.2018 (shall be enforced from 01.01.2019).

Article 33. Aftermath of redemption of a participant's share by a limited liability partnership

1. After a limited partnership redemption of a participant's share in the order provided for in Articles 31-36 of this Law as well as after a partnership has redeemed a participant's share by agreement of the parties, the partnership must bid other participants to purchase this share at a price determined by the general meeting.

2. In the case when several participants express an intention to purchase a share, the share is divided between them in proportion to the size of their shares in the charter fund of a limited liability partnership.

The size of the share redeemed by the participant is added to the size of the share that belonged to this participant before the redemption. Herewith, the rule of paragraph 3 of Article 28 of this Law on the possible limitation of the size of a share which may belong to one participant of the partnership is observed.

3. If participants are unwilling to purchase a share redeemed by a limited liability company from a participant who has withdrawn, the share is redeemed with a corresponding reduction in the charter fund and recalculation of shares in the charter fund of the partnership participants.

4. A limited liability partnership, by decision of the general meeting, has the right, instead of redeeming a share provided for by paragraph 3 of this article, to sell this share on behalf of the partnership to a third party.

5. In all cases, the share of the retired participant of a limited liability company, transferred to the partnership, before its redemption or sale to another participant or a third party, shall not accrue dividends.

Article 34. Forced redemption of a share from a participant of a limited liability partnership

1. When a participant of a limited liability partnership causes harm to the partnership or its participants, they shall have the right to demand compensation from the person who caused the harm.

2. In case of essential damage, a limited liability partnership, in addition to a demand for compensation for damages, has the right to raise the issue of forced redemption of a share of the guilty participant by the partnership and his/her withdrawal from the list of participants.

3. Forced redemption of a share is made in court.

The forced redemption of a share from a participant of a limited liability partnership is carried out at a market price determined by an independent appraiser meeting the requirements established by the authorized body for state regulation in the field of the appraisal activity on the basis of international standards.

Footnote. Article 34 as amended by the Law of the Republic of Kazakhstan № 385-IV dated 11.01.2011 (shall be enforced upon expiry of ten calendar days after its first official publication); № 217-VI as of 21.01.2019 (shall be enforced ten calendar days after its first official publication).

Article 35. Bequeath a share in the charter fund of a limited liability partnership through inheritance

The share of a participant of a limited liability partnership shall be inherited unless otherwise provided by the constituent documents of the partnership. The share inherited and its division between several inheritors is made in accordance with the Civil Code of the Republic of Kazakhstan.

Footnote. Article 35 as amended by the Law of the Republic of Kazakhstan № 421-IV dated 25.03.2011 (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 36. Succession of legal entities in relation to the share in the charter fund of a limited liability partnership

1. In the case of reorganization of a legal entity in the form of a merger, affiliation or reformation, its share in the charter fund of a limited liability partnership shall transfer to the legal successor of the reorganized legal entity.

2. If the reorganization involves the division of a legal entity or the separation of a new legal entity (new legal entities) from its composition, the share of the reorganized legal entity shall be transferred to its successors in accordance with the separation balance sheet.

3. If the general meeting does not agree with the transfer of the share to the legal successors of a legal entity referred to in paragraph 2 of this article, a limited liability partnership shall redeem the share in the order provided for by article 34 of this Law.

Article 37. Foreclosure of a participant's share of a limited liability partnership by its creditors

1. Creditors of a participant of a limited liability partnership shall have the right to demand forcibly, on the basis of a court decision, a foreclosure on a share or on a part of the share of such a participant in the partnership property.

2. A creditor who forecloses on a share (part of a share) in respect of which he does not have the rights of a mortgagee, declares to a limited liability company a requirement to forcibly redeem a share (part of a share) from the debtor and repay the debt from the redeem proceeds. A share (part of a share) is redeemed by the partnership or its participants at a price determined by the parties, with the consent of the participant whose share is being redeemed.

3. With the consent of the limited liability partnership and the participant whose share is foreclosed, such a share (part of the share) may be sold to a third party.

4. In the case when within three months from the date of the application of the creditor's demand, the partnership or its participants or third parties do not redeem the share (its part) and do not satisfy the demand, the creditor has the right to demand the sale of the share (its part) from the public bidding in the order provided for by the civil procedural legislation of the Republic of Kazakhstan. Herewith, the remaining participants of the partnership retain the preferential right to purchase a share provided for in Article 31 of this Law.

5. From the money obtained from the sale of a share, the costs of its valuation, the organization and conduct of the sale and the satisfaction of the creditor's demand that has enforced on the share are redeemed. The balance of the money, if any, is transferred to the person whose share (part of the share) is sold.

Article 37-1. The origin of the right of a partnership participant

1. The founders, who signed the constituent agreement, after the state registration of the partnership, become its participants.

2. In the event of obtaining the right to a share in the property of a partnership after its establishment, a person becomes a partnership participant immediately after the alteration of

the constituent documents and the partnership's re-registration in connection with the changed composition of its participants, and with regard to partnerships maintaining its participants' register - immediately after entering relevant alterations into the register.

Footnote. Chapter III is supplemented with Article 37-1 in accordance with Law of the Republic of Kazakhstan № 217-VI as of 21.01.2019 (shall be enforced ten calendar days after its first official publication).

Chapter IV. PROPERTY OF A LIMITED LIABILITY PARTNERSHIP

Article 38. Formation of property of a limited liability partnership

1. The property of a limited liability partnership is formed at the expense of the contributions of its incorporators (participants), income earned by the partnership as well as other sources not prohibited by law.

2. Legislative acts or constituent documents of a limited liability partnership may provide for the formation of reserve capital and other funds.

3. The property of a limited liability partnership is recorded on its balance sheet.

Article 39. Additional contributions to the property of a limited liability partnership

1. Unless otherwise provided by the charter of a limited liability company, the general meeting of participants may decide to make additional contributions by the participants to the property of the partnership. The decision is taken by a three-quarters majority of the votes of all participants in the partnership. Participants who did not vote for such a decision (including those absent at the meeting, who did not participate in the voting or abstained) are entitled to demand the redemption of their shares by the participants who voted for making additional contributions. Participants who voted for additional contributions redeem these shares in proportion to their shares in the charter fund of the partnership at a price determined in accordance with the rules of this Law.

Additional contributions are made only upon completion of settlements with participants who have requested to redeem their shares.

2. The procedure and terms for making additional contributions by participants to the property of a limited liability partnership as well as liability for the expiration of their payment, are determined according to the rules of Article 24 of this Law.

3. Additional contributions of participants to the property of a limited liability partnership shall not amend the size of its charter fund and shares of participants of the partnership.

Article 40. Distribution of net income of a limited liability partnership between its participants

1. Net income earned by a limited liability partnership for a quarter, six months or a year can be distributed among its participants in accordance with the decision of a next scheduled general meeting of the partnership participants dedicated to the approval of the results of the partnership's activity for the corresponding quarter, six months or year.

The general meeting may also decide to exclude a net income or a part of it from the distribution between the participants of the partnership.

2. In the case when the general meeting of a limited liability company makes a decision on the distribution of income between participants, each participant is entitled to get a portion of the distributed income corresponding to his share in the charter fund of the partnership. The payment must be made by the partnership in cash within a month from the date of the decision making on the distribution of net income by the general meeting.

3. A limited liability partnership is not entitled to distribute income between the participants until full payment of the entire charter fund of the partnership.

Footnote. Article 40 as amended by Law of the Republic of Kazakhstan № 217-VI as of 21.01.2019 (shall be enforced ten calendar days after its first official publication).

Chapter V. MANAGEMENT OF A LIMITED LIABILITY PARTNERSHIP

Article 41. Bodies and officials of a limited liability partnership

1. The bodies of a limited liability partnership are:

1) the supreme body of the partnership is the general meeting of its participants (general meeting);

2) the executive body of the partnership (collegial and (or) sole).

2. Officials of a limited liability partnership are members of the executive body of a limited liability company or a person solely performing the functions of the executive body of a limited liability company, as well as members of the supervisory board.

2-1. In cases of recognizing a limited liability partnership as bankrupt or applying a rehabilitation procedure and appointing a temporary or bankrupt or rehabilitation manager in accordance with the procedure established by a legislative act of the Republic of Kazakhstan on rehabilitation and bankruptcy, all powers to manage it are transferred to the temporary or bankrupt or rehabilitation manager.

3. In the cases stipulated by the charter, a limited liability partnership may set up a supervisory board and (or) the audit commission (auditor).

4. The competence of the bodies of a limited liability partnership, as well as the procedure for their decision making or speaking on behalf of a limited liability partnership, are determined by this Law, other legislative acts of the Republic of Kazakhstan and the charter of a limited liability partnership.

Footnote. Article 41 as amended by the Law of the Republic of Kazakhstan №524-IV dated 28.12.2011 (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the Law of the Republic of Kazakhstan № 177-V dated 07.03.2014 (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 42. General Meeting of Limited Liability Partnership

1. The supreme body of a limited liability partnership (general meeting) shall be convened as a regular (article 44 of this Law) or extraordinary (article 45 of this Law) general meeting of participants.

2. All participants in a limited liability partnership have the right to attend a general meeting, take part in the discussion of agenda items and vote in decision-making.

The provisions of the charter of the partnership and any other documents, decisions restricting the specified rights of the participants of the partnership are void.

3. A participant in a limited liability company may take part in the general meeting personally or through a representative.

Members of the executive body and members of supervisory bodies are not entitled to act as representatives of participants of a partnership at a general meeting, unless the principal himself is a member of the executive body or a member of the controlling body of the partnership (revision commission), respectively.

On the basis of a power of attorney, other entities are entitled to act as representatives of a participant in the company who is a private entity. The power of attorney of an individual for the participation of a representative in the general meeting must be given in the form provided for by paragraph 4 or paragraph 5 of article 167 of the Civil Code of the Republic of Kazakhstan (general part), or it should be notarized.

The director of a participant in the company, which participant is a legal entity, is entitled to act as a representative of the participant without a power of attorney, or any other representative of the legal entity may act as a participant on the basis of a power of attorney. A power of attorney of a legal entity for the participation of a representative in a general meeting must be given in the form provided for by paragraph 6 of Article 167 of the Civil Code of the Republic of Kazakhstan (general part).

4. In the case of the establishment of a trust management of a participant's share as its representative at a general meeting, the trustee is entitled to act on behalf of the participant, unless otherwise specified in the agreement between the participant and the trustee or is not provided for by the legislative acts on the establishment of trust management of property. The requirements on the procedure for representing the interests of the participant are determined by the legislation on trust management of property.

5. When voting at the general meeting, each participant in a limited liability company has a number of votes corresponding to its share in the charter capital of the partnership, except for cases when a different procedure for determining votes is provided for in part one of paragraph 7 of article 47 of this Law or by the charter of the partnership.

6. Members of the executive body of a limited liability partnership who are not participants of the partnership may participate in the general meeting with the right of an advisory vote, unless otherwise provided by the charter of the partnership.

Footnote. Article 42 as amended by the Law of the Republic of Kazakhstan № 49-VI dated 27.02.2017 (shall be effective upon expiry of ten calendar days after its first official publication).

Article 43. Competence of the general meeting of participants of a limited liability partnership

1. The competence of the general meeting of participants of a limited liability partnership shall be determined by the charter of the partnership in accordance with this Law.

2. The exclusive competence of the general meeting of participants of a limited liability partnership, unless otherwise established by part two of this paragraph, includes:

1) amendments to the charter of the partnership, including changing the size of its share capital, location and company name, or approving the charter of the partnership in a new edition;

2) formation of the executive body of the partnership and the early termination of its powers or the powers of an individual member of the executive body, as well as the decision to transfer the limited liability partnership or its property to trust management and determine the conditions for such transfer;

3) election and early termination of powers of the supervisory board and (or) the audit committee (auditor) of the partnership, as well as approval of reports and opinions of the audit commission (auditor) of the partnership;

4) approval of financial statements and distribution of net income;

4-1) the definition of an audit organization for auditing the annual financial statements of a partnership for which an audit in accordance with Section 59 of this Law is mandatory;

5) approval of internal rules, the procedure for their adoption and other documents governing the internal activities of the partnership, except for documents whose approval by the charter of the partnership is within the competence of other bodies of the partnership;

6) the decision on the participation of the partnership in other business partnerships, as well as in non-profit organizations;

7) the decision on the reorganization or liquidation of the partnership;

8) the appointment of a liquidation commission and approval of liquidation balance sheets

;

9) the decision on the forced redemption of a share from a participant in the partnership in accordance with Article 34 of this Law;

10) the decision on the pledge of all the property of the partnership;

11) the decision on making additional contributions to the partnership's property in accordance with Section 39 of this Law;

12) approval of the procedure and deadlines for providing participants of the partnership and acquirers of information on the activities of the partnership;

13) the decision to approve the conclusion by the limited liability company of a transaction or a set of interrelated transactions, as a result of which (which) the partnership

alienates (can be alienated) property whose value is fifty-one or more percent of the total balance sheet value of the limited liability partnership responsibility.

The general meeting of participants of a credit partnership shall have the right to delegate the following exclusive competences of the general meeting of participants of a credit partnership to the executive body of a credit partnership:

acceptance (withdrawal) of participants of the credit partnership;

changing the charter of a credit partnership or its approval in a new edition in connection with acceptance (withdrawal) of participants of a credit partnership.

2-1. Interconnected transactions are:

1) several transactions made with the same person or with a group of persons affiliated with each other in relation to the acquisition or alienation of the same property;

2) transactions executed by one agreement or several agreements related to each other;

3) other transactions recognized as interrelated by the charter or the decision of the general meeting of participants of the partnership.

3. In addition to the issues referred by this Law to the exclusive competence of the general meeting, the charter of a limited liability company, other issues may also be referred to its competence.

The general meeting has the right, unless otherwise established by the charter of the partnership, to delegate powers not related to its exclusive competence to the executive body or the supervisory board of the partnership.

4. The general meeting of participants of a limited liability partnership, regardless of how its competence is defined in the charter of the partnership, has the right to accept for consideration any issue related to the activities of the partnership.

5. The general meeting of participants is entitled to cancel any decision of other bodies of the limited liability partnership on matters relating to the internal activities of the partnership, unless otherwise specified in the charter of the partnership.

Footnote. Article 43 as amended by the laws of the Republic of Kazakhstan № 125 dated 01.31.2006; № 230 dated 19.02.2007 (the order of enforcement, see art. 2); № 479-V dated 29.03.2016 (shall be entered into force upon the expiry of twenty one calendar days after the day of its first official publication); № 49-VI dated 27.02.2017 (shall be entered into force upon the expiry of ten calendar days after the day of its first official publication); dated № 156-VI dated 24.05.2018 (shall be entered into force upon the expiry of ten calendar days after the day of its first official publication); № 217-VI as of 21.01.2019 (shall be enforced ten calendar days after its first official publication); dated 28.10.2019 № 268-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 44. Regular General Meeting of Participants of a Limited Partnership

1. The next general meeting of participants of a limited liability partnership shall be convened by the executive body of the partnership within the terms established by the charter of the partnership, but at least once a year.

2. A meeting dedicated to the approval of the annual financial statements of a limited liability company must be held no later than three months after the end of the fiscal year.

Article 45. Extraordinary general meeting of participants of a limited liability partnership

1. A special (extraordinary) general meeting of participants of a limited liability partnership shall be convened in the cases provided for by this Law, the charter of the partnership, and also in any other cases when the interests of the partnership require the convening of such a meeting.

2. An extraordinary general meeting of participants of a limited liability partnership shall be convened by the executive body of the partnership on its own initiative, and in cases of establishment of monitoring and control bodies, also at the request of the supervisory board or audit commission (auditor) of the partnership or on the initiative of the participants of the partnership possessing ten in total and more percent of the total votes.

If, despite the requirements of the supervisory board, audit committee (auditor) or participants of the partnership, the executive body does not convene an extraordinary general meeting, it may be convened by the supervisory board, audit committee (auditor) or participants of the partnership possessing ten or more percent of the total the number of votes independently.

3. An extraordinary general meeting of participants of a limited liability partnership in liquidation may also be convened by a liquidation committee (liquidator).

Footnote. Article 45 as amended by the Law of the Republic of Kazakhstan № 479-V dated 29.03.2016 (shall be entered into force upon the expiry of twenty one calendar day after the date of its first official publication).

Article 46. The procedure for convening a general meeting of participants of a limited liability partnership

1. The body or person (s) convening the general meeting of participants of a limited liability company must, not later than thirty days before the opening of the meeting, notify each member of the partnership in writing at the address specified in the register of participants maintained by the executive body of the company.

The statement of notice shall include:

- 1) time and place of the meeting;
- 2) the proposed agenda;
- 3) type of general meeting of participants: regular or extraordinary;
- 4) the procedure for holding the meeting;
- 5) the procedure for absentee voting and the procedure for absentee voting;
- 6) norms of legislative acts of the Republic of Kazakhstan, in accordance with which the meeting is held.

The partnership has the right to additionally inform the participants through the media.

1-1. The body or person (s) convening the general meeting of participants of a limited liability partnership transformed from a joint stock company, with a number of participants of

one hundred or more, must notify the participants of the partnership 30 days before the opening of the meeting.

Notice of the general meeting of participants of a partnership with the number of participants of one hundred or more should be published in the print edition specified in the charter of the partnership.

The body or person (persons) convening the general meeting of participants of a limited liability partnership, whose participants' register is maintained by the central depository, to be attended by fewer than one hundred people, is obliged to inform each partnership's participant of its holding in writing, 30 days before the meeting, sending a notification to the address indicated in the partnership participants' register.

The procedure and terms for convocation a general meeting of participants of a credit partnership shall be determined by the legislation of the Republic of Kazakhstan on credit partnerships.

2. Any participant in a limited liability partnership has the right to make proposals on the agenda of the general meeting no later than ten days before its opening. During the same period, the participants of the partnership, possessing in the aggregate five percent or more of the total number of votes, are entitled to include the issues identified by them on the agenda of the general meeting. Fulfillment of this requirement is mandatory for the body or persons convening the general meeting.

If at the proposal or at the request of participants of the partnership changes are made to the original agenda of the general meeting, the body or persons convening the meeting must notify each participant of the partnership no later than seven days before the meeting about these changes in the manner specified in the first part of paragraph 1 of this articles.

3. The body or person (s) convening the general meeting of participants of a limited liability company must consider the proposals received and decide whether or not to include them in the agenda of the general meeting of participants of a limited liability company no later than ten days the opening of the meeting. The body or person (s) convening the general meeting of participants of a limited liability company, should the proposals be accepted, are obliged to inform the participants of the limited liability partnership about changes to the agenda, as well as if proposals for changes or additions to the general meeting's agenda are rejected. give the applicant a reasoned response on the refusal no later than seven days before the opening of the general meeting of participants of a limited liability partnership.

If the refusal to include proposals on the agenda of the general meeting and the decision made on it violate the rights and legitimate interests of the applicant, he has the right to appeal such a decision in the manner provided for in Article 50 of this Law.

It is prohibited to include in the agenda of the general meeting issues with a broad understanding, including "miscellaneous", "other", "another" and similar wording.

4. The body or person (s) convening the general meeting of participants of a limited liability company must, at the request of a participant of the partnership sent to him no later

than ten days before the opening of the meeting, send to him in writing and no later than seven days before the opening meetings, draft decisions on all issues on the agenda, copies of documents, the discussion of which is included in the agenda, as well as other information stipulated by the charter of the partnership or documents governing the internal activities of the partnership properties.

The documents and information specified in the previous part, as well as the financial statements and the audit committee (auditor) report and / or the audit organization's report for the reporting period, should be provided to all participants of the partnership for free familiarization at the premises of the executive body of the partnership from the date of notice general meeting, but not less than fifteen days before the opening of the meeting. At the same time, participants of the partnership should be given the opportunity to make free copies of the documents submitted for familiarization.

The financial statements and the opinion on them of the audit committee (auditor) and (or) the report of the audit organization for the three previous years must be kept by the executive body of the company and provided at any time for familiarization to any participant in the company. At the request of the participants of the partnership they are issued certified extracts from the specified documents.

5. The charter of a limited liability company with less than seven participants may provide for other terms than those specified in this article and in paragraph 5 of article 47 of this Law.

Footnote. Article 46 as amended by the Law of the Republic of Kazakhstan № 416 dated 16.05.2003; № 72 dated 08.07.2005 (the order of enforcement, see Art. 2); № 139 dated 05.05.2006 (the order of enforcement, see Article 2 of the Law RK № 139); № 230 dated 19.02.2007 (the order of enforcement, see Art. 2); № 479-V dated 29.03.2016 (shall be entered into force upon the expiration of twenty one calendar days after the day of its first official publication); № 166-VI as of 02.07.2018 (shall be enforced from 01.01.2019); dated 28.10.2019 № 268-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 47. The procedure for holding a general meeting of participants of a limited liability partnership

1. The regulations of the general meeting of participants of a limited liability partnership shall be determined in accordance with this Law, the charter of the partnership, the rules and other documents governing the internal activities of the partnership, or directly by the general meeting.

2. Before the opening of the general meeting, it is carried out the registration of the arrived participants of a limited liability company and their representatives. Representatives of the participants must present appropriate powers (paragraphs 3 and 4 of Article 42 of this Law). An unregistered participant (member's representative) is not taken into account when determining a quorum and is not entitled to participate in the voting.

3. The general meeting of participants of the partnership shall be opened at the announced time, provided that the registration data of the arriving participants and their representatives give sufficient grounds to assume the presence of the proper quorum.

The meeting cannot be opened before the announced time, except for the case when all the participants of the partnership or their representatives have already been registered, notified and do not object to changing the opening time of the meeting.

4. The general meeting of participants of a limited liability partnership is deemed valid, and the quorum conditions are met if the members present or represented in it possess in total more than half of the total votes. In cases when a decision on an item on the agenda must be taken by a qualified majority of votes or unanimously, the meeting is competent to make a decision if the partnership participants present or represented in it have more than two thirds of the total votes.

5. In the absence of a quorum, the general meeting of participants of a limited liability partnership shall be convened again no later than forty-five days from the date of the first convocation. During the second general meeting, the rules, as established by Article 46 of this Law, shall be complied with.

A meeting convened again shall be eligible, regardless of the number of votes held by the partnership members present or represented at the meeting. If the participants present or represented in it possess in the aggregate less than half of the total number of votes, then such a meeting has the right to make decisions only on matters that do not require a qualified majority of votes or unanimity.

6. The general meeting of participants of a limited liability partnership is opened by the first head of the executive body or the one who performs his obligations. The meeting called by the supervisory committee, auditing commission (auditor), or by participants in the company (paragraph 2 of Article 45 of this Law) shall be opened by the chairman of the supervisory committee, the chairman of the auditing commission (auditor), or by one of the participants in the company who called such meeting.

The general meeting that has been called by the liquidation commission (liquidator) shall be opened by the chairman of the liquidation commission (liquidator) or by the person who substitutes for him.

7. The person who opens the general meeting shall have a chairman and a secretary of the meeting elected. Unless otherwise provided by the charter of a limited liability company, when voting on the issue of electing the chairperson and secretary of the general meeting, each participant in the meeting has one vote (regardless of share in the authorized capital), and the decision is made by simple majority of those present.

Members of the executive body of the partnership and its audit commission (auditor) cannot preside over the general meeting, unless all members of the partnership present at the meeting are members of the executive body or are members of the audit commission (auditor) of the partnership.

8. The secretary of a general meeting is responsible for keeping the minutes of the general meeting.

The minutes shall be signed by all who are present and by the secretary of the general meeting.

The minutes of all general meetings are filed together in a book of minutes, which is stored by the executive body of the company and is provided for review to any participant in the limited liability company at any time. Participants in the company shall be issued a registered excerpt from the book of minutes upon their request.

9. Prior to the initiation of decisions on issues that have been included in the agenda, the general meeting must certify that there is a quorum. Non-observance of this requirement entails the nullity of all decisions taken by the general meeting before it is established that there is a quorum.

When voting on issues provided for in subparagraphs 1), 4), 7), 9) and 10) of paragraph 2 of Article 43 of this Law, as well as in other cases provided for by the charter of the company or by rules and other documents regulating its internal activities, it is necessary to certify anew that there is a quorum immediately prior to voting.

Footnote. Article 47 as amended by the Law of the Republic of Kazakhstan № 49-VI dated 27.02.2017 (shall be brought to effect upon expiry of ten calendar days after its first official publication).

Article 48. Procedure for Adopting Decisions by the General Meeting of participants of a limited liability partnership

1. The general meeting of participants of a limited liability partnership is entitled to make decisions only on the agenda items communicated to the participants in accordance with paragraphs 1 and 2 of Article 46 of this Law. At the same time, issues that were included in the agenda of the general meeting by the participants of the partnership in accordance with paragraph 2 of Article 46 of this Law are considered to be included in the agenda even if the body or persons convening the meeting did not fulfill the duties specified in part two of this item.

2. Decisions on issues specified in subparagraphs 1), 7), 9) and 10) of paragraph 2 of Article 43 of this Law, as well as on other matters defined in the statutes of a limited liability partnership, are taken by a three-fourths majority vote of those present and represented at the meeting of participants of the partnership, if the charter of the partnership does not require more votes or unanimity for their adoption.

When adopting decisions specified in subparagraphs 1), 7), 9) and 10) of paragraph 2 of Article 43 of this Law, as well as on other matters defined in the statutes of a limited liability partnership, are taken by a three-fourths majority vote of those present and represented at the meeting of participants of the partnership, if the charter of the partnership does not require more votes or unanimity for their adoption.

All other decisions are adopted by a simple majority of the votes of those present and represented at the general meeting of participants of the partnership, if the charter of the partnership does not require more votes or unanimity for their adoption.

3. Decisions of the general meeting of participants of a limited liability partnership shall be taken by open voting, unless the secret ballot is provided for in the charter of the partnership or the rules and other documents regulating the internal activities of the partnership.

Decisions of the general meeting must be taken by secret ballot also in cases when the participants of the partnership require it, possessing at least one fifth of the total number of votes.

The procedures for holding a secret vote shall ensure the accurate tally of the votes and the reliability of the results of the vote.

Article 49. Absentee holding of a general meeting of participants of a limited liability partnership

1. In cases stipulated by the charter of a limited liability partnership, and with the express consent of the participants of the partnership, possessing in total more than three quarters of the total number of votes, the general meeting may be held in absentia by questionnaire through the exchange of letters, facsimile or electronic messages or using other means of communication available to all participants and ensuring the authenticity of transmitted and received messages.

An absentee general meeting is not entitled to decide on the issues specified in subparagraphs 1), 7) -10) of paragraph 2 of Article 43 of this Law.

2. When holding a general meeting of participants of a limited liability company in absentia, paragraphs 2, 3, 5-7 and 9 of article 47 and paragraph 3 of article 48, as well as the provisions of paragraphs 1-3 of article 46 of this Law in terms of their stipulated time limits, do not apply.

3. A general meeting of participants of a limited liability company that is held in absentia is conducted according to a procedure that ensures that all participants of the proposed agenda and draft decisions on the issues included in it are informed, that each of them can familiarize themselves with all the necessary documents before the vote, put forward proposals for the agenda and require the inclusion of certain issues in it, as well as a message to all participants prior to the start of voting of the amended agenda and opinions (speeches) of other participants Covers on the issues discussed.

Article 50. Appealing Decisions of the General Meeting

The decision of the general meeting of participants of a limited liability partnership, made in violation of the procedure for holding a general meeting and making decisions established by this Law, the charter of the partnership or the rules and other documents governing the internal activities of the partnership, as well as the decision of the general meeting that contradicts the law or the charter of the partnership, including a decision that violates the

rights of a participant in the partnership, may be deemed invalid by the court in whole or in part upon the application of the participant a partnership that did not participate in the voting or voted against the contested decision. Such an application may be filed within six months from the day when the participant of the partnership found out or should have known about the decision taken, and if he participated in the general meeting that made the decision, then within six months from the day this decision was made by the general meeting.

Challenging the decisions of other bodies of a limited liability partnership shall be carried out in the manner and time specified in the first part of this article.e.

Footnote. Article 50 as amended by the Law of the Republic of Kazakhstan № 230 dated 19.02.2007 (the order of enforcement see Art. 2).

Article 51. Executive body of a limited liability partnership

1. If the charter of a limited liability partnership does not provide for the formation of a collegial executive body of the partnership (directorate, board, etc.), the current management of the partnership's activities and the conduct of its affairs is carried out by the sole executive body (director, manager).

The provisions of this Law on the members of the executive body, with the exception of those directly related to the collegiality of the executive body, apply to the sole executive body.

2. A member of the executive body shall act in the interests of the company honorably and rationally when executing his obligations.

3. Members of the executive body are elected by the general meeting for a fixed term, but not more than five years.

4. Only an individual may act as a member of the executive body of the partnership. He/she may not be a member of the partnership.

Article 52. Competence of the executive body of a limited liability partnership

1. The competence of the executive body of a limited liability partnership includes all issues of ensuring the activities of the partnership, not related to the competence of the general meeting or supervisory bodies, determined by this Law, the charter of the partnership or the rules and other documents, adopted by the general meeting, as well as the issues, specified in part two of paragraph 2 of Article 43 of this Law.

The competence of the executive body of the partnership also includes the powers of the general meeting, not related to its exclusive competence, transferred to the executive body in accordance with paragraph 3 of Article 43 of this Law.

The competence of the executive body of a limited liability partnership includes the approval of the amount of payment for the services of an audit organization, selected by the participants' general meeting in accordance with Article 43 of this Law, for auditing the partnership's annual financial statements.

2. In relations with third parties, a limited liability company does not have the right to refer to the restrictions of powers established by it of the executive body of the company.

However, a limited liability company has the right to dispute the validity of a transaction made by its executive body with a third party, in violation of the established restrictions, if it proves that at the time of the conclusion of the transaction, the third party was aware of such restrictions.

3. Members of the executive body of a limited liability company may be held liable at the request of any of the participants in the company for compensation of losses caused by them to the company. At the same time, they are jointly liable for the losses caused by the joint implementation by them of the improper management of the partnership.

4. Members of the executive body of a limited liability partnership may be jointly brought to liability with the partnership to third parties for losses that these persons suffered as a result of insolvency (bankruptcy) of the partnership caused by improper implementation by the members of the executive management body of the partnership.

Footnote. Article 52 as amended by the Law of the Republic of Kazakhstan № 156-VI dated 24.05.2018 (shall be enforced upon expiry of ten calendar days after the date of its first official publication); dated 28.10. 2019 № 268-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 53. The sole executive body of a limited liability partnership

1. Sole executive body of a limited liability partnership (director, manager, etc.):

1) acts without a power of attorney on behalf of the partnership;

2) issues powers of attorney for the right to represent a partnership, including powers of attorney with the right of substitution;

3) with respect to employees of the partnership issues orders for their appointment, transfer and dismissal, determines the remuneration system, sets the size of official salaries and personal allowances, decides on bonus payments, takes incentive measures and imposes disciplinary penalties;

4) exercises other powers not attributed by this Law or the partnership charter to the competence of the general meeting of participants or supervisory bodies, as well as the powers transferred to it by the general meeting of participants of the partnership (paragraph 3 of Article 43 of this Law).

2. The procedure for the activities of the sole executive body of the partnership and the adoption of decisions by it shall be determined by the charter of the partnership, as well as the rules and other documents adopted by the general meeting of participants.

3. If, in accordance with the charter of a limited liability company, the management of his affairs is entrusted to two or more directors (managers, etc.) who are not united in a collegial executive body, then each of these directors (managers, etc.) is entitled to without power of attorney to act on behalf of the partnership. The provisions of this article apply to such directors (managers, etc.).

4. If the exercise of the powers of the sole executive body of a limited liability partnership is included in the official duties of an employee of a state body that is the sole founder of this

limited liability partnership, then the employment relationship between such an employee and this limited partnership does not arise and the employment contract is not concluded.

Footnote. Article 53 as amended by the Law of the Republic of Kazakhstan № 442-V dated 24.11.2015 (shall be effective from 01.01.2016).

Article 54. Collective executive body of a limited liability partnership

1. If the charter of a limited liability company provides for the formation of a collegial executive body (directorate, board, etc.), such body shall be elected by the general meeting of participants of the partnership in the amount of not more than seven members, unless otherwise established by legislative acts or the charter of the partnership.

2. The head of a collegial executive body of a limited liability company shall be elected by the general meeting of the company, unless the charter of the company provides for its election by the collegiate body itself.

3. The head of the collegial executive body of a limited liability partnership ensures the functioning of this body and manages its meetings. He has the rights which, in accordance with subparagraphs 1) -3) of paragraph 1 of Article 53 of this Law, belong to the sole executive body of the partnership.

4. The procedure for the activities of the collegial executive body of the partnership and the adoption of decisions by it shall be determined by the charter of the partnership, as well as the rules and other documents adopted by the general meeting of participants.

Article 55. Conflict of interests of members of the executive body and limited liability partnership

1. Members of the executive body of a limited liability company are prohibited from:

1) to conclude transactions with the partnership aimed at obtaining property benefits from it (including contracts of donation, loan, gratuitous use, purchase and sale, etc.) without the consent of the general meeting;

2) to receive a commission from both the partnership itself and from third parties for transactions entered into by the partnership with third parties;

3) to act on behalf of or in the interests of third parties in their relations with the partnership;

4) to carry out business activities that compete with the activities of the partnership.

The partnership charter may also provide for other prohibitions for members of its executive body.

2. The restrictions provided for in subparagraphs 1) - 3) of paragraph 1 of this article also apply to the spouse, all direct descending and ascending relatives, as well as siblings of members of the executive body of a limited liability partnership.

3. Any member of a limited liability partnership shall have the right to demand in court the reimbursement of the Association, the members of the Executive body of the losses

caused to the partnership by a breach by them or their relatives referred to in paragraph 2 of this article, of the prohibitions provided for in paragraph 1 of this article or, respectively, by subparagraphs 1)-3) of this paragraph.

Article 56. Transfer of a limited liability partnership or its property to trust management

A limited liability partnership or its property may be transferred into trust management, unless otherwise provided by the constituent documents of the partnership.

Article 57. Supervisory Board of a Limited Partnership

1. In order to exercise control over the activities of the executive body of a limited liability company, the charter of the company may provide for the establishment of a supervisory board in the company.

2. If the charter of a limited liability company does not provide for the election of an auditing commission (auditor), the supervisory board of the partnership shall have all the rights that, in accordance with this Law, belong to the auditing commission.

3. Members of the supervisory board of the partnership shall be elected by the general meeting for a fixed term, but not more than five years.

4. Only an individual may act as a member of the supervisory board. He/she may not simultaneously be a member of the executive body of the partnership.

5. The procedure for the activities of the supervisory board of the partnership and the adoption of decisions by it shall be determined by the charter of the partnership, as well as by the rules and other documents adopted by the general meeting.

When voting in the supervisory board, each member of the council has one vote.

6. For losses incurred by a limited liability company and third parties due to inadequate control over the activities of its executive body by the supervisory board of the partnership, members of the supervisory board shall be liable in accordance with the rules provided for in paragraphs 3 and 4 of article 52 of this Law

Article 58. Audit Commission (Auditor) of a Limited Liability Partnership

1. In order to exercise control over the financial and business activities of the executive body of a limited liability company, an audit commission may be formed from among the participants of the company or their representatives.

The audit commission is formed of no more than five people, unless a larger number of its members are provided for by the charter of the partnership.

The performance of the functions of the audit committee may be entrusted to one of the participants of the partnership or its representative as the sole auditor.

2. The audit commission or the sole auditor of a limited liability partnership shall be elected by the general meeting for a term specified in the charter of the partnership, but not exceeding five years.

3. Members of the audit committee (auditor) may not be members of the executive body of a limited liability company at the same time.

4. The audit commission (auditor) shall have the right at any time to carry out audits of the financial and economic activities of the executive body of a limited liability company. The auditing commission (auditor) has for this purpose the right of unconditional access to all documentation of the partnership. At the request of the audit committee (auditor), members of the executive body are required to give the necessary explanations verbally or in writing.

5. It is mandatory for the auditing commission (auditor) to check annual financial statements of a limited liability partnership prior to their approval by the participants' general meeting. The general meeting is not entitled to approve the annual financial statements without a report of the auditing commission (auditor) or an audit report (Article 59 of this Law).

6. The working procedure of the audit committee (auditor) of a limited liability company is determined by the charter, as well as the rules and other documents governing the internal activities of the company.

Footnote. Article 58 as amended by the Law of the Republic of Kazakhstan № 139 dated May 5, 2006 (the order of enforcement, see Article 2 of the Law RK № 139); № 217-VI as of 21.01.2019 (shall be enforced ten calendar days after its first official publication).

Article 59. External Audit in a Limited Liability Partnership

1. To check and confirm the accuracy of annual financial statements of a limited liability partnership, as well as the current state of its affairs, the partnership has the right to involve an audit organization, not connected by property interests with the partnership, members of its executive body, supervisory board or members (external audit) in the cases and in the manner established by its charter.

An audit of the annual financial statements is mandatory for a limited liability partnership, while the following conditions are met:

1) it includes members (founders) who own less than ten percent of shares in the authorized capital;

2) the average annual number of employees is more than two hundred fifty people and (or) the average annual income of more than three million monthly calculation indicator established by the law on the republican budget and in effect on January 1 of the corresponding financial year.

The annual financial statements of a limited liability partnership that is a medium-sized business entity are audited at the expense of the partnership at the request of a member (founder) owning less than ten percent of participatory interests in the charter fund of the partnership.

2. Legislative acts may establish an obligatory audit of the annual financial statements for all limited partnerships engaged in certain types of business activities.

The executive body of a limited liability partnership exercises control over the audit of the partnership's annual financial statements in accordance with the requirements of paragraph 1

of this article and brings up the issue of approval of the annual financial statements to the agenda of the partnership's general meeting.

3. Any participant in a limited liability company has the right to require an audit of the financial statements of the company at its own expense.

4. If the executive body of a limited liability company evades from conducting an audit of the financial statements of the partnership, when an audit is required or when a member of the partnership requires it, an audit may be appointed by a court decision taken at the request of any interested person or participant in the partnership.

Footnote. Article 59 as amended by the Law of the Republic of Kazakhstan № 139 dated 05.05.2006 (the order of enforcement, see Article 2 of the Law RK № 139); № 49-VI dated 27.02.2017 (shall be entered into force upon the expiry of ten calendar days after the day of its first official publication); № 156-VI dated 24.05.2018 (shall be entered into force upon the expiry of ten calendar days after the day of its first official publication); № 217-VI as of 21.01.2019 (shall be enforced ten calendar days after its first official publication).

Article 60. Public Financial Reporting of a Limited Liability Partnership

Legislative acts may provide for the obligation to publish for general information financial statements for the relevant year for limited liability companies engaged in certain types of business activities.

Article 60-1. Provision of information by a limited liability partnership

1. The executive body of a limited liability partnership shall be obliged to inform all participants in the partnership:

- 1) on initiation of a case on a corporate dispute in court;
- 2) on the initiation by a participant of the partnership of any procedure for resolving a hopeless situation.

2. Information on the initiation of a corporate dispute in court must be provided to the participants of the partnership in the manner prescribed by the decision of the general meeting of the participants of the partnership (unless otherwise provided by the constituent documents), no later than seven working days from the date the partnership received the relevant judicial notice or call for civil case of a corporate dispute.

Footnote. Chapter V is supplemented by Article 60-1 in accordance with the Law of the Republic of Kazakhstan № 58-IV dated 05.07.2008 (the order of enforcement, see Article 2); as amended by the Law of the Republic of Kazakhstan dated 29.06.2020 № 352-VI (shall come into effect ten calendar days after the day of its first official publication).

Chapter VI. REORGANIZATION AND LIQUIDATION OF A LIMITED LIABILITY PARTNERSHIP

Article 61. Reorganization of a limited liability partnership

1. Reorganization of a limited liability partnership (merger, accession, division, spin-off, transformation) may be carried out voluntarily by decision of the general meeting of participants of the partnership.

The alienation of a share or other change in the composition of participants in the partnership is not a reorganization of the partnership.

2. In the cases established by legislative acts, a limited liability partnership in the form of its separation or separation of one or several partnerships from its composition is carried out by a decision of the authorized state bodies or by a court decision.

3. In cases established by legislative acts, the reorganization of a limited liability partnership in the form of a merger or accession can be carried out only with the consent of the authorized state bodies.

4. The property of the reorganized partnership shall be transferred to its successor at the time of its registration, unless otherwise provided by legislative acts or the decision on reorganization.

Article 62. Merger, joining of limited liability partnerships

1. The merger of two or more limited liability partnerships is carried out by complete consolidation of the property of these partnerships. A new partnership arises as a result of the merger. Partnerships that are part of the new, cease their activities. At the same time, all rights and obligations of each of the partnerships participating in the merger shall be transferred to the newly emerged partnership in accordance with the deed of conveyance.

2. Accession of one or several limited liability partnerships to another limited liability partnership shall be carried out by including the property of the joined partnerships into the property of the joining partnership. At the same time, the affiliated partnerships are terminated, and all their rights and obligations are transferred, in accordance with the deed of transfer, to the merging partnership, to the charter of which changes related to reorganization are made.

3. The executive bodies of limited liability partnerships participating in a merger, affiliation prepare draft agreements on mergers and affiliations and submit for consideration by the general meeting of participants of each partnership questions on mergers, mergers and approvals of the merger agreement.

The agreed text of the agreement on merger, accession shall be signed by the authorized executive bodies of the partnerships.

An agreement on merger, accession should contain information on the company name, location and address of each of the partnerships participating in the merger, accession, basic data of their balance sheets, as well as provide for the procedure and conditions for merger, accession.

4. Each of the limited liability partnerships participating in a merger or joining is obliged within two months from the date of the decision of the general meeting of its participants on the merger, joining to send all its creditors written notices on the merger and merger and

place the corresponding announcement in the official press. Information about other companies participating in the merger and affiliation specified in paragraph 3 of this article shall be attached to the notification (announcement).

The creditors of the partnership have the right within two months from the date of receipt of the notification or publication of the advertisement to demand from the partnership additional guarantees or early termination or fulfillment by the partnership of the relevant obligations and compensation for losses. Requirements are sent to the partnership in writing, and their copies can be submitted to the body that carried out the state registration of the partnership.

5. Each of the limited liability partnerships participating in a merger or affiliation is obliged from the time the general meeting of its participants takes a decision on a merger or affiliation to report this decision to creditors on obligations arising after the decision has been taken.

On the basis of a merger agreement, joining partnerships, participants of merging, merging partnerships develop and sign a constituent agreement at a constituent assembly, and during a merger also approve the charter of the newly formed partnership and elect the executive and other bodies of the partnership.

Article 63. Division, separation of a limited liability partnership

1. The division of a limited liability partnership is carried out by dividing the property of the partnership between two or more newly established limited liability partnerships. At the same time, the rights and obligations of the partnership being divided shall be transferred to newly emerging partnerships in accordance with the separation balance sheet.

2. One or several limited liability partnerships shall be separated from a limited liability company by allocating a part of the property of the partnership and transferring it to one or several newly emerging partnerships. At the same time, a part of the rights and obligations of the reorganized partnership shall be transferred to the newly emerging partnerships in accordance with the separation balance sheet.

3. The executive body of the reorganized limited partnership prepares a plan for separation, separation and draft charters of newly emerging partnerships and submits for consideration by the general meeting of participants questions on the division, separation of partnership, approval of the separation plan, separation, charters of newly emerging partnerships and the separation balance sheet, and on the election of executive and other bodies of newly emerging partnerships.

4. Unless otherwise provided by the charter of a limited liability company, each member shall have the right to receive a share in the authorized capital of each of the newly emerging partnerships equal to its share in the charter capital of the reorganized partnership.

5. The limited liability company is obliged from the moment of the adoption by the general meeting of its participants of the decision on division, separation to report this decision to the creditors on obligations arising after the adoption of the decision.

6. The limited liability company is obliged within two months from the date of the decision of the general meeting of its participants on separation, separation to send all creditors written notice of separation, separation and place the appropriate announcement in the official press. A separation balance sheet is attached to the notice (announcement), as well as information on the company name, location and address of each of the newly emerging partnerships.

7. The creditors of the reorganized limited liability partnership shall have the right, within two months from the date of receipt of the notification (publication of the announcement), to demand from the partnership the early termination or fulfillment by the partnership of the corresponding obligations and compensation for losses. Requirements are sent to the partnership in writing, and their copies can be submitted to the body that carried out the state registration of the partnership.

8. Limited liability partnerships arising as a result of the separation or spin-off of a limited liability partnership shall be jointly and severally liable for its obligations during the year from the date of registration of new partnerships.

Article 64. Consequences of non-compliance with the decision of the authorized state body or court on the forced separation, separation of a limited liability company

1. If the executive bodies of a limited liability company authorized to carry out separation, separation under compulsory reorganization by a court decision, do not divide, separate the partnership within the period specified in the court decision, the court appoints the trust manager of the partnership's property and instructs it to divide; this partnership at the expense of the property of the partnership being reorganized.

2. From the date of appointment of a trustee, the authority for managing a limited liability partnership shall be transferred to him.

3. The trustee shall act on behalf of a limited liability company in court, draw up a separation balance sheet and submit it for court approval, together with the constituent documents of partnerships resulting from division, separation. The approval by the court of these documents is the basis for the state registration of newly emerging partnerships.

Article 65. Transformation of a limited liability partnership

1. A limited liability partnership has the right to transform itself into another economic partnership, joint-stock company or into a production cooperative, to which all rights and obligations of the transformed partnership are transferred in accordance with the transfer act.

2. The executive body of the transformed limited partnership prepares a conversion plan, determining the procedure and conditions for conversion, and the draft charter of the newly emerging legal entity and issues for the general meeting of participants the issues of transforming the partnership, approving the conversion plan and charter, and electing executive and other bodies of a newly emerging partnership, joint-stock company or production cooperative.

3. A joint stock company created as a result of the transformation of a limited liability company shall place (sell) the company's shares only among the participants of the limited liability company. The number of shares transferred to the participants of the transformed limited liability partnership is determined on the basis of the ratio of the book value of the share of each participant to the total equity capital of the limited liability partnership being reorganized.

4. The authorized capital of the joint-stock company being established is equal to the difference between the assets and liabilities transferred to it in accordance with the transfer act, and must comply with the requirements established by Article 10 of the Law of the Republic of Kazakhstan "On Joint-Stock Companies."

Footnote. Article 65 as amended by the Law of the Republic of Kazakhstan dated July 16, 1999 No 436; dated February 19, 2007, № 230 (the order of enforcement see in Art. 2).

Article 66. Repurchase of shares from participants who did not vote for the reorganization of a limited liability partnership

1. Participants in a limited liability partnership who were not present at the general meeting of participants in deciding whether to reorganize the partnership or vote against such a decision, have the right to demand redemption of their shares by participants who voted for the reorganization of the partnership.

2. Redemption of a share shall be carried out within a month from the date of the request. The share is redeemed by the participants who voted for the reorganization of the limited liability partnership in parts proportional to their shares in the authorized capital of the partnership, unless otherwise specified by their agreement, providing full redemption of the share of the participant who claimed the redemption. The price at which the share is redeemed shall be determined in accordance with the rules of article 32 of this Law.

3. A participant in a limited liability company who declares a demand for the redemption of a share shall have the right to send a copy of such a demand to the authority conducting registration in accordance with Article 67 of this Law. In case of receipt of a copy of the demand for the redemption of a share to the indicated body, registration is carried out only on condition that the applicant submits evidence of the redemption of the share or is absent from the participant who filed the request of objections to the registration.

Article 67. State Registration of a Partnership Resulting from Reorganization

1. The state registration of a limited liability partnership arising as a result of a reorganization is carried out in accordance with the legislation of the Republic of Kazakhstan on state registration of legal entities and the accounting registration of branches and representative offices.

2. (excluded)

3. State registration of a limited liability company arising as a result of reorganization is made by the body that carries out state registration of legal entities upon the expiration of the period granted to creditors for filing claims to partnerships involved in reorganization (

paragraph 4 of article 62, paragraph 7 of article 63 of this Law). If the body carrying out the state registration of legal entities received copies of the claims of the creditors participating in the reorganization of the partnerships, the newly emerging partnership is registered subject to the submission of evidence of the fulfillment of these requirements or the absence of objections against the reorganization by the creditors that filed them.

4. If within a year from the day when the general meeting of participants of the last limited liability company participating in the reorganization made a decision on reorganization, the application for state registration will not be submitted or the necessary evidence will not be presented (paragraph 3 of this article), the reorganization is considered failed.

5. (excluded)

6. Excluded by the Law of the Republic of Kazakhstan dated 05.07.2024 № 115-VIII (shall be enforced ten calendar days after the day of its first official publication).

Footnote. Article 67 as amended by the Law of the Republic of Kazakhstan № 537 dated 18.03.2004 (shall be enforced upon expiry of six months from the date of its official publication); № 60-V dated 24.12.2012 (shall be entered into force upon the expiry of ten calendar days after its first official publication); dated 05.07.2024 № 115-VIII (shall be enforced ten calendar days after the day of its first official publication).

Article 68. Liquidation of a limited liability partnership

1. A limited liability partnership may be liquidated by decision of the general meeting of its participants.

2. By a court decision, a limited liability partnership may be liquidated in the following cases:

1) bankruptcy;

2) recognition of the registration of a partnership as invalid in connection with violations of the law admitted during its creation, which are irremovable;

3) carrying out activities without proper permission (license) or activities prohibited by legislative acts, or with repeated or gross violation of the law;

3) in other cases stipulated by the legislative acts.

3. In the case of the liquidation of a legal entity that is the sole participant of a limited liability company, with the exception of cases of bankruptcy, such a partnership shall be subject to liquidation. In this case, the liquidation commission (liquidator) for the liquidation of the partnership is appointed by the court upon the application of the liquidation commission (liquidator), which is carrying out the liquidation of the founder of the partnership.

4. The requirement to liquidate a limited liability partnership on the grounds specified in paragraph 2 of this article may be submitted to the court by interested persons, unless otherwise provided by legislative acts.

5. By a court decision on the liquidation of a limited liability company, the responsibility for liquidation may be imposed on the partnership itself; authority authorized by the partnership; the body authorized to liquidate the partnership by its constituent documents, or another body (person) appointed by the court.

Footnote. Article 68 as amended by the Law of the RK dated 07.03.2014 № 177-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Article 69. Termination of the activity of a limited liability partnership

1. The grounds for termination of a limited liability company, in addition to the grounds specified in Articles 61, 68 of this Law, may be the following cases:

1) (excluded)

2) if, as a result of a decrease in the authorized capital, its amount becomes less than the minimum amount provided for in paragraph 2 of Article 23 of this Law;

3) if the participants do not constitute, within the terms established by paragraph 2 of Article 24 of this Law, the authorized capital of the partnership.

2. (excluded)

3. In the cases provided for by subparagraphs 2) and 3) of paragraph 1 of this article, the participants must make the appropriate additional contributions to the authorized capital within one year. Otherwise, the partnership is subject to liquidation by a court decision upon request of interested parties.

Footnote. Article 69 was amended by the Laws of the Republic of Kazakhstan dated 16.07.1999 № 436; dated 16.05.2003 № 416; dated 05.07.2024 № 115-VIII (shall be enforced ten calendar days after the day of its first official publication).

President of the Republic of Kazakhstan