

AIX ACCESS GUIDE FOR INVESTORS

As the number of issuers admitted to trading on AIX grows, we see increased demand from foreign investors to gain access to tradable instruments listed on AIX. This access guide aims at answering investors' questions on how to access the AIX.

INDIRECT ACCESS TO AIX

International investors may access AIX even if their broker is not a direct Participant of AIX. It is however necessary that the broker enters into a brokerage relation with an AIX Participant.

The list and contact details of AIX Participant is available here: <https://aix.kz/aix-membership/trading-members/>. The AIX Markets team can provide assistance to organize introductions. AIX Markets team may be contacted here: <https://aix.kz/contact/>.

Once the appropriate trading line is in place with an AIX Participant, the investor may instruct his own broker to sell/buy securities at AIX via this channel. Purchased securities will then be kept in the AIX Participant nominee omnibus account unless the investor opts to move them under custody.

Alternatively, the investor may also request the broker to access AIX via OTC trading with the AIX Participant. The investor's broker will instruct its counterparty to sell/buy the securities on the AIX secondary market. Based on such instruction, the AIX Participant forwards such bid/ask to the AIX order book. If it results in trade(s), the AIX Participant then finalizes the OTC trade with the investor's broker. For sell orders, this option is made available to AIX Participants who entered into a valid Securities Lending Agreement with an Authorized Lender. The AIX Markets team can also provide assistance to make the relevant introductions.

DIRECT ACCESS STEP ONE: Opening a brokerage account

Investors should contact AIX Participants to open a brokerage account (see list above)

AIX Participants include:

- Domestic brokers under local ("onshore") Regulations;
- AFSA-licensed brokers (AIFC-domiciled members);
- International brokers whose license is recognized by AFSA (AIFC remote members).

AIX Participants offer a wide array of low and high touch trading services. While investors ought to perform their own research, AIX Markets might be able to advise on which broker is most likely to cater to the services sought and how an international broker can obtain a remote membership at AIX.

Once the AIX broker has performed KYC due diligence, a brokerage account will be opened in the investor's name and a National Investor Number (NIN) issued. In parallel, the broker will open a settlement account for the investor under that same NIN at the AIX CSD.

Alternatively, some brokers may offer investors to trade and settle in an omnibus account at the investor's discretion. AIX Markets team can assist on which brokers use omnibus accounts.

International investors ought to be aware that account opening requirements in terms of documentation and KYC procedures may vastly differ between domestic brokers (that are under onshore regulations), remote brokers (Recognized Non-AIFC Members – RNAM) that

follow the regulations of their IOSCO-compliant jurisdiction and AIFC Members (under AIFC / AFSA Rules & Regulations). Please contact AIX Market team for more information on this.

DIRECT ACCESS STEP TWO: Custody services for institutional investors

Investors may elect to use the services of a custody-only AIX CSD Participant for settlement and safekeeping purposes. The list and contact details of AIX CSD Custodians is available here: <https://aix.kz/clearing-settlement/aix-csd-participants/custodians/>

AIX has a give-up / take-up functionality whereby investors under custody may use the services of an AIX broker to trade and then give-up the trade to their custodian to settle it. Using the AIX Custody model means that investors' cash and securities remain at all time with their Custodian.

DIRECT ACCESS STEP THREE: moving securities to the AIX CSD

AIX settlement model is T+2 DvP BIS Model 2 (gross securities / net cash).

Investors who wish to move their securities from Euroclear to the AIX CSD should instruct their Euroclear Participant to move their securities to AIX CSD account with Euroclear while instructing their AIX CSD Participant to accept these securities in their account at the AIX CSD. Once the securities are received in the AIX CSD account, they become available for trading purposes.

For additional information on OTC transfers, pls contact the AIX CSD at ptd@aix.kz.

ENHANCED SETTLEMENT MODEL AT EUROCLEAR

For Euroclear-eligible securities, investors whose broker has an account with Euroclear may instruct use the Enhanced Settlement Model whereby their trade conducted at AIX will settle in that broker's account with Euroclear for onward OTC transfer to the investor's account with a Euroclear custodian.

Detailed information on the service is available below and the AIX Markets team will be happy to direct interested participants to AIX brokers who hold an account with Euroclear.

<https://k4txdyb.onk2.com/Runtime/Runtime/Form/MRA.Market+Notice+Document+Display+Form?documentid=24d5a906-b455-4a5f-a76f-e632ccd9b284>

MULTI-CURRENCY SETTLEMENT

Using the multi-currency settlement facility allows investors to trade in the currency of denomination of a given instrument and settle in a different currency. The conversion service is provided by a partner bank of the AIX CSD. Full information on the service may be found here:

<https://k4txdyb.onk2.com/Runtime/Runtime/Form/MRA.Market+Notice+Document+Display+Form?documentid=b6aeac20-3593-42f8-a0b6-7c522dee61c3>

SHORT SELLING

At the brokers' discretion, covered short-selling is allowed provided that the broker has a valid securities lending agreement in place with an authorized lender at the AIX CSD. The

relevant Market Notice can be found below and the AIX Markets team will assist and direct interested investors to the concerned brokers.

<https://k4txdyb.onk2.com/Runtime/Runtime/Form/MRA.Market+Notice+Document+Display+Form?documentid=b6aeac20-3593-42f8-a0b6-7c522dee61c3>

THE AIFC JURISDICTION

The AIFC jurisdiction being a separate legal jurisdiction within Kazakhstan with a *special legal regime* in the financial sphere:

- The AIFC regulation is based on principles and precedents of English law;
- The AFSA is an independent integrated financial regulator in the AIFC, adopting and implementing best international practices;
- The AIFC has separate and independent from Kazakhstan's judiciary system, including the AIFC Courts and the International Arbitration Centre (IAC);
- Regulation of the AIFC is carried out respecting the independence of the AIFC and its bodies: the AFSA, AIFC Courts, the IAC;
- The special regime in the AIFC includes significant tax incentives that help to reduce cost of doing business in the AIFC.