

**COPY**

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State registration of the legal entity held  
on June 23, 2012  
Certificate No. 798-1910-06-AO  
BSN/BIN 120640016120**

Approved by  
the Resolution of the Sole Founder of the  
Joint-Stock Company “National Investment  
Corporation of the National Bank of  
Kazakhstan”  
dated June 7, 2012  
No. 1

**CHARTER  
of the Joint-Stock Company  
“National Investment Corporation  
of National Bank of Kazakhstan”**

Almaty city, 2012

**STAMP: PTO**

## **1. GENERAL CONDITIONS**

**1.** The present Charter of the Joint-Stock Company “National Investment Corporation of National Bank of Kazakhstan” (hereinafter - the Company) specifies the Company’s name, location, establishment procedure and competence of its bodies, reorganization and closure conditions, as well as other provisions that are in line with the legislation of the Republic of Kazakhstan.

**2.** The full name of the Company:

In the state language: «Қазақстан Ұлттық Банкінің Ұлттық инвестициялық корпорациясы» акционерлік қоғамы»;

In the Russian language: акционерное общество «Национальная инвестиционная корпорация Национального Банка Казахстана»;

In the English language: Joint-Stock Company “National Investment Corporation of National Bank of Kazakhstan”.

Abbreviations:

In the state language: « ҚҰБ ҰИК» АҚ;

In the Russian language: АО «НИК НБК»;

In the English language: JSC “NIC NBK”.

**3.** The location of the executive body of the Company: 181, Kunayev Street, Medeusky District, 050010, Almaty, Republic of Kazakhstan.

## **2. FOUNDER AND SHAREHOLDER OF THE COMPANY**

**4.** The Sole Founder and the Sole Shareholder of the Company is the National Bank of Kazakhstan (hereinafter - the Shareholder).

## **3. LEGAL STATUS OF THE COMPANY**

**5.** The Company is a legal entity under the legislation of the Republic of Kazakhstan and the present Charter (hereinafter - the Charter).

**6.** Where the Company lacks a normative document to regulate any issue in the operational and economic activities, pending for preparation and approval of such a document, the Company has the guiding documents of the Shareholder regulating the similar scope of activities of affiliates.

**7.** The Company is a profit organization.

**8.** The Company becomes a legal entity from the date of the state registration in the judicial authorities.

**9.** The property of the Company comprises the property transferred by the Shareholder in return for shares of the Company, the revenues obtained in the process of its activities, as well as other revenues not prohibited by the legislation of the Republic of Kazakhstan. It includes assets, cash, and inventory reserves reflected on the balance sheet of the Company.

**10.** The Company has a separate balance sheet, bank accounts and a stamp with the full corporate name in the state and Russian languages on it.

**11.** The Company has blanks indicating its name and other details necessary for its activity.

**12.** The period of activity of the Company is not limited.

#### **4. RIGHTS AND LIABILITIES OF THE COMPANY**

**13.** The Company has all rights and bears all obligations specified by the legislation of the Republic of Kazakhstan.

**14.** The Company has a property separated from that of the Shareholder, and it is not liable for his/her obligations. The Company is liable for its obligations to the extent of its property.

**15.** The Shareholder is not liable for the obligations of the Company and bears the risk of losses associated with the Company's activity to the value of its shares, except in cases provided by the legislation of the Republic of Kazakhstan.

**16.** The Company is not liable for the obligations of the state and the state is not liable for the obligations of the Company.

**17.** The Company can enter into transactions (contracts), acquire property and personal non-property rights, sue in court and act as a defendant before the court, and take other actions in accordance with the legislation of the Republic of Kazakhstan.

**18.** The Company can acquire and grant rights to own and use the ownership documents, technologies, "know-how," and other information.

**19.** The Company can open accounts with banks and other financial institutions in and beyond the territory of the Republic of Kazakhstan both in national and foreign currency in the prescribed manner.

**20.** The Company keeps accounting, taxation and statistical records, prepares and submits to the Shareholder and the authorized governmental bodies the financial and other reports covering all types of activities within the specified terms and in the prescribed manner. The Company is responsible for the completeness and adequacy of information submitted to the Shareholder.

**21.** The Company develops and approves the internal documentation.

**22.** The Company has a right to establish subsidiaries and affiliates and to take part in the equity capital and activity of other legal entities both in the territory of the Republic of Kazakhstan and abroad in the manner specified by the Charter and the legislation of the Republic of Kazakhstan.

**23.** In accordance with the procedure specified by the legislation of the Republic of Kazakhstan and the present Charter, the Company may establish branches and representative offices both in the Republic of Kazakhstan and abroad to act for and on behalf of the Company based on the Regulations thereon. The Company may allocate to them main assets and working capital from its own assets and define their operating procedures in accordance with the legislation of the Republic of Kazakhstan. The property of a branch or representative office shall be stated on its own balance sheet and the balance sheet of the Company as a whole.

**24.** The persons appointed by the Management Board of the Company hold the guidance of branches and representative offices. Directors of branches and representative offices shall act under the power of attorney issued by the Company.

**25.** The Company may engage the services of experts and consultants to pursue its main activity in duly manner.

**26.** The Company may have other rights and responsibilities provided by the legislation of the Republic of Kazakhstan and the Charter.

## **5. OBJECTIVE AND TYPES OF ACTIVITIES OF THE COMPANY**

27. The objectives of the Company are as follows:

1) To conduct asset management of the National Fund of the Republic of Kazakhstan, foreign-exchange reserves of National Bank of Kazakhstan, pension funds and all other assets in the manner prescribed by the legislation of the Republic of Kazakhstan;

2) To improve the efficiency of the asset management of the National Fund of the Republic of Kazakhstan, foreign-exchange reserves of the National Bank of Kazakhstan, pension funds and all other assets under management of the Company;

3) To apply the global best practice to the alternative investment;

4) To gain profit from, including but not limited to, any activity permitted by the legislation of the Republic of Kazakhstan.

28. In order to achieve its objectives the Company performs the following types of activities:

1) Investing in the global financial markets:

- Investing in securities, financial instruments and investment funds;

- Investing in alternative financial assets;

- Investing in derivative instruments and conducting derivative transactions;

- Investing in infrastructure funds and projects by means of buying out an interest and/or a share in the fund;

- Direct and strategic investment;

2) ensuring state and private partnership in various sectors and industries of Kazakhstan economy;

3) Broker and dealer activity;

4) Offering the temporary surplus funds in the global and Kazakhstan financial markets in accordance with the procedure established by the legislation of the Republic of Kazakhstan and the internal documents of the Company;

5) Acting as a participant and a partner in the capital of companies jointly established with the foreign institutional and Kazakhstan investors;

6) Placing money in the second-tier banks, National Bank of Kazakhstan and foreign banks under the bank account and the bank deposit agreements;

7) Arranging and transferring part of the assets managed by the Company for external asset management;

8) Other types of activities associated with trust management.

29. The Company can conduct any type of activities not prohibited by the legislation of the Republic of Kazakhstan and subject to all special permits and/or licenses. The legal capacity of the Company arises when it gains a license in the area where it requires a license, and the legal capacity of the Company ceases when the license is withdrawn, terminated or found invalid in the duly manner.

## **6. CONSTITUENT DOCUMENTS**

30. The Charter is a Constituent document of the Company.

31. All the parties concerned may consult the Charter.

## **7. SECURITIES OF THE COMPANY**

**32.** The Company can only issue common shares.

**33.** A common share enables the Shareholder to make decisions in respect of all the issues submitted for its consideration. A common share also gives the Shareholder a right to gain a part of the Company's property in case of its liquidation in accordance with the procedure established by the legislation of the Republic of Kazakhstan.

**34.** The Company issues its shares in non-documentary form. The Shareholder of the Company takes decisions regarding the placement (disposal), including the number of shares to be placed (disposed) within the authorized share capital, the method and price of placement (disposal).

**35.** The Company shall offer its shares after the state registration of the issue.

**36.** An independent registrar of the Company opens, maintains and manages the register of the Company's shareholders in accordance with the legislation of the Republic of Kazakhstan.

## **8. BODIES OF THE COMPANY**

**37.** The bodies of the Company include:

- 1)** The Supreme body – the Shareholder;
- 2)** The Governance body – the Board of Directors;
- 3)** The Executive body – the Management Board;
- 4)** The Internal Audit Service.

## **9. PROPERTY OF THE COMPANY**

**38.** The property of the Company serves to ensure the Company's activity, and the Company is its beneficial owner.

**39.** The property of the Company is formed from:

- 1)** Cash and other assets included by the Shareholder in the share capital as a payment for the purchased shares of the Company;
- 2)** Profit gained from the activity of the Company;
- 3)** Other property acquired in the manner and order permitted by the legislation of the Republic of Kazakhstan.

## **10. ORDER OF NET INCOME DISTRIBUTION**

**40.** The Company distributes its net income (after taxes and other mandatory payments to the budget) in a manner prescribed by the decision of the Shareholder, including the payment of dividends. The Company allocates the remaining part for the development of the Company and other objectives determined by the decision of the Shareholder.

## **11. THE SHAREHOLDER OF THE COMPANY**

**41.** The designated person of the sole Shareholder authorized to take such decisions in duly manner shall take the decisions on the issues referred to the competence of the general meeting of shareholders by the legislation of the Republic of Kazakhstan and the Charter of the Company.

**42.** The Board of Directors, the Management Board and the Liquidation Committee of the Company prepare the issues submitted for consideration of the Shareholder and referred to the competence of the Shareholder by the legislation of the Republic of Kazakhstan.

**43.** The Board of Directors, the Shareholder and, in the process of the voluntary liquidation, the Liquidation Committee of the Company can initiate the submission of the issues referred to the competence of the Shareholder by the legislation of the Republic of Kazakhstan for consideration of the Shareholder.

**44.** The compulsory submission of issues for consideration of the Shareholder can provide by the legislation of the Republic of Kazakhstan.

**45.** Materials on the issues submitted for consideration of the Shareholder shall contain information to the extent necessary for taking informed decisions on the issues in question.

**46.** Materials on the issues of election of the Company bodies shall contain the following information about the proposed candidates:

- 1)** Surname, name and, optionally, patronymic;
- 2)** Qualifications;
- 3)** Information on affiliation to the Company;
- 4)** Information regarding places of work and positions over the last three years;
- 5)** Other information proving the qualification and experience of the candidates.

**47.** Materials on the issues referred to the competence of the Shareholder by the legislation of the Republic of Kazakhstan, submitted for consideration of the Shareholder, shall include:

- 1)** The annual financial statements of the Company;
- 2)** Auditor's report attached to the annual financial statement;
- 3)** The information on the Shareholder's appeals to the actions of the Company and its employees as well as on the results of court proceedings thereof;
- 4)** Other documents at the discretion of the author who initiated the submission of the issues referred to the competence of the annual general meeting of shareholders for the Shareholder's consideration;

The materials relating to the issues referred to the sole competence of the Shareholder by the legislation of the Republic of Kazakhstan shall be prepared and made available to the Shareholder at the location of the Management Board of the Company at least 10 days prior to the meeting. The Shareholder may request sending the materials to him/her within 3 working days from the day of receipt of the request.

The Company shall keep the decisions taken by the Shareholder at the location of its executive body and submit for the Shareholder's review at any time.

## **12. RESERVED SHAREHOLDER MATTERS**

**48.** The Shareholder's reserved matters include the following:

- 1)** to modify and amend and revise the Charter, where appropriate;
- 2)** to approve the Corporate Governance Code, and its modification and amendment, where appropriate;
- 3)** to make voluntary reorganization and liquidation of the Company;
- 4)** to take the decision to increase the number of authorized shares of the Company;
- 5)** to take the decision regarding the placement (disposal), including the number of shares to be placed (disposed) within the authorized share capital, the method and price of placement (disposal);
- 6)** to determine the composition, term of office of the Board of Directors, to elect its members and early terminate their office, and determine the size and terms of remuneration and reimbursement of expenses to the members of the Board of Directors for the office execution;
- 7)** to determine the auditor of the Company and the auditor's fee;
- 8)** to approve the annual financial statements of the Company;
- 9)** to take the decision on non-distribution of dividends on ordinary shares of the Company;
- 10)** to take the decision on whether the Company will participate in the establishment or performance of, or cease the participation in, the other legal entities by transfer of assets or part of assets totaling to twenty five or more percent of all the assets belonging to the Company;
- 11)** to approve the share value assessing methodology in case of the redemption by the Company and modifications to the methodology in accordance with the Law of the Republic of Kazakhstan "On Joint-Stock Companies" (hereinafter – the Law);
- 12)** to determine the process of reporting on the performance of the Company to the Shareholder and select the mass media to publish materials in accordance with the Law of the Republic of Kazakhstan;
- 13)** to determine the appraiser to evaluate the market price of the property which is transferred as payment for the Company's shares or, is a subject of as a major transaction, and the appraiser's fee;
- 14)** to determine the number of members of the Management Board of the Company, term of office of the Management Board, election of the Chairman and members of the Management Board and early termination of office;
- 15)** to take the decision on the redemption of the floating shares by the Company and repurchasing price thereof;
- 16)** to hold financial audit of the Company;
- 17)** to determine the process of reporting on the performance of the Company to the Shareholder and select the mass media;
- 18)** other issues referred to the Shareholder's reserved matters in accordance with the Law of Republic of Kazakhstan and the Charter.

**49.** Other bodies, officials and employees of the Company cannot consider the issues referred to the Shareholder's reserved matters, unless otherwise specified by the Law of the Republic of Kazakhstan.

**50.** The Shareholder may cancel any decision of the other bodies of the Company on the issues relating to the Company's business. The Shareholder shall execute its decisions in writing.

### **13. BOARD OF DIRECTORS OF THE COMPANY**

**51.** The Board of Directors performs general management of the Company except for the issues referred to the Shareholder's reserved matters in accordance with the Law and the Charter.

The Board of Directors takes the decisions in a manner specified by the Charter, internal documents of the Company and the Law of the Republic of Kazakhstan.

**52.** The number of members of the Board of Directors must be at least three. At least thirty percent of the Board of Directors must be independent directors.

**53.** The Company may establish committees of the Board of Directors to consider the most important issues and advise to the Board of Directors. The internal documents of the Company approved by the Board of Directors define the procedure of the establishment and performance of committees of the Board of Directors, and the qualitative composition thereof. The Chairman of the Management Board of the Company is a permanent member of the Board of Directors with a right of voting.

**54.** Unless otherwise specified by the Charter or the Law, the reserved matters of the Board of Directors include the following:

- 1)* to determine the priority lines of business of the Company, to approve the development strategy and development plan of the Company;
- 2)* to submit the proposals on the composition of Management of the Company for consideration of the Shareholder;
- 3)* to pre-approve the annual financial reports of the Company;
- 4)* to approve the accounting policy of the Company;
- 5)* to approve the business-plan of the Company, modify and amend the previously approved business-plan of the Company;
- 6)* to approve the procedure of preparing the annual budget of the Company, the mid-term business-plan and the long-term strategic planning;
- 7)* to determine the procedure of bonus payment to the Company's employees;
- 8)* to approve the documents regulating the asset management of the Company;
- 9)* to approve the internal documents of the Company including those regulating investment activity and procedures of implementation and monitoring of investments management process;
- 10)* to take decisions on closing branches and representative offices of the Company and approve regulations thereon;
- 11)* to determine the information about the Company or its activity comprising the formal, commercial or other law-protected secret;



**12)** to take the decisions on entering into major transactions and transactions which represent the interest for the Company;

**13)** to take control over target use and safety of property belonging to the Company both in accordance with the ownership right and the asset management right;

**14)** to increase the obligations of the Company by ten and more percent of the equity capital;

**15)** to take the decisions on the issues referred to the competence of the general meeting of shareholders (participants) of the legal entity, ten and more percent of shares (authorized shares) of which belong to the Company;

**16)** to undertake monitoring and control over administrative expenses;

**17)** to approve the internal procedures of the Company on risk management, control and analysis of effectiveness, and improvement of these procedures;

**18)** to approve the structure, staff size and personnel chart of the Company including branches and representative offices;

**19)** to determine the salary size and terms of remuneration and bonus payments to the Chairman and members of the Management Board of the Company;

**20)** to determine the quantity, term of office of the internal audit, appointment of its director and members, and also early termination of office, the operational procedure of internal audit service, terms of remuneration and bonus payment to the internal audit service employees;

**21)** to appoint the corporate secretary, determine its term of office, early termination of its office and the size of salary and terms of remuneration;

**22)** to approve the Regulations on the committees of the Board of Directors of the Company and certain policies of the Board of Directors;

**23)** other issues provided by the Law and the Charter that are not referred to the reserved Board matter.

**55.** The Management Board of the Company cannot consider the issues specified in Clause 54 of the Charter.

**56.** The Board of Directors cannot take decisions on the issues referred by the Charter to the competence of the Management Board of the Company, and take decisions that contradict the Shareholder's decisions.

**57.** The Members of the Board of Directors of the Company shall be:

1. persons recommended (advisable) for election to the Board of Directors to act for the benefit of the Shareholder;

2. other persons (subject to limitations specified in Clause 52 of the Charter).

**58.** A member of the Management Board shall not be the Chairman of the Board of Directors.

Requirements to the persons elected to the Board of Directors are set out in the Law of the Republic of Kazakhstan and the Charter.

A member of the Board of Directors shall not be a person:

**1)** who has an outstanding or unreleased conviction in accordance with the Law of the Republic of Kazakhstan;

**2)** who earlier acted as the Chairperson of the Board of Directors, CEO (Chairman of the Management Board), Deputy Director, Chief Accountant of the other legal entity at least one year before the decision on compulsory liquidation or, compulsory redemption of shares or,

temporary closing the other legal entity declared bankrupt was taken in due manner. The above mentioned requirement shall be valid for five years after the decision on compulsory liquidation or, compulsory redemption of shares or, temporary closing the other legal entity declared bankrupt is taken in due manner.

**59.** The persons elected as members of the Board of Directors can be re-elected (re-appointed) for an unlimited number of terms, unless otherwise specified by the Law of the Republic of Kazakhstan.

The Shareholder determines the term of office of the Board of Directors.

The term of office of the Board of Directors expires since the Shareholder takes the decision to re-elect the Board of Directors.

The Shareholder is entitled to terminate the authority of all or any members of the Board of Directors before termination of their term of office.

Any member of the Board of Directors shall notify the Board of Directors in writing of its early termination of office.

The authority of such a member of Board of Directors ceases upon receipt of the specified notice by the Board of Directors.

In case of early termination of office of the Board of Directors and election (appointment) of a new member of the Board of Directors by the Shareholder, the authority of the latter expires simultaneously with the expiration of authority of the Board of Directors as a whole.

**60.** The Chairman of the Board of Directors shall be elected from among its members by the majority of votes through the secret ballot.

The Board of Directors may re-elect the Chairman at any time.

In accordance with the procedure established by the Law of the Republic of Kazakhstan and the Charter, the Chairman of the Board of Directors shall:

- 1) organize the work of the Board of Directors of the Company;
- 2) convene the meetings of the Board of Directors of the Company and chairs thereon;
- 3) organize maintenance of minutes;
- 4) perform other functions prescribed by the Law of the Republic of Kazakhstan and the Charter.

In the absence of the Chairman of the Board of Directors, one of the members of the Board of Directors may perform his/her functions by the decision of the Board of Directors.

**61.** The meeting of the Board of Directors shall be the initiative of the Chairman of the Board of Directors or, the Management Board or:

- 1) any member of the Board of Directors;

- 2) the internal audit service of the Company;
- 3) an auditor who holds the audit of the Company;
- 4) the Shareholder.

**62.** The Chairman of the Board of Directors receives a request to convene the meeting of the Board of Directors by the appropriate written notice, which contains the suggested agenda of the meeting of the Board of Directors.

In case the Chairman of the Board of Directors refuses to convene the meeting, the initiator has a right to address the Management Board with the mentioned request. The Board of Directors must convene the meeting of the Board of Directors.

The Chairman of the Board of Directors or the Management Board must convene the meeting of the Board of Directors at least fifteen working days after the date of receipt of the request to convene a meeting.

The requesting person must attend the meeting of the Board of Directors with a binding effect.

**63.** The Board of Directors determines the procedure of notifying the members of the Board of Directors of the meeting of the Board of Directors.

The internal documents of the Company provide for the participation of the members of the Board of Directors in the meeting of the Board of Directors via videoconference (interactive audio-visual connection), conference-call (simultaneous conversation of the members of the Board of Directors in the mode of “telephone conference”), and also participation with the use of other means of connection.

A Member of the Board of Directors must inform the Management Board beforehand of not being able to attend the meeting of the Board of Directors. A person who is absent at the meeting of the Board of Directors can vote on the issues on the agenda of the Board of Directors by written notice.

The stated written notice on the agenda must contain:

- 1) date of preparation;
- 2) agenda of the meeting upon which a member of the Board of Directors expresses his/her opinion by means of the written notice;
- 3) clear viewpoint on each issue of the agenda;
- 4) signature;
- 5) other information related to the agenda, at the discretion of the Board of Directors.

To calculate the quorum and the results of voting, the minutes of the meeting take the account of a written message on the agenda represented by a member of the Board of Directors and filed to the minutes and take record of the vote of the member forwarded in writing.

A member of the Board of Directors must present the written message on the agenda to the Chairman of the Board of Directors or the Secretary of the Board of Directors before the meeting of the Board of Directors starts.

Every time a member of the Board of Directors who previously presented a written message on the agenda arrives at the meeting for voting, and the voting is of mixed type, the meeting disregards his/her written opinion.

**64.** The quorum for holding the meeting of the Board of Directors comprises is at least half of the number of members of the Board of Directors and may take account of the absent members of the Board of Directors (subject to availability of their votes expressed in writing).

Where the total number of members of the Board of Directors is not sufficient for the quorum specified in the previous passage of the present clause, the Board of Directors must submit for consideration of the Shareholder an issue of election (appointment) of new members of the Board of Directors. The remaining members of the Board of Directors have a right to take only the decisions to submit the issue for consideration of the Shareholder.

**65.** Every member of the Board of Directors has one vote. The Board of Directors makes decisions by a simple majority of votes of the members of the Board of Directors, who are present at the meeting, unless otherwise specified by the Law.

In case the number of votes is equal, the vote of the Chairman of the Board of Directors or a person who chairs at the meeting of the Board of Directors is decisive.

The Board of Directors may decide to hold a closed meeting, with only members of the Board of Directors to attend it.

**66.** At the discretion of the Chairman of the Board of Directors of the Company, the Board of Directors may take decisions on the issues submitted for its consideration by absentee ballot. The absentee voting on the issues on the agenda of the meeting requires the ballots.

The Board of Directors takes a decision by absentee ballot subject to the quorum in the ballots received at a stated time. The decision of the meeting in absentia of the Board of Directors must be in writing and signed by the Secretary and the Chairman of the Board of Directors, and contain:

- 1) name and location of the Management Board of the Company;
- 2) date and place of the registration of the written decision of a meeting in absentia;
- 3) information on the composition of the Board of Directors;
- 4) a person (body) convening the meeting;
- 5) agenda of the meeting;
- 6) availability/absence of quorum for taking decisions;
- 7) results of the voting on each item on the agenda and the decision taken;
- 8) other information.

The decision must be sent to the members of the Board of Directors within twenty days from the date of the decision with attached ballots as the basis for this decision.

**67.** The decisions of the Board of Directors taken at the physical meeting are registered in the minutes compiled and signed by the chairperson and the secretary of the Board of Directors within three days from the date of holding the meeting, and must contain:

- 1) the full name and location of the Management Board of the Company;

- 2) date, time and place of holding the meeting;
- 3) information about the persons who attend the meeting;
- 4) agenda of the meeting;
- 5) issues put to a vote and results of the voting;
- 6) decisions taken;
- 7) the records of voting of the members of the Board of Directors by sending a written message regarding the items on the agenda (subject to the availability of such a written message);
- 8) other information on the decisions of the Board of Directors.

The files containing the minutes of the meetings of the Board of Directors, the decisions of the Board of Directors taken through an absentee ballot, as well as signed ballots are kept with the archives of the Company.

Upon request of a member of the Board of Directors, the Secretary of the Board of Directors must submit him/her the minutes of the meeting of the Board of Directors and the decisions taken by absentee ballot for examination, and (or) give him/her extracts from the minutes and decisions certified by his/her signature and the corporate seal of the Company.

#### **14. MANAGEMENT BOARD OF THE COMPANY**

**68.** The Company is managed by a collective executive body - the Management Board that takes decisions on the issues of operations of the Company, that are not considered the competence of other bodies and officials of the Company, including:

- 1) takes decisions aimed at the achievement of goals and objectives of the Company;
- 2) takes decisions to make transactions on behalf of the Company except the decisions to make the transactions which are referred to the competence of other bodies of the Company and prepares recommendations on major transactions;
- 3) prepares and provides for consideration of the Board of Directors proposals on foreground and perspective plans of activity of the Company;
- 4) makes suggestions to the Board of Directors regarding the establishment and closing of branches, representative offices of the Company, coordinates and guides their work;
- 5) ensures development of the accounting policy and its submission for approval by the Board of Directors;
- 6) implements control of the financial position of the Company and the risk management effectiveness;
- 7) identifies and assesses potential and possible risks associated with the operations of the Company, applies regulatory procedures to risk management, defines limits for the permissible risk limit in accordance with the type of operations, adopts effective measures to control observation of the specified limits;

**8)** controls allocation of financial resources among the subdivisions of the Company responsible for operations with financial instruments from the point of view of permissible limits established by the Board of Directors;

**9)** controls observation of possible and potential risks policies by subdivisions of the Company;

**10)** controls the Company's observation of contractual liabilities, requirements of the Law of the Republic of Kazakhstan, internal policies to conduct operations with financial instruments at the expense of the assets taken for asset management;

**11)** analyzes an audit opinion of the internal audit service based on the results of each audit inspection and provides to the Board of Directors proposals on the appropriate remedial measures;

**12)** improves accounting and reporting system of the Company on the basis of the conclusions of independent auditors;

**13)** determines internal labor regulations of the Company;

**14)** ensures duly motivation and labor discipline in the Company;

**15)** approves regulations on business units of the Company;

**16)** approves internal documents regulating the procedure of assessment of directors within the reporting year;

**17)** ensures safety and protection of internal (non-public) information about the Company;

**18)** performs other functions prescribed by the Law of the Republic of Kazakhstan, the internal documents of the Company, and the decisions of the Shareholder and the Board of Directors, that are not referred to the Reserved Matters of the Shareholder, the Board of Directors and the Chairman of the Management Board by the Law of the Republic of Kazakhstan and the Charter of the Company.

The Management Board acts in the interests of the Shareholder and reports to the Shareholder and the Board of Directors of the Company. The Management Board must exercise decisions of the Shareholder and the Board of Directors of the Company. In their activity, members of the Management Board are guided by principles of professionalism, integrity, honesty, common sense, and discretion.

The Management Board consists of the Chairman and members of the Management Board.

Any member may request convening the meeting of the Management Board.

The quorum for holding the meeting of the Management Board comprises 50 (fifty) percent and more of the total number of the Management Board members.

If the number of votes is equal, the vote of the Chairman of the Management Board is decisive.

Taking decisions of the Management Board requires the simple majority of votes of members of the Management Board, then the decisions are maintained in the Minutes. All members of the Management Board attending the meeting shall sign the Minutes.

**69. Chairman of the Management Board:**

1) takes control over the implementation of decisions of the Shareholder and the Management Board;

2) represents the Company without power of attorney in relations with third parties;

3) issues a power of attorney to represent the Company in relation with third parties;

4) recruits, moves and dismisses employees of the Company (except in the cases stipulated by the Law), uses incentives and imposes disciplinary measures, sets up size and terms of salary and bonus payment to the employees of the Company, except for employees who are members of the Management Board;

5) enters into labor agreements with the members of the Management Board;

6) in the absence of himself/herself, assigns his/her responsibility to one of the members of the Management Board;

7) allocates functionality, authority and responsibility among the members of the Management Board;

8) approves job description of the Company's employees;

9) signs regulations on branches and representative offices of the Company, and modifications and amendments thereto;

10) enters into engagement agreement with an auditor to conduct an audit in accordance with the procedure established by the Law of the Republic of Kazakhstan;

11) enters into agreements (contracts) on behalf of the Company.

12) issues orders, regulations and directions on all issues of the Company's activity;

13) presents the budget estimate of the Company for approval of the Board of Directors;

14) takes decisions on reallocation of expenses through the balance sheet items within the total expenses approved by the Board of Directors;

15) presents for approval of the Board of Directors a financial mid-term plan of the Company and the annual report of its implementation;

16) upon preliminary approval by the Board of Directors, presents for consideration and approval of the Shareholder the annual financial report for the last financial year;

17) submits relevant plans and reports of the Company to the competent government bodies in the manner and within the dates prescribed by the Law of the Republic of Kazakhstan;

**18)** submits for approval of the Board of Directors of the Company the internal documents relating to risk management which approval is referred to the competence of the Board of Directors of the Company;

**19)** submits information to the Board of Directors in accordance with the internal documents of the Company approved by the Board of Directors;

**20)** takes anti-corruption measures and bears responsibility for non-performance or improper performance of such obligations in accordance with the Law.

**21)** performs other functions upon request of the Company's bodies.

The Chairman of the Management Board has a right to submit for consideration of the Management Board any issue referred to their competence.

## **15. EXECUTIVE OFFICERS OF THE COMPANY**

**70.** The executive officers of the Company (members of the Board of Directors, members of the Management Board of the Company):

**1)** fulfill their responsibilities fairly and use ways which serve the interests of the Company and the Shareholder in the best possible way;

**2)** must not use or allow using the Company's property in contrary to the Charter of the Company, decisions of the Shareholder and the Board of Directors of the Company, and also for personal purposes and must not abuse their authority when making transactions with the affiliates;

**3)** must ensure the integrity of the accounting and financial reporting systems including conducting independent audit;

**4)** control disclosure and provision of information about the activity of the Company in accordance with requirements of the Law of the Republic of Kazakhstan;

**5)** must keep information about the Company's activity confidential.

**71)** The executive officers are responsible to the Company and the Shareholder for the damage caused by their activity (inactivity) in accordance with the Law of the Republic of Kazakhstan.

Based on the decision of the Shareholder, the Company has a right to file a claim against an executive officer seeking for indemnity of damage suffered by the Company.

## **16. FINANCIAL REPORTING, ACCOUNTING RECORDS AND AUDIT OF THE COMPANY**

**72.** The financial year of the Company is a calendar year (from January 1 to December 31).



The financial reporting of the Company includes balance sheet, income statement, cash flow statement, statement of changes in the capital and an explanatory memorandum.

The Law of the Republic of Kazakhstan on Accounting and Reporting prescribes the accounting and reporting procedures of the Company.

**73.** The Management Board annually submits an audited financial reporting for the reported financial year to the Shareholder for its discussion and approval in accordance with the Audit Law of the Republic of Kazakhstan. Besides financial reporting, the Management Board submits to the Shareholder an auditor's opinion including auditor's advice (letter to the management).

**74.** The annual financial statement is subject to preliminary approval by the Board of Directors at least thirty days before the date of submitting it for the Shareholder's approval.

The Shareholder finally approves the annual financial statements of the Company.

**75.** The Company annually publishes financial reporting in the manner and within the time stated by the Law of the Republic of Kazakhstan.

**76.** The Company must hold an audit of the annual financial statements. A recognized international auditor must hold the audit of the annual financial statement of the Company.

**77.** The Board of Directors, the Management Board may arrange for conducting the audit of the Company either at the expense of the Company or upon request of the Shareholder at his expense. The Shareholder has a right to choose an auditor or delegate the audit to the service of internal audit of the Shareholder. In case the audit is carried out on the Shareholder's request the Company must submit all the necessary documentation (materials) requested by the auditor.

In the event the Management Board avoids auditing of the Company, the court may determine the audit upon the suit of any interested person.

**78.** The Shareholder may initiate the audit of the Company's activity. The Shareholder may define the theme of an audit.

**79.** The Management Board regularly, within the time set up by the Shareholder or the Board of Directors, submits to the Shareholder the asset management report.

## **17. INTERNAL AUDIT SERVICE**

**80.** The employees of the Internal Audit Service shall not be the members of the Board of Directors and the Management Board of the Company.

**81.** The Internal Audit Service is accountable to the Board of Directors and reports to it on the performance.

## **18. INFORMATION DISCLOSURE BY THE COMPANY**

**82.** The Company shall bring to the Shareholder any information on the activity of the Company upon his/her request.

**83.** The Company shall provide the information on its activity in accordance with the Law of the Republic of Kazakhstan and the Charter. Upon the Shareholder's request, the Company must furnish him/her the requested information or copies of the documents at least fifteen days after the date of receipt of the request, unless otherwise stated in the request, in accordance with the internal documents of the Company and subject to restricted disclosure of commercial, business or other Law-protected secret of the Company.

**84.** The Company posts the information on the Company's activity on its Internet-resource, except for information of confidential nature.

**85.** The Company must keep the documents concerning its activity during the whole term of its activity at the address of the Management Board, the Company or any other place determined by the decision of the Management Board.

The Company shall keep the following documents:

- 1) Charter, amendments and additions to the Charter;
- 2) Decision of the sole founder, amendments and additions made to the decision of the sole founder;
- 3) Certificate of state registration (re-registration) of the Company as a legal entity;
- 4) Statistical card of the Company;
- 5) License issued to the Company to carry out certain activities and (or) certain actions;
- 6) Title documents certifying rights of the Company for the property which is (was) on its balance sheet;
- 7) Prospectuses of the Company;
- 8) Documents certifying state registration of the issue of securities of the Company, cancellation of securities, as well as approval of reports of the results of placement and redemption of securities submitted to the authorized state body;
- 9) Regulations on branches and representative offices of the Company;
- 10) Decisions of the Shareholder and materials thereto;
- 11) Minutes of the meetings (decisions of absentee meetings) of the Board of Directors, materials on the issues of the agenda of the Board of Directors;
- 12) Decisions of the Management Board;
- 13) Corporate Governance Code.

**86.** The Company shall keep the other documents including financial statements within the period stated by the Law of the Republic of Kazakhstan.

**87.** Upon the Shareholder's request, the Company must provide him/her the copies of the documents prescribed by the Law of the Republic of Kazakhstan, subject to restrictions concerning business, commercial or other law-protected information.

## **19. REORGANIZATION AND LIQUIDATION OF THE COMPANY**

**88.** The Company may go through reorganization (merger, affiliation, demerger, separation, transformation) in accordance with the Law of the Republic of Kazakhstan.

**89.** Reorganization is either voluntary or compulsory.

**90.** The compulsory reorganization may take place by the decision of the judicial bodies to the extent provided by the Law of the Republic of Kazakhstan.

**91.** The Shareholder can take decision on voluntary liquidation of the Company, and the Shareholder determines the liquidation procedure in accordance with the Law of the Republic of Kazakhstan.

**92.** The court may exercise the compulsory liquidation of the Company to the extent provided by the Law of the Republic of Kazakhstan. The interested persons may appeal to the court with the claim for liquidation of the Company, unless otherwise stipulated by the legislation of the Republic of Kazakhstan

**93.** The court or the Shareholder may appoint the Liquidation Committee.

The Liquidation Committee is empowered to manage the Company in the period of its liquidation and do actions enlisted and determined by the Law of the Republic of Kazakhstan.

In case of voluntary liquidation, the Liquidation Committee must include representatives of creditors of the Company, representatives of the Shareholder, and other persons in accordance with the Shareholder's decision.

**94.** The procedure of the Company's liquidation and method of consideration of claims of its creditors are subject to regulation by the Law of the Republic of Kazakhstan.

Following the liquidation of the Company, its authorized shares, including the floating shares, are subject to cancellation in accordance with the Law of the Republic of Kazakhstan.

Upon liquidation, the Company shall distribute its property in accordance with the Law of the Republic of Kazakhstan.

## **20. FINAL PROVISIONS**

**95.** If any of the provisions of the Charter becomes invalid, it does not affect the validity of other provisions. A legally valid, equivalent provision shall replace the invalid one.

**96.** The Charter comes into force from the date of the state registration in the judicial authorities.

Representative of the Sole Founder  
of Joint-Stock Company "National Investment  
Corporation of National Bank of Kazakhstan"

<signature> Y.A. Birtanov  
Birtanov Yeszhan Amantayevich

On this 15<sup>th</sup> day of June 2012, I, Bekzhanova Alma Kenesbayeva, notary of the city of Almaty, acting on the basis of the state license No. 0000016 issued by the Ministry of Justice of the Republic of Kazakhstan on April 25, 1998, hereby certify authenticity of signature of Birtanov Yeszhan Amantayevich acting on behalf of Public Institution “National Bank of Kazakhstan” on the basis of the Power of attorney No. 73 of June, 7, 2012 that was made in my presence. The person who has signed the document is identified, the legal capacity of Public Institution “National Bank of Kazakhstan” and the authority of its representative are verified.

Registration number 1-9-7650

Notary fee paid 1780 tenge

Notary <signature>

Notary Seal

**ROUND STAMP:**

**MINISTRY OF JUSTICE OF THE REPUBLIC OF KAZAKHSTAN  
OF ALMATY CITY DEPARTMENT OF JUSTICE  
OF MEDEUSKY DISTRICT DIVISION OF JUSTICE**

**STAMP: NUMBERED AND BOUND 40 PAGES**

Notary

23.06.2012

**SQUARE STAMP**

**MINISTRY OF JUSTICE OF THE REPUBLIC OF KAZAKHSTAN  
OF ALMATY CITY DEPARTMENT OF JUSTICE  
OF MEDEUSKY DISTRICT DIVISION OF JUSTICE  
A TOTAL OF \_\_\_\_\_ SHEETS NUMBERED, BOUND AND SEALED  
23.06.2012**

**SQUARE STAMP:**

On this 11th day of July 2012, I, P.D. Kanagatova, notary of the city of Almaty, acting under state license No.0000396 dated 03/04/1999 issued by the Ministry of Justice of the Republic of Kazakhstan, hereby certify that the above copy is a true copy of the original document that does not contain any erasures, additions, crossed out words, non-stipulated corrections or irregularities.

Registration number 1-17126

Notary fee paid:

Notary <signature>

Notary seal

Exempt pursuant to p. 6 Article 542 of the Tax Code of the Republic of Kazakhstan.

4644 Tenge paid for the provision of technical services pursuant to Article 30-1 of Notary Law.

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41 pages

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Республика Казахстан, город Алматы.  
Шестое августа две тысячи двенадцатого года

Перевод текста документа с русского языка на английский язык выполнен переводчиком Абишевой Гаухар Мауленовной.

Подпись Абишевой Гаухар Мауленовны

Республика Казахстан, город Алматы,  
Шестое августа две тысячи двенадцатого года

Я, Есенбаева Дина Сахиповна, нотариус города Алматы, действующий на основании государственной лицензии № 0000232 от 30 сентября 1998 года, выданной Министерством юстиции Республики Казахстан, свидетельствую подлинность подписи, сделанной переводчиком гр. Абишевой Гаухар Мауленовной. Личность ее установлена, дееспособность и полномочия проверены.

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