

KAZAKHSTAN STOCK EXCHANGE JSC

Approved

by a decision of Management Board of
Kazakhstan Stock Exchange JSC

(minutes No. 27 of the meeting on February
25, 2022)

Effective

as of March 9, 2022

METHODOLOGY

for calculation of indexes and indicators of the
stock market

This Methodology determines the list of stock market indexes and indicators calculated by Kazakhstan Stock Exchange JSC (hereinafter – the Exchange), and the procedure for calculating these indexes and indicators, and also determines the special powers of the Indexes and Indicators Committee – a permanent, collegial body of the Exchange's Management Board, whose tasks are the formation of lists and parameters for calculating stock market indicators, as well as the formation of expert theses on improving the methods for calculating stock and money market indicators (hereinafter – the Committee).

Chapter 1. GENERAL PROVISIONS

Article 1. General provisions

1. Concepts defined by other internal documents of the Exchange are used in this Methodology.
2. For purposes of this Methodology:
 - 1) corporate bonds mean any debt securities the issuer of which is a legal entity recognized as a resident of the Republic of Kazakhstan in accordance with the Act of the Republic of Kazakhstan "On the Securities Market", with the exception of issuers of government securities of international financial organizations;
 - 2) deals mean deals concluded during the Exchange-operated trades;
 - 3) orders mean orders for conclusion of deals at the trades held by the Exchange;
 - 4) successful day for a particular financial instrument means a day during which at least one deal in that financial instrument was concluded in the Exchange's trading system;
 - 5) the "clean" price of a debt security means the price of that debt security without taking into account the interest accrued thereon but not paid out;
 - 6) a trading day means a trading day for financial instruments of those titles, the parameters of which are included in the calculation of the respective index or indicator.
 - 7) interested parties are persons who have relevant work experience, knowledge of the stock market and are not members of the Committee and who participate in the process of forming indexes and/or indicators.
3. The Exchange calculates the following stock market indexes and indicators (hereinafter – indexes and/or indicators):
 - 1) the equity market capitalization;
 - 2) KASE Index is the equity market index reflecting the change in the total market value of the most liquid shares of the Exchange's official list, issued by major financially stable companies-residents of the Republic of Kazakhstan;
 - 3) total face value and total market value of government securities of the Republic of Kazakhstan traded on the Exchange;
 - 4) indexes of the government securities market of the Republic of Kazakhstan, segmented by maturity: less than one year (s); from one to five years (m), from five years or more (l), and include:
 - KZGB_CP – price index of "clean" prices of government securities, calculated at prices excluding accrued and but not paid coupon interest;
 - KZGB_DP – comprehensive income price index (taking into account accrued coupon interest and reinvested coupon payment);

- KZGB_Y – yield indicators, in percent per annum;
- 5) total face value of the corporate bond market;
- 6) the corporate bond market indexes of KASE_BM* series:
 - KASE_BMY – the yield indicator of corporate bonds of the main market of the Exchange's official list;
 - KASE_BMC – the index of "clean" prices of corporate bonds of the main market of the Exchange's official list;
- 7) indexes of the corporate bond market of KASE_BA* series:
 - KASE_BAY – the yield indicator of corporate bonds of the alternative market of the Exchange's official list;
 - KASE_BAC – the index of "clean" prices of corporate bonds of the alternative market of the Exchange's official list;
- 8) closing prices for securities.

Article 2. General conditions for calculating stock market indexes and indicators

1. For calculation of indexes and indicators of the stock market, except for closing prices for securities, the Exchange forms representative lists of securities, the parameters of which are used for the purposes of such calculation.

The procedure for calculating indexes and indicators is given in articles 3–8 of this Methodology.

2. The influence of securities of one title on the values of KASE Index or indicators of the corporate bond market is limited by using a restrictive coefficient determined by this Methodology.
3. Calculation of stock market indexes and indicators is carried out daily at the end of the trading day for securities, except for KASE Index, which is calculated during the trading day for shares as deals are made with shares of those titles that are in the representative list for calculation of KASE Index (irrespective of the execution of these deals).
4. Values of stock market indices and indicators are calculated and published by the Exchange with accuracy of up to two decimal places with rounding according to the rules of mathematical rounding (digits up to five decrease to zero, and numbers from five and above increase to ten), except for KASE_BMC and KASE_BAC indexes, whose values are calculated and published with accuracy of four decimal places, rounded according to the rules of mathematical rounding (digits up to five are reduced to zero, and numbers from five and above are increased to ten).

Figures of the total face value and the total market value of government securities of the Republic of Kazakhstan traded on the Exchange are published in billions of tenge with accuracy of up to two decimal places with rounding according to the rules of mathematical rounding (digits up to five decrease to zero, and numbers from five and above increase to ten). For information purposes, the Exchange may publish these values in other foreign currencies at the official exchange rate of the National Bank of the Republic of Kazakhstan as of the calculation date.

5. When calculating indexes and indicators:
 - 1) deals concluded by the open trading method are used, as defined by the Regulations on trading methods approved by the Board of Directors of the Exchange (hereinafter – the Regulations), unless otherwise specified by the procedure for calculating the index or indicator;
 - 2) the parameters of deals related to repo transactions, as well as the parameters of orders for conclusion of such transactions are not used;

- 3) parameters of securities, deals and orders, denominated in a foreign currency are re-calculated into the Kazakh tenge at the official rate of the National Bank of the Republic of Kazakhstan as of the settlement date;
 - 4) indexed parameters of indexed securities, deals with such securities and orders for conclusion of deals with such securities are used, unless otherwise provided by the procedure for calculating this index or indicator;
 - 5) the number of issued securities and the number of shares that are in free float are determined by the Exchange based on information received by it from the admittance initiator of these securities as part of its obligations to the Exchange to disclose information or from another official source.
6. In case of absence during the trading day of deals or orders involving securities, parameters of which are necessary for calculation of an index or indicator, for such calculation purposes the data of the last successful day are used, based on which it is possible to determine such parameters, if not stipulated otherwise by the procedure of that index or indicator calculation.

Chapter 2. PROCEDURE FOR CALCULATION OF INDEXES AND INDICATORS

Article 3. Equity market capitalization calculation

1. The representative list for calculation of the equity market capitalization (hereinafter – the representative list of shares) is formed by the Exchange without the Committee making any decisions, out of shares of all titles included in the Exchange's official list, provided all of the following conditions are fulfilled in relation to shares of each particular title:
 - 1) receipt by the Exchange of information on the number of issued shares of this title;
 - 2) opening by the Exchange of trades in shares of this title. Suspension of trading is not a basis for exclusion of shares from the representative list of shares;
 - 3) the issuer must be a legal entity recognized by an organization – a resident of the Republic of Kazakhstan in accordance with the act of the Republic of Kazakhstan "On the Securities Market";
 - 4) preferred shares of the issuer cannot be included in the representative list of shares, if there are no ordinary shares of this issuer in the representative list.
2. Shares are excluded from the representative list of shares without the Committee making any decisions when they are excluded from the Exchange's official list. Preferred shares are excluded from the representative list of shares without the Committee making any decisions when ordinary shares of this issuer are excluded from the Exchange's official list.
3. The equity market capitalization is calculated according to the following formula:

$$CAP_s = \sum_{i=1}^n (Q_i \times \bar{P}_i), \text{ where}$$

CAP_s – the equity market capitalization, in KZT;

n – the number of shares' titles quoted in the representative list;

Q_i – the number of issued shares of the i -th denomination (minus those re-purchased by the issuer), in units;

\bar{P}_i – the weighted average price of one share of the i -th title on deals concluded during the last completed day of trading in shares, in KZT.

4. The issuer's capitalization is calculated by the following formula:

$$CAP_i = \sum_{j=1}^n (Q_{ij}^{ord} \times P_{ij}^{ord}) + \sum_{j=1}^m (Q_{ij}^{pref} \times P_{ij}^{pref}), \text{ where}$$

- CAP_i – capitalization of the i-th issuer in tenge;
- n – number of issues of common shares of the i-th issuer;
- m – number of issues of preferred shares of the i-th issuer;
- Q_{ij}^{ord} – number of issued common shares (minus those repurchased by the issuer) of the j-th issue, i-th issuer in pieces;
- P_{ij}^{ord} – weighted average price of one common share of the j-th issue of the i-th issuer in tenge on deals made in the Exchange's trading system during the last expired successful trading day for shares of this title;
- Q_{ij}^{pref} – the number of issued preferred shares (minus those repurchased by the issuer) of the j-th issue of the i-th issuer in units;
- P_{ij}^{pref} – weighted average price of one preferred share of the j-th issue of the i-th issuer in tenge on deals made in the Exchange's trading system during the last expired successful trading day for shares of this title.
5. When consolidating or splitting shares, appropriate changes are made to the parameters of shares of this title used in calculating the capitalization of the equity market. Whereby:
- 1) the capitalization indicator of the issuer of these shares is fixed according to the last calculated parameters until the completion of the procedure for consolidating or splitting these shares;
 - 2) the calculation of the capitalization of the issuer of these shares is carried out from the moment of the conclusion of the first deal with shares of this title after the completion of consolidation or splitting and the receipt by the Exchange of information on the number of issued shares.
6. When changing the number of issued shares, the relevant changes are made to the parameters of shares of this title used in calculating the capitalization of the equity market.

If the difference between the current date of calculation of the capitalization of the equity market and the date of the last deal with shares of this title exceeds 90 calendar days:

- 1) the capitalization indicator of the issuer of these shares is fixed according to the last calculated parameters before the change in the number of issued shares;
- 2) the calculation of the capitalization of the issuer of these shares according to the new parameters is carried out from the moment of the conclusion of the first deal with shares of this title after a change in the number of issued shares.

Article 4. Calculation of KASE Index

1. The representative list for calculation of KASE Index (hereinafter – the representative list of KASE Index) is formed by the Committee from among the shares included in the "Main" market of the Exchange's official list, provided that all of the following conditions are met:
 - 1) the total number of shares listed on the representative list of KASE Index must be at least seven;
 - 2) shares are included in the representative list of KASE Index by decision of the Committee and if these shares and their issuer comply with the conditions established by item 2 of this article, as well as if the Exchange has information

- on the number of issued shares of this title and other information necessary to determine the number of shares that are in free float;
- 3) for shares to be included in the representative list of KASE Index, these shares and their issuer must comply with the conditions established by item 3 of this article;
 - 4) the decision to revise the representative list of KASE Index must be made by the Committee and published by the Exchange on the Exchange's website before January 16, April 16, July 16, October 16. Changes to the representative list of KASE Index on the basis of the decision of the Committee are made once in a calendar quarter – from the third working day of February, May, August and November;
 - 5) the decision to revise the representative list of KASE Index may be taken by the Committee on an extraordinary basis on the grounds specified in items 3, 5 and 6 of this article. At the same time, information about such a decision is published on the Exchange's website no later than one business day after it was taken.
2. For inclusion of shares in the representative list of the KASE Index, these shares and their issuer must meet the following conditions:
- 1) the issuer must be a legal entity recognized as a resident organization of the Republic of Kazakhstan in accordance with the Law of the Republic of Kazakhstan "On Securities Market";
 - 2) the issuer's capitalization must be at least KZT25 billion and calculated by the Exchange according to the formula of item 4 of article 3 of this Methodology.
 - 3) equity capital of the issuer must be positive according to the most recent annual financial statements, confirmed by the auditor's report (if there are subsidiaries - the issuer's consolidated financial statements, confirmed by the auditor's report), which the Exchange has;
 - 4) net profit of the issuer must be positive for the last two financial years according to the annual financial statements, confirmed by the auditor's report (if there are subsidiaries - the issuer's consolidated financial statements, confirmed by the auditor's report), which the Exchange has;
 - 5) if the issuer has a valid rating assessment, the rating of such issuer must be at least "B" on the international scale of S&P Global Ratings and/or a rating assessment of a similar level of rating agencies Fitch Ratings and/or Moody's Investors Service.
 - 6) shares planned for inclusion in the representative list of the KASE Index must meet the following criteria:
 - the volume of trading in these shares for each of the six months preceding the planned date of inclusion must be at least 40 million tenge;
 - the number of productive days for these shares for each of the six months preceding the planned inclusion date must be at least 70% of all trading days of the relevant month;
 - transactions concluded with these shares for each of the six months preceding the planned inclusion date must be concluded by at least five members of the Exchange.
3. The Committee has the right to make a decision on inclusion of shares of any denomination into the representative list of KASE Index without taking into account the requirements established by item 2 of this article, if there are factors indicating, in the opinion of the Committee, of sufficient liquidity of shares of this denomination.

4. To find shares in the representative list of KASE Index, these shares and their issuer, on the date of change in the representative list of KASE Index, must comply with the following conditions:
 - 1) capitalization of the issuer, calculated according to the formula specified in item 4 of Article 3 of this Methodology, must be at least KZT 25 billion;
 - 2) the issuer's equity capital must have a positive value according to the most recent annual financial statements (if there are subsidiaries - the issuer's consolidated financial statements), confirmed by the auditor's report, which is available to the Exchange;
 - 3) clean profit of the issuer must be positive for the last two financial years according to the annual financial statements, confirmed by the auditor's report (if there are subsidiaries - the issuer's consolidated financial statements, confirmed by the auditor's report), which the Exchange has;
 - 4) minimum volume of trades in these shares in the Exchange trading system must be equal or more than 20 mln tenge in each of any four months out of six months preceding the list change date. If these shares are traded on a foreign exchange, the minimum trading volume on the Exchange must be equal or more than 20 million tenge in each of any two months out of six months preceding the list change date, provided that trading volume in these shares on a foreign exchange must be equal or more than 20 million tenge in each of any four months out of six months preceding the list change date
 - 5) in each of any four months of the six months preceding the date of change in the list, at least 50% of the trading days (of the total number of trading days in the month) must be productive for these shares;
 - 6) in each of any four months out of six months preceding the date of changing the representative list of KASE Index, deals in these shares must be concluded in the Exchange trading system by at least five Exchange members.

The Committee has the right to make a decision on the preservation of shares in the representative list of KASE Index without taking into account the conditions established by item 4 of this article, if there are factors indicating, in the opinion of the Committee, the sufficient liquidity of shares of this denomination.

5. Shares of any denomination are excluded from the representative list of KASE Index without any decisions by the Committee when they are excluded from the official list of the Exchange. Preferred shares are excluded from the representative list of shares without any decisions by the Committee when common shares of this issuer are excluded from the official list of the Exchange.
6. The Committee is entitled to make a decision on the exclusion of shares of any denomination from the representative list of KASE Index without taking into account the conditions established by paragraph 4 of this article, if such exclusion is necessary, in the opinion of the Committee, in connection with:
 - the suspension by the Exchange of trading in the shares of this denomination;
 - downgrade of the credit ratings of the issuer whose shares are in the representative list of the KASE Index to "CCC+/C" by S&P Global Ratings, to "CCC/C" by Fitch Ratings, to "Caa+" by Moody's Investors Service or refusal of the issuer from the rating assessment;
 - a sharp decline in the liquidity of shares of the representative list, the volatility of their prices, the widening of spreads on their quotations in the case of abandonment of the market-maker duties on shares of the representative list of KASE Index;
 - for any other reason that the Committee deems sufficient to make such decision in order to ensure the representativeness of KASE Index.

7. KASE index is calculated by the formula:

$$\text{IndexKASE} = \frac{MC_n}{D_n}, \text{ where}$$

- IndexKASE – KASE index in items;
 MC_n – the total market value of shares included in the representative list of KASE Index, at the time of calculation n, calculated in accordance with item 11 of this article, in tenge;
 D_n – value of the total market value of all shares of the representative list of KASE Index on the first day of calculation of KASE Index, adjusted to reflect the changes in the representative list of KASE Index and the initial value of KASE Index;

8. Recalculation of the indicator D_n is carried out in cases of changes

- 1) of the representative list of the KASE Index;
- 2) the number of shares of any denomination included in the representative list of KASE Index, which are in free circulation;
- 3) the number of outstanding shares of any denomination included in the representative list of KASE Index, including due to the occurrence of any corporate events entailing changes in the number of outstanding shares;
- 4) the limiting factor calculated in accordance with item 12 of this article.

9. The D_n indicator is calculated by the following formula to four decimal places (the indicator value is rounded according to the rule of mathematical rounding):

$$D_n = D_{n-1} \cdot \frac{MC_n}{MC_{n-1}}, \text{ where}$$

- D_{n-1} – the last value of indicator D before the basis for its recalculation;
 MC_{n-1} – the total market value of shares in the representative list of the KASE Index at the time of calculation of indicator D_{n-1};
 MC_n – the total market value of shares in the representative list of the KASE Index at the time of calculation of the D_n.

10. The initial value of KASE Index was fixed at 2,545.79 points as of 6 p.m. Almaty time on September 28, 2007¹.

The total market value of shares included in the representative list of KASE Index at the moment of initial calculation of KASE Index is fixed at the amount of 868,132,912,362.78 tenge as of 6 p.m. of Almaty time on September 28, 2007.

11. The total market value of shares included in the representative list of KASE Index is calculated according to the formula:

$$MC_n = \sum_{i=1}^n (P_i \times FF_i \times \bar{R}_i), \text{ where}$$

- n – the number of names of shares in the representative list of KASE Index;
 P – the transaction price of the shares of the i-th title concluded in the Exchange trading system by the uninterrupted counter auction method as defined by the Regulations or the closing price of the

¹ The given value of KASE Index is the last value of KASE_Shares index, which was calculated from July 12, 2000 to September 28, 2007 in accordance with the Methodology of stock market indicators calculation, approved by the Board of the Exchange decision #15/1 dated February 21, 2001 (the original KASE_Shares index value was fixed at 100.00 points as of July 12, 2000). Accordingly, the numerical series of KASE Index values continues as the numerical series of KASE_Shares index values

- shares of the i-th title determined in accordance with Article 9 of this Methodology
- FF_i – number of shares of the i-th denomination, which are in free circulation, determined in accordance with the Listing Rules approved by the Exchange Board of Directors, in units;
- \bar{R}_i – the restrictive coefficient for the shares of the i-th denomination, calculated in accordance with item 12 of this article.
12. The limiting coefficient for the securities of the representative list of KASE Index is calculated in one or several steps as follows:
- 1) on the first stage:

the share of the total market value of securities of the given denomination in the total market value of securities of all denominations in the representative list of KASE Index is calculated, with the intermediate coefficient for the securities of the given denomination being taken as equal to one;

if the received share of the total market value of securities of the given denomination in the total market value of securities of all denominations in the representative list of KASE Index exceeds 0.15, then the transition to the second stage of calculation of the limiting factor for the securities of this denomination;
 - 2) on the second stage:

the intermediate coefficient for securities of this denomination shall be calculated in accordance with item 15 of this article;
 - 3) on the third stage:

on the basis of the value, calculated at the second stage of the intermediate coefficient for the securities of this denomination, in accordance with item 13 of this article the share of their total market value in the total market value of securities of all denominations, which are in the representative list of KASE Index is recalculated;

if the received share of the total market value of securities of the given denomination in the total market value of securities of all denominations in the representative list of KASE Index exceeds 0.15, then the next transition to the second stage of calculation of the limiting coefficient for securities of the given denomination is made;
 - 4) the second and third stages of calculation of the limitation coefficient for securities of the given denomination are repeated until the share of the total market value of securities of any denomination in the total market value of securities of all denominations in the corresponding representative list does not exceed 0.15;
 - 5) the limiting coefficient for shares of any denomination is the product of all intermediate coefficients for shares of this denomination.
13. Share of the total market value of the securities of the KASE Index representative list in the total market value of the securities of all titles in this representative list is calculated according to the formula:

$$Z_i = \frac{A_i}{\sum_{i=1}^n A_i}, \text{ where}$$

- Z_i – share of the total market value of securities of the i-th title in the total market value of securities of all titles in the representative list of KASE Index;
- A_i – total market value of securities of the i-th title, determined in accordance with item 14 of this article, in tenge;

n – number of names of securities in the representative list of KASE Index.

14. The total market value of securities of the i -th title for the calculation of KASE Index is determined by the formula:

$$A_i = P_i \times FF_i \times R_i, \text{ where}$$

P_i, FF_i, FF_i – the indicators defined in item 11 of this article

R_i – intermediate coefficient for the shares of the i -th denomination, calculated in accordance with item 15 of this article (taken as equal to one at the first stage of calculation of the limiting coefficient for the shares of this denomination).

15. The intermediate coefficient for securities of the i -th denomination is calculated by the formula:

$$R_i = \frac{0,15}{0,85A_i} \times (\sum_{i=1}^n A_i - A_i), \text{ where}$$

n – number of names of securities in the representative list of KASE Index;

A_i – total market value of securities of the i -th title, determined in accordance with item 14 of this article using the previous intermediate coefficient for securities of this title, in tenge.

16. Restrictive coefficients for shares of KASE Index representative list are calculated once a calendar quarter as of February 1, May 1, August 1, November 1.

Restrictive coefficients for shares may be calculated outside the periodicity specified in the first paragraph of this paragraph if:

- 1) the number of shares of any denomination that are in free circulation has changed by an amount equal to or greater than 10 percent of the total number of outstanding shares of that denomination;
- 2) for at least 15 trading days, the proportion of the total market value of shares of any denomination in the total market value of shares of all denominations, which are in the representative list of KASE Index, calculated in accordance with item 13 of this article, exceeds 0.2.

Article 5. Calculation of the total nominal value and total market value of government securities of the Republic of Kazakhstan traded on the Exchange

1. The representative list for calculation of the total nominal value and total market value of government securities (hereinafter - the representative list of government securities) shall be formed by the Exchange without any decision of the Committee from among government securities of all denominations, included in the Exchange official list, except for foreign government securities, as the Exchange receives information on the number of placed government securities
2. Government securities are excluded from the representative list of GS without any decision of the Committee when excluding these government securities from the official list of the Exchange.
3. The total nominal value of government securities is calculated by the formula:

$$CAPGCB_N = \sum_{i=1}^n (Q_i \times N_i), \text{ where}$$

$CAPGCB_N$ – total nominal value of government securities in tenge;

n – the number of names of government securities in the representative list of GS;

Q_i – the number of placed government securities of the i -th title in units;

N_i – nominal value of one state security of the i -th denomination in tenge.

4. The total market value of government securities is calculated by the formula:

$$CAPGB_M = \sum_{i=1}^n (Q_i \times \bar{P}_i), \text{ where}$$

$CAPGB_M$ – total market value of government securities in tenge;

n – the number of names of government securities in the representative list of GS;

Q_i – the number of placed government securities of the i -th title in units;

\bar{P}_i – weighted average price of one state security of the i -th denomination in transactions concluded during the last elapsed trading day for state securities, in tenge.

Article 6. Calculation of indicators of government securities of the Republic of Kazakhstan

1. The representative list for calculation of government securities indicators of the Republic of Kazakhstan (hereinafter - the representative list of government securities indicators) is formed by the Exchange without any decision of the Committee from among government securities issued by the Ministry of Finance of the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan (hereinafter - GS), included into the Exchange official list, which are:

- 1) non-indexed;
- 2) with a fixed coupon rate;
- 3) denominated in Kazakhstani Tenge.

2. Indicators of the government securities market of the Republic of Kazakhstan, segmented by maturity: less than one year (s); one to five years (m), five years and more (l), and include:

- KZGB_CP – price index of "clean" GS prices, calculated at prices excluding accumulated coupon interest;
- KZGB_DP – price index of aggregate income (taking into account the accrued coupon interest and reinvested coupon payment);
- KZGB_Y – yields, in percent per annum.

3. The calculation of the indices of the series KZGB_CP, KZGB_DP and KZGB_Y is made according to the formulas:

$$KZGB_CP_n = KZGB_CP_{n-1} \cdot \frac{\sum_{i=1}^N \frac{P_{i,n}}{100} \cdot FV_{i,n} \cdot N_{i,n}}{\sum_{i=1}^N \frac{P_{i,n-1}}{100} \cdot FV_{i,n-1} \cdot N_{i,n}},$$

$$KZGB_DP_n = KZGB_DP_{n-1} \cdot \frac{\sum_{i=1}^N \left(\frac{P_{i,n}}{100} \cdot FV_{i,n} + A_{i,n} + G_{i,n} \right) \cdot N_{i,n}}{\sum_{i=1}^N \left(\frac{P_{i,n-1}}{100} \cdot FV_{i,n-1} + A_{i,n-1} \right) \cdot N_{i,n}}, \text{ and}$$

$$KZGB_Y_n = \frac{\sum_{i=1}^N Y_{i,n} \left(\frac{P_{i,n}}{100} \cdot FV_{i,n} + A_{i,n} + G_{i,n} \right) \cdot N_{i,n}}{\sum_{i=1}^N \left(\frac{P_{i,n}}{100} \cdot FV_{i,n} + A_{i,n} \right) \cdot N_{i,n}},$$

where:

KZGB_CP – the value of the price index on the day of calculation n

- KZGB_DP – value of the aggregate income index on the day of calculation n
- KZGB_Y – is the value of the yield indicator on the day of calculation n
- n – index calculation day;
- P_i – price of one GS of the i-th issue based on the results of the last elapsed trading day determined in accordance with item 4 of this Article, expressed as a percentage of the face value;
- FV_i – par value of one GS of the i-th issue on the day of calculation n, expressed in tenge;
- N_i – volume of the i-th issue of one GS on the calculation day n, expressed in units of securities;
- A_i – accumulated coupon yield of GS of the i-th issue on the day of calculation n, expressed in tenge;
- G_i – amount of coupon yield paid on GS of the i-th issue on the day of calculation n, expressed in tenge;
- Y_i – yield of GS of the i-th issue on the calculation day n, calculated at the end of the day based on the price determined in accordance with item 4 of this Article.
4. As the price of one GS is used:
- 1) the weighted average "clean" price of each GS, calculated through the volume of transactions concluded in the Exchange trading system during the indicator calculation day for each GS, including transactions on placement or additional placement of any GS;
 - 2) if there is no weighted average price of GS of any denomination specified in sub-item 1 of this item, the estimated "net" price of such GS determined according to the Securities Valuation Methodology approved by the Exchange Board of Directors and effective as of the index calculation date shall be used for calculation of GS indices.
5. On the day of change of duration or number of placed GS of any denomination, calculation of GS indices shall be made using new parameters of GS.
6. Initial value of KZGB_CP series indexes is fixed at the rate of 1000.00 tenge, KZGB_DP values are fixed at the rate of 1000.00 tenge with addition of average value of accumulated and unpaid interest, expressed in tenge on the representative list of GS indicators segmented by maturity terms: less than one year, from one year to five years, from five years and more at the start date of GS indicators calculation.

Article 7. Calculation of the total nominal value of the corporate bond market

1. The representative list for calculation of the total nominal value of the corporate bonds market (hereinafter - the representative list of corporate bonds) shall be formed by the Exchange without any decision of the Committee from among corporate bonds of all denominations, included in the Exchange official list, as the Exchange receives information on the number of placed corporate bonds of a particular denomination and the Exchange opens trading on these corporate bonds.
2. Corporate bonds are excluded from the representative list of corporate bonds without any decision of the Committee when excluding these corporate bonds from the official list of the Exchange.
3. The total nominal value of the corporate bond market is calculated by the formula:

$$CAP_b = \sum_{i=1}^n (Q_i \times N_i), \text{ where,}$$

CAP_b – total nominal value of the corporate bond market in tenge;

- n – the number of names of corporate bonds in the representative list of bonds;
- Q_i – the number of outstanding corporate bonds of the i -th denomination in units;
- N_i – par value of one corporate bond of the i -th denomination in tenge.

In the case of corporate bonds of any denomination:

- have no par value as defined by the law of the Republic of Kazakhstan "On Securities Market", as the total par value of bonds of these bonds is used the total amount of debt in nominal terms, certified by the prospectus of corporate bonds of this denomination (a document similar in purpose to the prospectus of corporate bonds of this denomination);
- have a face value indexed to changes in the exchange rate of tenge to foreign currency, their face value is recalculated as the product of the face value by the coefficient of change in the exchange rate of foreign currency to tenge. To calculate the coefficient of change of the exchange rate of foreign currency to tenge the rate of foreign currency, at which these corporate bonds were placed, shall be used.

Article 8. Calculation of corporate bond market indicators

1. The representative list for calculation of market indicators of corporate bonds series KASE_BM (hereinafter - the representative list of indicators series KASE_BM) and the representative list for calculation of market indicators of corporate bonds series KASE_BA (hereinafter - the representative list of indicators series KASE_BA) are formed by the Committee from among corporate bonds, if all the following conditions in respect of bonds of each individual denomination are met:
 - 1) the bonds should be issued in accordance with the legislation of the Republic of Kazakhstan and denominated in KZT, their nominal value and/or the amount of remuneration should not be indexed to changes in the exchange rate of KZT to foreign currency;
 - 2) bonds of the representative list of indicators series KASE_BM should be in the official list of the Exchange in the sector "Debt Securities" of the floor "Main", category "Bonds" and "Commercial Bonds", and bonds of the representative list of indicators series KASE_BA should be in the official list of the Exchange in the sector "Debt Securities" of the floor "Alternative", category "Bonds" and "Commercial Bonds";
 - 3) bonds must be quoted in the Exchange trading system in "clean" prices (excluding accrued and unpaid interest), the bond yield to maturity must be calculated in the Exchange information systems automatically;
 - 4) trading in bonds must be open and assigned market-maker status, and the Exchange must have information on the number of outstanding corporate bonds;
 - 5) the total number of names of corporate bonds, which are in the representative list of indicators series KASE_BM, should be not less than seven, and in the representative list of indicators series KASE_BA - not less than four.
2. The Committee's decision on revision of the representative lists of KASE_BM and KASE_BA series indicators should be made and published on the Exchange's Internet resource before December 1, March 1, June 1, September 1.
3. Exclusion of corporate bonds of any denomination from the official list of the Exchange, as well as expiration of the circulation term of bonds of any denomination, is the basis for the exclusion of bonds from the representative lists

of KASE_BM and KASE_BA series indicators without taking any decisions by the Committee. In the first case the exclusion takes place from the date of bonds exclusion from the official list, in the second - from the date of fixation of bonds holders register for payment of their face value at redemption and the last coupon interest (if any).

4. The Committee has the right to make a decision on the exclusion of corporate bonds of any denomination from the representative list of KASE_BM and KASE_BA series indicators, in case of termination of their compliance with one or more conditions established by item 1 of this article, as well as for any other reason that the Committee considers sufficient for making such a decision in order to ensure the representativeness of KASE_BM and KASE_BA series indicators.
5. Indicators of the corporate bond market of KASE_BM series consist of:
 - KASE_BMY – indicator of yield of corporate bonds of the main floor of the official list of the Stock Exchange;
 - KASE_BMC – index of "clean" prices of corporate bonds of the main floor of the official list of the Exchange;
6. Indicators of KASE_BA series corporate bond market:
 - KASE_BAY – indicator of yield of corporate bonds of the alternative market of the official list of the Stock Exchange;
 - KASE_BAC – index of "clean" prices of corporate bonds of the alternative market of the Exchange's official list.
7. Indicators KASE_BMY and KASE_BAY are calculated by the formula:

$$K_{BY} = \frac{\sum_{i=1}^n (Y_{i,t} \times P_{i,t} \times Q_i \times \overline{BR}_i)}{\sum_{i=1}^n (P_{i,t} \times Q_i \times \overline{BR}_i)}, \text{ where}$$

$$K_{BY} = \frac{\sum_{i=1}^n (Y_{i,t} \times P_{i,t} \times Q_i \times \overline{BR}_i)}{\sum_{i=1}^n (P_{i,t} \times Q_i \times \overline{BR}_i)}, \text{ where}$$

- K_{BY} – corporate bond yield indicators in percent per annum;
- n – the number of names of the bonds in the respective representative lists;
- $Y_{i,t}$ – yield of the corporate bond of the i -th denomination, calculated on the basis of the quotation price determined by the results of the elapsed trading day, in percent per annum;
- $P_{i,t}$ – the quotation price of one corporate bond of the i -th denomination based on the results of the last elapsed trading day of the corporate bonds, determined in accordance with item 9 of this article, in tenge;
- Q_i – the number of outstanding corporate bonds of the i -th denomination, in units.
- \overline{BR}_i – the restrictive coefficient for bonds of the i -th denomination, calculated in accordance with Article 11 of this Methodology.

8. KASE_BMC and KASE_BAC indices are calculated according to the formulas:

$$K_{BC} = K_{BCp} \frac{\sum_{i=1}^n (P_{i,t} \times Q_i \times \overline{BR}_i)}{\sum_{i=1}^n (P_{i,p} \times Q_i \times \overline{BR}_i)}, \text{ where}$$

- K_{BC} – indices of "clean" prices of corporate bonds in points;

- K_{BCp} – the previous value of the corresponding "clean" price index" in points; the value specified for the first calculation is used;
- n – the number of names of the bonds in the respective representative lists;
- $P_{i,t}$ – the quotation price of one corporate bond of the i -th denomination based on the results of the last elapsed trading day on corporate bonds, determined in accordance with item 9 of this article, as a percentage of the face value of one corporate bond, expressed in tenge;
- $P_{i,p}$ – the quotation price of one corporate bond of the i -th denomination based on the results of the penultimate elapsed trading day of the corporate bonds, determined in accordance with item 9 of this article, as a percentage of the nominal value of one corporate bond, expressed in tenge;
- Q_i – the number of outstanding corporate bonds of the i -th denomination in units;
- \overline{BR}_i – the restrictive coefficient for bonds of the i -th denomination, calculated in accordance with Article 11 of this Methodology.
9. As a quotation price of one corporate bond of the i -th title is used:
- 1) the weighted average "clean" price of one corporate bond of the given denomination on the trades concluded in the Exchange trading system by the continuous counter auction method, as defined by the Regulations, during any trading day for corporate bonds, or
 - 2) (in case of absence of any transactions with corporate bonds of this denomination on the specified trading day) the arithmetic mean value between the highest "clean" price of orders to buy corporate bonds of this denomination and the lowest "net" price of orders to sell them submitted during the specified trading day), or
 - 3) (in case of absence of orders for purchase and sale of corporate bonds of this denomination submitted during the specified trading day) the previous quotation price of one corporate bond of this denomination.
10. Changing of representative lists of KASE_BM and KASE_BA series indicators entails calculation and application of corresponding correction and (if necessary) limiting coefficients when calculating values of KASE_BMC and KASE_BAC indexes in order to exclude influence on these values of named changes. Coefficients are applied when calculating indexes values by results of the trading day, since which the named changes of representative lists are put into effect.
- Methodology of calculation of correction and (if necessary) limiting coefficients when calculating the values of KASE_BMC indexes and KASE_BAC are determined by chapter 3 of this Methodology.
11. The initial value of KASE_BMC and KASE_BAC indices was fixed at 100.00 points as of September 1, 2017.

Article 9. Closing prices of securities

1. The Exchange determines the closing prices of all securities admitted to circulation on the Exchange.
2. The closing price of securities of any denomination is determined once a day as of the end of trading.

3. The closing price for securities of any denomination shall be the price formed at the closing auction for securities of the respective denomination in accordance with the Regulations.

If during the closing auction specified in paragraph one of this clause the price was not determined, or if such auction was not held for securities of any denomination, or if such auction is not stipulated by the Exchange internal documents, the price of the last deal in securities of such denomination shall be used as the closing price.

If on any trading day the closing price of the securities cannot be determined in accordance with paragraphs one and two of this item, on such day the closing price of such securities shall not be determined.

4. The Exchange reserves the right to recalculate the closing price on securities of any denomination for any trading day, if on that trading day the closing price on them was calculated taking into account the transaction price, which subsequently was not executed in the order established by the Exchange internal documents or was recognized as concluded for the purposes of manipulation on the securities market.

Chapter 3. Methodology for calculating adjustment and limiting coefficients when calculating the values of KASE_BMC and KASE_BAC indices

Article 10. Calculation of correction factors

1. The correction factor is used to eliminate the effect on the values of indexes KASE_BMC and KASE_BAC when changing:
 - 1) KASE_BM and KASE_BA series indicators representative list;
 - 2) number of offered bonds from the number of included in the representative list of indicators of KASE_BM and KASE_BA series;
 - 3) limiting coefficient for bonds of any denomination from among those included in the representative list of indicators of KASE_BM and KASE_BA series.
2. Correction factor for KASE_BMC and KASE_BAC indices is calculated according to the formula:

$$K = \frac{IND_{old}}{IND_{new}}, \text{ where}$$

K – correction factor;

IND_{old} – value of the index KASE_BMC or KASE_BAC, calculated on the previous values of the changed parameters specified in paragraph 1 of this article;

IND_{new} – value of the index KASE_BMC or KASE_BAC, calculated by the new values of the changed parameters specified in item 1 of this article.

3. In the case of changes described in item 1 of this article, the value of indexes KASE_BMC and KASE_BAC, calculated after the entry into force of such changes, should be corrected by multiplying by the correction factor.

Article 11. Calculation of the limiting coefficient in the calculation of indicators of corporate bonds series KASE_BM and KASE_BA

1. The limiting coefficient, calculated in accordance with this article, is used when calculating the values of indicators of corporate bonds series KASE_BM and KASE_BA as the limiting coefficient (BR_i) for corporate bonds of any denomination, taking into account the calculated share of all bonds of this denomination, determined in accordance with Article 12 of this Methodology.

2. The limiting coefficient for the securities of the representative list of indicators of corporate bonds series KASE_BM and KASE_BA is calculated in one or several stages as follows:

- 1) on the first stage:

the share of the total "clean" market value of the securities of this denomination in the total "net" market value of the securities of all denominations in the specified representative lists is calculated, the intermediate coefficient for the securities of this denomination being taken as equal to one;

if the received share of the total "clean" market value of the securities of this denomination in the total "clean" market value of the securities of all denominations in the specified representative lists exceeds the last calculated maximum $Z_{i\max}$ value, then the transition to the second stage of calculation of the limiting coefficient for the securities of this denomination;

as the maximum value of $Z_{i\max}$ for bonds of KASE_BM series is taken rounded to the greater integer value, calculated by the following formula:

$$Z_{i\max} = 100/n + 1, \text{ where}$$

$Z_{i\max}$ – the maximum value of the share of the total "net" market value of the bonds of the i -th denomination in the total "net" market value of securities of all denominations that are in the specified representative lists, in percent;

n – the number of names of securities on the relevant representative list;

as the maximum value of $Z_{i\max}$ for bonds of KASE_BA series is taken rounded to the greater integer value, calculated according to the following formula:

$$Z_{i\max} = 100/n + 5, \text{ where}$$

$Z_{i\max}$ – the maximum value of the share of the total "net" market value of the bonds of the i -th denomination in the total "net" market value of securities of all denominations in the corresponding representative list, in percent

n – the number of names of securities in the specified representative lists;

- 2) on the second stage:

in accordance with item 5 of this article shall be calculated the intermediate coefficient for securities of this denomination;

- 3) on the third stage:

based on the value of the intermediate coefficient for securities of this denomination, calculated at the second stage, the share of their total "net" market value in the total "clean" market value of securities of all denominations in the specified representative lists is recalculated in accordance with item 3 of this article;

if the received share of the total "clean" market value of the securities of this denomination in the total market "net" value of the securities of all denominations in the specified representative lists exceeds the last calculated maximum value $Z_{i\max}$, then the transition to the second stage of calculation of the limiting coefficient for the securities of this denomination is performed

- 4) the second and third stages of calculation of the limiting coefficient for the securities of the given denomination are repeated until the share of the total "clean" market value of the securities of any denomination in the total "net" market value of the securities of all denominations in the specified representative lists exceeds the last calculated maximum value $Z_{i\max}$:
 - 5) the limiting coefficient \overline{BR}_i for bonds of any denomination is the product of all intermediate coefficients for bonds of this denomination
3. Share of the total "clean" market value of securities of any denomination in the total "clean" market value of securities of all denominations, which are in the representative list of indicators of corporate bonds series KASE_BM and KASE_BA, is calculated by the formula:

$$Z_i = \frac{A_i}{\sum_{i=1}^n A_i}, \text{ where}$$

- Z_i – share of the total "clean" market value of securities of the i -th title in the total "net" market value of securities of all titles in the specified representative lists;
- A_i – total "clean" market value of securities of the i -th title, determined in accordance with item 4 of this article, in tenge;
- n – the number of names of securities in the specified representative lists.
4. The total "clean" market value of securities of the i -th denomination for calculation of indicators of corporate bonds series KASE_BM and KASE_BA is determined by the formula:

$$A_i = P_{i,t} \times BR_i, \text{ where}$$

- $P_{i,t}$ – the quotation price of one corporate bond of the i -th denomination based on the results of the last elapsed trading day of the corporate bonds, determined in accordance with item 9 of Article 8 of this Methodology, as a percentage of the face value of one corporate bond;
- BR_i – intermediate coefficient for the corporate bond of the i -th denomination, calculated in accordance with item 5 of this article (taken as equal to one at the first stage of calculation of the limitation coefficient for bonds of this denomination).
5. The intermediate coefficient for securities of the i -th denomination is calculated by the formula:

$$BR_i = \frac{Z_{i\max}}{(1-Z_{i\max}) \times A_i} \times (\sum_{i=1}^n A_i - A_i), \text{ where}$$

- $Z_{i\max}$ – the maximum value of the share of the total "clean" market value of the bonds of the i -th denomination in the total "clean" market value of securities of all denominations in the corresponding representative list, in percent, determined in accordance with sub-item 1) of item 2 of this Article;
- n – the number of names of securities in the specified representative lists;
- A_i – total "clean" market value of securities of the i -th title, determined in accordance with item 4 of this article using the previous intermediate coefficient for securities of this title, in tenge.

6. The limiting coefficients for bonds are calculated at each change of the representative list for calculation of indicators of corporate bonds series KASE_BM and KASE_BA.

Restrictive coefficients for corporate bonds can be calculated outside the periodicity specified in paragraph one of this item, if for at least fifteen trading days the share of the total "clean" market value of bonds of any denomination in the total "clean" market value of bonds of all denominations, which are in the representative list for calculation of indicators of corporate bonds series KASE_BM and KASE_BA, calculated in accordance with item 3 of this article, exceeds the last calculated m.

Article 12. Calculation of the share of the value of bonds of any denomination in the total value of all bonds of the representative list of KASE_BM series indicators

1. Share of value of bonds of any denomination in the total value of all bonds of the representative list of indicators of KASE_BM series, calculated in accordance with this article, is used in calculating the limiting coefficient \overline{BR}_i for bonds of this denomination, which are in the representative list of indicators of KASE_BM series
2. The share of the value of bonds of any denomination in the total value of all bonds of the representative list of the KASE_BM series indicators is calculated in two steps:

- 1) on the first stage:

the share of the value of bonds of this denomination (w_i) in the total value of all bonds in the representative list of the issuer who issued the bond of this denomination is calculated according to the formula:

$$w_i = \frac{IB_i}{\sum_i^n IB_i}, \text{ where}$$

- IB_i – the total "clean" market value of bonds of this denomination, determined in accordance with item 3 of this article, in tenge;
- n – the number of names in the representative list of bonds of the issuer who issued the bond of this denomination;

- 2) on the second stage:

the share of the value of bonds of this denomination in the total value of all bonds in the representative list of the issuer that issued the bond of this denomination, taking into account the intermediate coefficient of the issuer, which is determined in accordance with items 2 and 4 of Article 13 of this Methodology according to the formula specified in sub-item 1) of this item.

3. The total "clean" market value of the bonds of any denomination on the representative list (IB_i) is calculated according to the formula:

$$IB_i = P_{i,t} \times Q, \text{ where}$$

- $P_{i,t}$ – the quotation price of one bond of the given type at the end of the last elapsed trading day, determined in accordance with item 9 of Article 8 of this Methodology and expressed as a percentage of the nominal value of one bond;
- Q – the number of bonds of this denomination.

Article 13. Calculation of share of total value of all bonds in the representative list of bonds of any issuer in the total value of all bonds of the representative list of KASE_BM series

1. The share of the total value of bonds of one issuer in the total value of all bonds of the representative list of indicators of KASE_BM series is used as the intermediate coefficient of WRI of one issuer.
2. The intermediate coefficient of one issuer, whose bonds are included in the representative list of indicators of KASE_BM series, is calculated in one or more stages as follows:

- 1) on the first stage:

in accordance with item 3 of this article the share of the total value of all bonds in the representative list of this issuer in the total value of all bonds in the representative list of indicators series KASE_BM is calculated;

if the share obtained in accordance with the previous paragraph exceeds the last calculated maximum value of $W_{i,max}$, then the transition to the second stage of calculation of the intermediate issuer coefficient is made;

as the maximum value of the specific weight of the issuer ($W_{i,max}$) is taken rounded to the greater integer value, calculated according to the following formula:

$$W_{i,max} = \frac{100\%}{n} + 5\%, \text{ where}$$

n – the number of issuers whose bonds are on the representative list;

- 2) on the second stage:

the intermediate coefficient of one issuer (WRI) is calculated according to the following formula:

$$WRI = \frac{W_{i,max}}{(1-W_{i,max}) \times SUM_i} \times (\sum_{i=1}^n SUM_i - SUM_i), \text{ where}$$

$W_{i,max}$ – the maximum value of the aggregate value of all bonds in the representative list of this issuer in the aggregate value of all bonds in the representative list, expressed as a percentage (in accordance with sub-item 1) of item 2 of this Article);

n – the number of issuers whose bonds are on the representative list;

SUM_i – the total market value of all bonds of this issuer in the representative list, determined in accordance with item 4 of this article using the previous intermediate coefficient of one issuer and expressed in tenge;

- 3) on the third stage:

based on the value of the intermediate coefficient of one issuer, calculated at the second stage, in accordance with item 3 of this article the share of the total value of all bonds of one issuer in the total value of all bonds of the representative list of indicators series KASE_BM is recalculated;

if the received share of the total value of all bonds of one issuer in the total value of all bonds of the representative list of KASE_BM series indicators exceeds the last calculated maximum value of $W_{i,max}$, then the next transition to the second stage of calculation of the intermediate coefficient of one issuer;

- 4) the second and third stages of calculation of the intermediate coefficient of the total value of all bonds of one issuer in the representative list are repeated until the share of the total value of all bonds of one issuer in the total value of all bonds in the representative list of KASE_BM series indicators is less than or equal to the last calculated value of $W_{i,max}$;

- 5) the intermediate coefficient of WRI of any issuer is the product of all intermediate coefficients of this issuer calculated in accordance with sub-item 2) of this item.
3. The share of the total value of all bonds in the representative list of this issuer in the total value of all bonds in the representative list of KASE_BM series indicators (W_i) is calculated by the formula:

$$W_i = \frac{\text{SUM}_i}{\sum_{i=1}^n \text{SUM}_i}, \text{ where}$$

- SUM_i – the total market value of all bonds of this issuer in the representative list, determined in accordance with item 4 of this article and expressed in tenge;
- n – the number of issuers whose bonds are on the representative list.
4. The total market value of all bonds of this issuer on the representative list:

$$\text{SUM}_i = \sum_{i=1}^n (Q \times P_{i,t}) \times \text{WRI}, \text{ where}$$

- $P_{i,t}$ – the quotation price of one bond of any denomination at the end of the last elapsed trading day, determined in accordance with item 9 of Article 8 of this Methodology, as a percentage of the nominal value of one bond;
- Q – number of bonds of any denomination of this issuer;
- WRI – intermediate coefficient of one issuer calculated in accordance with sub-item 2) of item 2 of this article (taken as equal to one at the first stage of calculation of the intermediate coefficient of one issuer).

Chapter 4. CHANGES AND/OR ADDITIONS TO THE PRESENT METHODOLOGY

Article 14. Changes and/or additions to this Methodology

1. The Methodology, as well as all amendments and additions thereto shall be approved by decision of the Exchange Management Board and shall become effective on the date determined by the Exchange Management Board.
2. In the case of changes and/or additions to this Methodology, including changes in the calculation of indices and indicators, consultations with interested parties may be permitted.

Stakeholders are consulted through face-to-face or absentee discussions and consultations, and the results of the discussion are presented to the Committee to take their views into account when decisions are made.
3. The text of the approved Methodology including changes and/or additions is subject to publication on the Exchange website (www.kase.kz) at least three calendar days prior to the date of these changes and/or additions, except for changes and/or additions that are editorial and/or clarifying in nature and do not affect the procedure:
 - calculation of indices and/or indicators;
 - formation of representative lists of securities, the parameters of which are used to calculate indices and/or indicators;
 - determining the parameters of securities that are used to calculate indices and/or indicators.

Article 15. Termination of calculation of indices and indicators

1. In the event that the calculation of indices or indicators is discontinued, or in the event of changes in the calculation of an index or indicator or due to other circumstances, due to changes in the structure of the market or due to circumstances entailing unrepresentativeness of indices and indicators with respect to the indicator they measure, the Committee shall determine a transition period not exceeding one year, during which such existing indicator is valid
2. If necessary, the Committee may introduce parallel indicators (for example, if possible, to calculate the existing indicator for a certain period of time so that the existing contracts and transactions with financial instruments will be executed using it, with simultaneous publication of a new indicator) to make a smooth transition to the new indicator. If a suitable alternative cannot be identified, the calculation of the indicator is temporarily suspended until a new
3. A third-party advisory organization may be involved in the process of selection and transition to an alternative index or indicator, which will be selected on a competitive basis. The Exchange should recommend that interested parties who use the indicators in determining any indicators or for other purposes take steps to ensure:
 - 1) contracts or other financial instruments that reference an index or indicator have considered alternative provisions in the event that the index or indicator to which they refer is materially altered or discontinued;
 - 2) awareness of participants in the money and stock markets of the existence of the probability that various factors, including external factors beyond the control of the Exchange, may result in the need for a significant change in an index or indicator.

Chapter 5. THE SPECIAL POWERS OF THE COMMITTEE IN RELATION TO INDICES AND INDICATORS

Article 16. Special powers of the Committee with respect to indices and indicators

1. In addition to the powers set forth in this Methodology, the Committee has the right to adjust the values of indices and indicators by excluding from their calculations the parameters of those transactions and/or orders that, in the Committee's opinion, have an unrepresentative impact (affected) on these values (for example, non-performed transactions, transactions where technical errors were committed, transactions or orders whose prices clearly dissonant with the market condition and/or market dynamics of the relevant securities' prices).

If the Committee decides to exclude the parameters of any transaction or order (any transactions and/or orders) from the calculation of a particular indicator, the corresponding recalculation of this indicator shall be performed no later than the business day following the day on which the unrepresentative value of this indicator was received.

In the event of circumstances negatively affecting the representativeness and adequacy of the reflected values of indices and indicators, the Committee has the right to take any action to ensure the correctness of the reflected values of indices and indicators, including an extraordinary review of the representative lists for the calculation of indices and indicators.

In the event of a technical failure or an abnormal situation that is not related to a change in the market condition and is not stipulated by this Methodology, but has a significant impact on the value of any index or indicator, the Committee has the right to decide on an extraordinary calculation of the limiting or correction factors defined by this Methodology.

2. When the Committee exercises its special powers under paragraph 1 of this article, the minutes of its meeting shall record the reasons for the exercise of those powers and the action taken by it in accordance with those powers.

Article 17. Final Provisions

1. This Methodology is subject to publication on the Exchange website.
2. Responsibility for the timely introduction of amendments and/or additions to this Methodology (updating) shall be vested in the structural unit providing for the calculation of indices and indicators on the Exchange.
3. Monitoring of the relevance of this Methodology is carried out as necessary, but at least once a year.

Chairperson of the Board

A. Aldambergen