

1. **QI is subject to the following laws and regulations of the Republic of Kazakhstan governing the requirements of QI to obtain documentation confirming the identity of QI's account holders.**
 - **Law of the RK No. 191-IV of 28 August 2009 "On Counteracting Legalization (Laundering) of Ill-gotten Proceeds and Terrorism financing" (Law on AML);**
 - **the List of offshore areas for the purposes of the Law of the Republic of Kazakhstan On Counteracting Legalization (Laundering) of Ill-gotten Proceeds and Terrorism financing, approved by the Order of the Minister of Finance No. 52 of 10 February 2010;**
 - **the List of Documents Required for Proper Examination of a Client by the Financial Monitoring Entities, approved by the Order of the Minister of Finance No. 56 of 15 February 2010**
 - **Law of the RK No. 57-III 3PK of 13 June 2005 On currency regulation and currency control**
 - **Resolution No. 266 of 2 June 2000 of the Board of the National Bank of the Republic of Kazakhstan "On Approval of the Rules of Opening, Maintenance and Closing of Bank Accounts of the Clients in the Banks of the Republic of Kazakhstan";**
 - **Decree of the Board of the National Bank of Kazakhstan of October 13, 2000 № 395 On approval of rules of non-cash payments and remittances in the Republic of Kazakhstan without bank accounts.**
 - **Law of the RK No. 223-III ZRK of 12 January 2007 "On National Registry of Identification Numbers" as amended to be effective January 1, 2013.**

2. **QI represents that the laws identified above are enforced by the following enforcement bodies.**
 - **The Committee on Financial Monitoring is the Ministry of finance of the Republic of Kazakhstan**
 - **National Bank of the Republic of Kazakhstan**

3. **QI represents that the following penalties apply to failure to obtain, maintain, and evaluate documentation obtained under the laws and regulations identified in item 1 above.**

The Code of the RK of Administrative Offences:

 - a) **Violation by the subjects of the financial monitoring with regard to documentation and submission of information on the transactions subject to the financial monitoring shall be punishable by: a fine of 100 times the monthly calculation index – for individuals; a fine of between 200 and 220 times the monthly calculation index – for the executives, self-employed entrepreneurs, private notaries and lawyers, legal entities, which are small or medium size businesses or nonprofit organizations; and a fine**

between 350 and 400 times the monthly calculation index – for legal entities, which are large businesses.

- b) Failure of the subjects of the financial monitoring to fulfill their obligations concerning adoption and (or) observance of the internal control rules and programs for implementation thereof shall be punishable by: a fine of 100 times the monthly calculation index – for individuals; a fine of between 200 and 250 times the monthly calculation index – for the executives, self-employed entrepreneurs, private notaries and lawyers, legal entities, which are small or medium size businesses or nonprofit organizations; and a fine between 800 and 900 times the monthly calculation index – for legal entities, which are large businesses.
- c) Notification by the executives of subjects of the financial monitoring of their clients and other persons about information submitted to the authorized body for financial monitoring shall be punishable by: a fine of between 140 and 150 times the monthly calculation index.
- d) Acts (omissions) provided for in clauses a)-c) above, if committed repeatedly within a year upon the administrative punishment has been imposed, shall be punishable by: a fine of between 100 and 150 times the monthly calculation index – for individuals; a fine of between 250 and 300 times the monthly calculation index – for the executives, self-employed entrepreneurs, private notaries and lawyers, legal entities, which are small or medium size businesses, and non-profit organizations; and a fine between 1000 and 1200 times the monthly calculation index – for legal entities, which are large businesses.
- e) Acts (omissions) provided for in clauses a)-c) above, if committed three or more times within a year upon the administrative punishment has been imposed, shall be punishable by: a fine of between 150 and 200 times the monthly calculation index – for individuals; a fine of between 380 and 400 times the monthly calculation index – for the executives of the commodity exchanges, organizers of gambling business and lotteries, audit firms, private notaries, lawyers and individual entrepreneurs; and a fine between 800 and 1000 times the monthly calculation index – for the commodity exchanges, organizers of gambling business and lotteries, and audit firms - legal entities, which are medium size businesses, or non-profit organizations; and a fine between 1800 and 2000 times the monthly calculation index with suspension of a license for certain type of activity or temporary revocation of the qualification certificate for the period up to six months or suspension of operations of a legal entity for the same period, or revocation of a qualification certificate and license – for the commodity exchanges, organizers of gambling business and lotteries, and audit firms - legal entities, which are large businesses.

4. QI shall use the following specific documentary evidence (and also any specific documentation added by an amendment to this item 4 as agreed to by the IRS) to comply with section 5 of this Agreement, provided that the following specific documentary evidence satisfies the requirements of the laws and regulations identified in item 1 above. In the case of a foreign person, QI

may, instead, use a Form W-8 in accordance with section 5 of this Agreement.

The List of the documents require for due diligence of the client by the subjects of the financial monitoring:

1) for the resident physical persons of the Republic of Kazakhstan:

- ID Card for citizen of the Republic of Kazakhstan and
- Taxpayer certificate, a document with the identification number.

2) for the non-resident physical persons of the Republic of Kazakhstan:

- Passport, National ID, or Driver's Licence; and
- Taxpayer certificate, a document with the identification number (except for the cases when a client has not been assigned with a taxpayer registration number, individual identification number in accordance with the Code of the Republic of Kazakhstan On Taxes and Other Obligatory Payments to the Budget and the Law of the RK "On the National Registers of Identification Numbers");

3) for legal entities both residents and non-residents of the Republic of Kazakhstan and their separate subdivisions (branches and representative offices):

- Taxpayer certificate, a document with an identification number (except for the cases when the client has not been assigned with a taxpayer registration number, business identification number in accordance with the Code of the Republic of Kazakhstan on Taxes and Other Obligatory Payments to the Budget and the Law of the Republic of Kazakhstan "On the National Registers of Identification Numbers") verified with tax authority;
- Document issued by an authorized agency that confirms the fact of a legal entity's state registration (re-registration) - extract of public register;
- Organization documents (articles of incorporation, partnership memorandum, and trust deed)

5. QI shall follow the procedures set forth below (and also any procedures added by an amendment to this item 5 as agreed to by the IRS) to confirm the identity of account holders that do not open accounts in person or who provide new documentation for existing accounts other than in person. In the case of a foreign person, QI may, instead, use a Form W-8 in accordance with section 5 of this Agreement.

(i) QI shall not open an account by any means other than by establishing in person the identity of a customer through the account holder's own identity documents, except as permitted in (ii), (iii) and (iv) below.

(ii) QI may obtain by mail or otherwise a copy that is an exact reproduction of the specific documentary evidence listed in item 4 above from another person that is subject to know-your-customer rules that have been approved by the IRS for purposes of qualified intermediary agreements, provided that the laws and regulations listed in item 1 permit QI to rely on the other person

to identify the account holder. **NOT ALLOWED IN KAZAKHSTAN**

(iii) QI may obtain a photocopy of the specific documentary evidence listed in item 4 by mail or otherwise remotely from the account holder or a person acting on behalf of the account holder, provided that the photocopy has been certified as a true and correct copy by a person whose authority to make such certification appears on the photocopy, and provided that the laws and regulations listed in item 1 permit QI to rely on the certified photocopy to identify the account holder. NOT ALLOWED IN KAZAKHSTAN

(iv) (a) QI may obtain by mail or otherwise a copy that is an exact reproduction of the specific documentary evidence listed in Item 4 from an affiliate of QI or a correspondent bank of QI, provided that the affiliate or correspondent bank has established in person the identity of the account holder and the laws and regulations listed in Item 1 permit QI to rely on documentation provided by that affiliate or correspondent bank to identify the account holder. NOT ALLOWED IN KAZAKHSTAN

(b) For accounts opened prior to January 1, 2001, if QI was not required under its know-your-customer rules to maintain originals or copies of documentation, QI may rely on its account information if it has complied with all other aspects of its know-your-customer rules regarding establishment of an account holder's identity, it has a record that the documentation required under the know-your-customer rules was actually examined by an employee of QI, or an employee of an affiliate of QI or a correspondent bank of QI, in accordance with the know-your-customer rules, and it has no information in its possession that would require QI to treat the documentation as invalid under the rules of section 5.10(B) of this Agreement. NOT ALLOWED IN KAZAKHSTAN