

METHOD OF LEAGUE TABLE COMPILATION FOR ARRANGERS

Domestic bond market of Kazakhstan

I. General Provisions

1. The League Table for Arrangers is published in order to reflect the activity of investment banks in the primary bond market in terms of the volume of bond placement and the number of placed issues.
2. Arrangers' League Table for bond market (hereafter – League Table) is compiled by Cbonds.ru LLC (further referred to as the Proprietor) based on this methodology. In case not stipulated in this methodology, the Proprietor has a right to resolve the situation in compliance with the League Tables' purpose stated in Item 1. The proprietors' point of view may not correspond with that of institutions included in the League Table.
3. The calculation of League Table includes corporate bonds, which:
 - suggest placement among a wide range of investors;
 - have a listing on the Kazakhstan Stock Exchange (KASE).
4. The following indicators are included in the League Table: a total amount of issues placed for each League Table's participant as an Arranger, the number of issues and the number of Issuers, where the company has been participated. The total amount of placed issues for each League Table's participant is calculated as a total amount of the company's participation in all issues included in the League Tables. The League Table presents Arrangers sorted in descending order by the amount of placed issues.
5. Cbonds.ru LLC guarantees non-disclosure of data received while compiling the League Table in any form other than the final League Table.
6. The League Tables are not an indicator of service quality and professionalism. Cbonds.ru LLC cannot be held liable for improper use of the League Table for advertising or marketing purposes.
7. The inclusion of companies in League Table is carried out on the basis of marketing documents (emission prospectuses, investment memoranda, press releases, etc.); in disputable situations, it is necessary to present supporting documents (agreements with the Issuer or Arranger, confirming letters, etc.). Only banks and financial institutions are included in League Table.
8. The League Table is available at <http://cbonds.com/rankings/>.

II. League Table Compilation

1. Arranger's League Table includes companies that performed the following functions in the process of placement of the bond loan:
 - 1.1. Determination of the parameters of the bond loan
 - 1.2. Formation of an issuing syndicate if necessary, i.e. attraction of other organizations, which provide guarantees of placement of certain volumes of bonds, to bond placement
 - 1.3. Attraction of investors to purchase of bond loan
 - 1.4. Conducting the marketing of the bond loan, participating in the choice of the start date of placement and determining the price targets for the loan (yield) when placing.
 - 1.5. Participation in specialized trades on bonds sale at KASE.
2. The criterion for referring to the "Arrangers" is the fulfillment of one of the following conditions:
 - 2.1. The existence of an agreement with the Issuer, in which the company has the status of "Arranger", "Underwriter", "Financial Consultant" (or other synonymous constructions) and performs the function described in paragraph 1.
 - 2.2. The existence of an agreement with the Issuer or with another Arranger officially appointed by the Issuer, according to which the company is given the status of the Arranger and/or performs

the functions listed in paragraph 1, provided that the Issuer or other Arranger has written confirmation of the status of the company and the fact that these functions are performed.

- 2.3. In the event that the Issuer, being a financial institution, independently places its bond issue, it is considered to be the Arranger of this bond issue, unless another Arranger is appointed.
3. The Arranger's League Table includes the following amounts per each issue:
 - 3.1. If the Arranger is one, the entire allocated emission volume is recorded to him
 - 3.2. If there are several Arrangers, the volume of the issue placed at the trading is divided proportionally, unless otherwise agreed upon by mutual agreement of the Arrangers or, in the absence of mutual agreement of the Arrangers, by the terms of contracts or other agreements between the Arrangers and the Issuer.
 - 3.3. The Proprietor does not publish data on allocations of each issue and uses this information only for compiling the League Tables.

III. League Table Expert Council

1. The Expert Council serve for resolving disputes in the process of compiling League Table.
2. The Proprietors request the opinion of the Expert Council in disputable situations when it is impossible to make a decision on their own (such situations may include: recognition of issues as public, the status of the company in the issue, allocation of quotas, etc.).
3. The Expert Council includes representatives of banks and financial institutions of Kazakhstan. One representative from each company, which is authorized by the company, come into the Expert Council.
4. The Expert Council takes decisions by voting. Each company has one vote. Voting is considered valid if 70 or more percent of the total number of members of the Expert Council took part in it. If a voting on any issue is declared invalid, then the Proprietor made the decision independently.

With any questions regarding the League Tables please contact:

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