



Евразийский Банк

Approved
by the Board of Directors of
Eurasian Bank JSC
Minutes No. 1
dated 5 January 2018.

for public placement

**THE RULES
ON THE GENERAL TERMS OF OPERATIONS**

THE RULES



The Rules on the general terms of operations (hereinafter referred to as the Rules) are developed in accordance with the requirements of the legislation of the Republic of Kazakhstan, including in accordance with the Civil Code of the Republic of Kazakhstan (hereinafter referred to as the Civil Code), the Law of the Republic of Kazakhstan On Counter-acting the Legalization (Laundering) of Illegally Obtained Incomes and the Financing of Terrorism, the Law of the Republic of Kazakhstan On Banks and Banking Activities in the Republic of Kazakhstan (hereinafter – the Law on Banks), the Law of the Republic of Kazakhstan On Personal Data and their Protection (hereinafter – the Law on Personal Data), the US Law On Foreign Account Taxation (Foreign Account Tax Compliance Act – FATCA), the Rules for the provision of banking services and consideration by banks, organizations engaged in certain types of banking operations, client requests arising in the process of providing banking services, approved by Resolution No. 136 of the Management Board of the National Bank of the Republic of Kazakhstan dated 28 July 2017 (hereinafter referred to as the Rules for Providing Banking Services), the requirements of normative legal acts of the National Bank of the Republic of Kazakhstan, internal documents of Eurasian Bank JSC (hereinafter referred to as the Bank), including the Eurasian Bank JSC Charter, Internal Regulatory Policy, and Instructions for Managing Internal Normative Documents.

Section 1. GENERAL PROVISIONS

Chapter 1. The basic principles of the Bank operations

1. The Rules define the basic principles and conditions of the Bank operations, the procedure for working with the Bank clients, the rights and obligations of the Bank and its clients. The rules relate to the financial management process (L1 level - process card), tariff policy management (L2 level - process registry), owned by the Finance Department.

2. The purpose of the Rules is to establish conditions and tariffs for services/transactions provided by the Bank, including for related persons of the Bank.

3. The Rules are open information and cannot be the subject of a trade secret. This norm does not apply to the conditions for the Bank to conduct a specific transaction, which belongs to the category of commercial secret, in accordance with the legislation of the Republic of Kazakhstan.

4. The Rules use the basic concepts provided for by the legislation of the Republic of Kazakhstan, the electronic directory, as well as the following concepts and conventional notions:

1) The Ombudsman is an independent individual who settles disagreements arising from the signing of a mortgage loan agreement between the Bank and the borrower (individual) upon a request, in order to reach agreement on the satisfaction of the rights and legally protected interests of the borrower and the Bank.

2) The authorized body of the Republic of Kazakhstan is the National Bank of the Republic of Kazakhstan and other state authorized bodies that determine the requirements for the Bank actions in the financial market.

3) The authorized body of the Bank is the collegial bodies of the Bank and/or a group of persons responsible for facilitating the performance of the duties of the Board of Directors of the Bank in accordance with the requirements of the legislation of the Republic of Kazakhstan, operating on the basis of the requirements of the Bank Internal Normative Documents.

5. The Bank, its authorized bodies, and senior employees are obliged to strictly comply with the requirements of the legislation of the Republic of Kazakhstan and the Rules when conducting banking activities. This obligation causes responsibility and the need to fulfill the requirements and actions defined by the legislation of the Republic of Kazakhstan, the Charter of the Eurasian Bank JSC, job descriptions when concluding transactions with the participation of the Bank.

6. The Bank is obliged to provide the Rules at the first request of an individual and/or legal entity (hereinafter referred to as the Client) and has no right to refuse to provide the Client with information about possible risks associated with conducting services/operations of interest to the client.

7. The types, conditions and procedure for providing banking and other services/operations are determined by the Bank internal documents developed in accordance with the legislation of the Republic of Kazakhstan and approved by the relevant body of the Bank, unless otherwise provided by legislative acts of the Republic of Kazakhstan.

8. Relations between the Bank and its clients are maintained on the basis of agreements concluded between them, unless otherwise provided by the legislation of the Republic of Kazakhstan.

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9. The Bank is obliged to comply with and comply with the requirements of regulatory legal acts of the Authorized bodies of the Republic of Kazakhstan, prudential standards and other mandatory norms and requirements when conducting banking activities.

10. The Bank is obliged to provide for confidentiality when conducting banking transactions related to banking secrecy in accordance with the Law on Banks.

11. In accordance with the Law on Personal Data, the Bank collects, processes and protects personal data of clients.

12. When conducting its activities, the Bank is obliged to comply with the requirements of the Law of the Republic of Kazakhstan On Counter-acting the Legalization (Laundering) of Illegally Obtained Incomes and the Financing of Terrorism and the Bank Internal Normative Documents, which regulate the procedure for counter-acting the legalization (laundering) of illegally obtained incomes and the financing of terrorism.

13. The Bank has the right to unilaterally cancel the execution of the contract concluded with the client in case they do not provide the information or documents required to identify the client in order for the Bank to comply with the requirements of the legislation of the Republic of Kazakhstan on counter-acting the legalization (laundering) of illegally obtained incomes and the financing of terrorism and the US Law On Foreign Account Taxation (Foreign Account Tax Compliance Act – FATCA) or if the Bank has reason to believe that the Client is involved in the legalization (laundering) of illegally obtained incomes and (or) financing of terrorism recognized in accordance with the legislation of the Republic of Kazakhstan.

13-1. It is not allowed to conclude transactions on non-market conditions, the signs of which are established in the regulatory legal act of the authorized body of the Republic of Kazakhstan¹, namely:

1) transactions, with the exception of those conducted within the framework of the implementation of state programs, corresponding to one of the following conditions:

- the amount of the bank loan provided does not correspond to the financial position and/or income of the borrower (including co-borrowers, if any), as well as the cost of collateral;
- the delay in payment of interest by the debtor and (or) repayment of the principal debt on banking transactions exceeds one year;
- the amount of interest rates charged to the debtor is significantly lower than the market interest rates for similar banking transactions;

2) issuance of bank guarantees or sureties for debtor's obligations in an amount that does not correspond to the financial situation and (or) income of the debtor, or without the right of reverse claim (recourse) to the debtor;

3) transactions that lead to early satisfaction of the claims of major shareholders and (or) senior employees of the bank;

4) transactions, the terms of which provide for the right of an individual or legal entity that is a party to the transaction to fully or partially renounce its financial obligations to the bank.

The requirements of sub-paragraphs 1) and 2), paragraph 13-1 of the Rules apply to cases when the size of the bank transaction is one (1) or more percent of the Bank equity.

Chapter 2. Transactions conducted by the Bank

14. The Bank conducts the following types of transactions in national and foreign currency in accordance with the Law on Banks on the basis of a license issued by the authorized body of the Republic of Kazakhstan:

- 1) banking operations:
 - accepting deposits, opening and maintenance of bank accounts of legal entities;
 - accepting deposits, opening and maintenance of bank accounts of individuals;
 - opening and maintenance of correspondent accounts of banks and organizations engaged in certain types of banking operations;
 - opening and maintenance of metal accounts of individuals and legal entities, which reflect the physical quantity of refined precious metals and coins made of precious metals belonging to this person;
 - cash operations: receiving and issuing cash, including its exchange, exchange, recalculation, sorting, packaging and storage;

¹ Resolution of the Management Board of the National Bank of the Republic of Kazakhstan dated 29 October 2018 No. 275 On approval of the list of transactions on non-market terms, the conclusion of which is the basis for making a decision on classifying the bank as an insolvent bank

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- transfer operations: execution of orders from individuals and legal entities for payments and money transfers;
 - accounting operations: accounting (discount) of promissory notes and other debt obligations of individuals and legal entities;
 - bank loan operations: provision of loans in cash on the terms of payment, urgency and repayment;
 - foreign currency exchange operations, including foreign currency cash exchange operations;
 - collection of banknotes, coins and valuables;
 - acceptance of payment documents for collection (except for bills of exchange);
 - opening (issuing) and confirmation of a letter of credit and fulfillment of obligations under it;
 - issuance of bank guarantees providing for execution in cash;
 - issuance of bank guarantees and other obligations for third parties providing for execution in cash.
- 2) other operations:
- purchase, acceptance as collateral, accounting, storage and sale of refined precious metals (gold, silver, platinum, platinum group metals) in bullion, coins made of precious metals;
 - purchase, acceptance as collateral, accounting, storage and sale of jewelry containing precious metals and precious stones;
 - transactions with bills of exchange: acceptance of bills of exchange for collection, provision of services for payment of bills by the payer, as well as payment of domiciled bills, acceptance of bills of exchange by way of mediation;
 - implementation of leasing activities;
 - issue of own securities (excluding shares);
 - factoring operations: acquisition of the rights to demand payment from the buyer of goods (works, services) with acceptance of the risk of non-payment;
 - forfeiting operations (forfeiting): payment of the debt obligation of the buyer of goods (works, services) by purchasing a promissory note without turnover to the seller;
 - trust operations: management of money, claims on bank loans and refined precious metals in the interests and on behalf of the principal;
 - safety deposit operations: services for the storage of securities issued in documentary form, documents and valuables of clients, including the rental of safety deposit boxes, cabinets and premises.
15. In addition to the operations established by paragraph 14 of the Rules, in accordance with the Law on Banks, the Bank is entitled to engage in the following types of activities:
- sale of specialized software used to automate the activities of banks and organizations engaged in certain types of banking operations in accordance with the legislation of the Republic of Kazakhstan;
 - sale of special literature on banking issues on all types of media;
 - sale of own property;
 - by issuing, selling, distributing and servicing payment cards, accepting cards as a means of payment in trade and service enterprises, issuing cash through ATMs and POS terminals;
 - by issuing, selling and distributing checkbooks;
 - provision of banking services through electronic service channels (Internet banking, mobile banking);
 - issuance, sale, purchase and repayment of electronic money, as well as the provision of services for the collection and processing of information on transactions with electronic money;
 - sale of collateral in accordance with the legislation of the Republic of Kazakhstan;
 - provision of consulting services and organization of training on financial activities;
 - representing the interests of other persons on issues related to banking activities, or as a representative of bondholders;
 - conducting activities to certify the compliance of the public key of the electronic digital signature with the private key of the electronic digital signature, as well as confirming the authenticity of the registration certificate in relation to the Bank clients;
 - by concluding insurance contracts on behalf of insurance organizations-residents of the Republic of Kazakhstan, if there is a corresponding agreement between the bank and such insurance organizations;
 - interbank clearing (collection, reconciliation, sorting and confirmation of payments, as well as their offsetting and determination of net positions of clearing participants).

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16. Brokerage, dealer and custodial activities are conducted by the Bank on the basis of a license issued by the authorized body of the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan and the Bank Internal Normative Documents.

17. The Bank is obliged to obtain the prior consent of the authorized body of the Republic of Kazakhstan to offer banking services in cases and in accordance with the procedure provided for by the legislation of the Republic of Kazakhstan.

18. Excluded.

Chapter 3. General provisions for client relations

19. When the client applies to the Bank for a banking service/product, the Bank provides the client with the following information:

- consultations on the client's questions;
- about rates and tariffs;
- on the timing of making a decision on the application for the provision of a banking service/product (if required, submitting an application);
- on the terms of the provision of banking services and the list of necessary documents for the conclusion of an agreement on the provision of such services;
- about the responsibility and possible risks of the client in case of non-fulfillment of obligations under the banking service agreement;
- the draft agreement on the provision of banking services (at the request of the client) and the time to review it.

20. The Bank informs the Client by publishing an appropriate announcement in the mass media, including on the Bank Internet resource:

- on the right to apply in case of disputes regarding the banking service received to the Bank, the authorized body of the Republic of Kazakhstan, the court or to the Banking Ombudsman (for mortgage loans);
- about the location, postal, e-mail addresses and Internet resources of the Bank, the Banking Ombudsman and the authorized body of the Republic of Kazakhstan.

21. The maximum period for making a decision on the provision/non-provision of banking operations (services) is fifteen (15) working days from the date of acceptance of the full package of documents from the client. When providing a banking service (loan), the maximum period for making a decision on the most complex and voluminous lending projects is 30 working days from the date of acceptance of the full package of documents from the client.

22. In accordance with the Rules for the Provision of Banking Services, the Bank is obliged, during the period of servicing the bank loan agreement, at the request of the borrower, within three working days from the date of receipt of the request, to provide the client with information in writing about:

- 1) the amount of money paid to the Bank by the borrower;
- 2) the amount and timing of the next payments;
- 3) the balance of the principal debt on the loan;
- 4) the amount of overdue debt (if any);
- 5) lending limit (if available).

Chapter 4. The procedure for reviewing client requests

23. client requests received during the provision of banking services are considered by the Bank in accordance with the procedure and deadlines established by the Rules for the Provision of Banking Services and other Bank Internal Normative Documents. Refusal to accept client requests is not allowed.

24. client requests are divided by the Bank into:

- verbal, received by the Bank by phone or during a direct visit by the client to the Bank (including when visiting a senior employee of the Bank);
- written documents delivered to the Bank on purpose, by mail, courier organizations, by e-mail or via the Bank website on the Internet.

25. A verbal request from a client received by the Bank by phone is subject to registration in accordance with the procedure established by the Bank Internal Normative Documents, which regulates the procedure for reviewing client requests.

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The reception of clients is conducted by employees of the Bank's head office and branches of the Bank, authorized for such reception, according to the reception schedules approved by the relevant order of the Chairman of the Management Board of the Bank or the directors of the branches, respectively.

26. The Client's written request received by the Bank (including through the Bank website on the Internet) is subject to registration in accordance with the procedure established by the Bank Internal Normative Documents, regulating the procedure for considering client requests.

If necessary (at the request of the client), the Bank confirms receipt of a written request.

27. Applications that do not contain the essence of the issue are left without consideration by the Bank, about which, if possible, a corresponding notification is sent to the Applicant. The Bank leaves applications for which it is impossible to identify the client without consideration, and, if possible, a corresponding notification is sent to the applicant. Any appeal containing information about crimes being prepared or committed, or about a threat to State or public security, and which is subject to immediate redirection to law enforcement agencies, is subject to consideration.

28. The Client's verbal request received by the Bank is considered immediately with the provision of a response to this request.

If the Bank is unable to provide an immediate response to the client's verbal request, this client is invited to present this request in writing in order for the Bank to consider this request as written. At the same time, the Bank notifies this client about the procedures and deadlines for reviewing written requests and providing answers to them.

29. The period for consideration by the Bank of written client requests is from three (3) to fifteen (15) business days from the date of receipt of the request to the Bank. The period of consideration of the application and provision of a response may be extended up to sixty (60) calendar days from the date of registration of the application, unless another period is provided for by the legislation of the Republic of Kazakhstan.

Notification of the extension of the time limit for consideration of the application is sent to the Bank client in the manner specified in the agreement or in the client's request.

30. Excluded

31. The requirements for the content of the Bank's written response to the client's request are established by the Legislation of the Republic of Kazakhstan and the Bank Internal Normative Documents.

Section 2. SPECIAL PROVISIONS

Chapter 1. The general terms for opening and maintenance of bank accounts, accepting deposits

32. The Bank opens and maintains the following bank accounts:

- current accounts of legal entities and individuals;
- bank deposits of legal entities and individuals;
- current accounts of clients using a payment card;
- correspondent accounts of banks and organizations engaged in certain types of banking operations.

33. The procedure for opening, maintenance and closing of client bank accounts is conducted in accordance with the Bank INDs.

34. The number of bank accounts opened to clients may be limited in accordance with the Rules of Internal Control in order to counteract the legalization (laundering) of illegally obtained incomes and the financing of terrorism.

35. Deposits from clients are accepted by the Bank on the basis of a license issued by the authorized body of the Republic of Kazakhstan.

36. The Bank is a participant in the system of compulsory collective guarantee (insurance) of deposits of individuals (including individual entrepreneurs, farm households, private bailiffs, and so on) in accordance with the requirements of the Law of the Republic of Kazakhstan On Mandatory insurance of deposits placed in second-tier banks of the Republic of Kazakhstan.

37. The Bank accepts money from clients in national and foreign currencies, both in cash and non-cash forms, with placement on demand deposits, term, conditional, savings deposits.

38. The interest rates differ depending on the type and duration of the deposit. The deposit period, the interest rate, the AERR, the conditions and the possibility of accepting additional contributions, the conditions

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of partial withdrawals and early termination are stipulated by the terms of the bank deposit agreement/adhesion contract/offer application for opening a bank deposit (current account).

39. For the provision of banking services (operations), the Bank charges commissions and fees from clients in accordance with the tariffs and rates of the Bank, which are set by the Bank independently and approved by the relevant authorized body of the Bank.

40. Basic conditions for opening deposits:

- the minimum amount of deposits accepted by the Bank is from 0 tenge/other currency;
- the minimum deposit placement period is from one day;
- the minimum sizes and terms of demand deposits are not set;
- the maximum amount of accepted deposits is 10% of the Bank equity, unless otherwise established by a decision of the relevant authorized body of the Bank;
- the maximum term of deposit placement is 50 years;
- the minimum interest rate on deposits is 0% per annum, while the minimum interest rate in a reliable, annual, effective, comparable calculation is 0% per annum;
- the maximum amount of the annual effective interest rate on deposits of individuals (including individual entrepreneurs, farm households, private bailiffs, and so on) in national currency is 63.2% per annum, in foreign currency and for floating-rate deposits is set in accordance with the maximum annual effective interest rates on deposits in foreign currency and the maximum spreads on floating-rate deposits of Kazakhstan Deposit Insurance Fund JSC (hereinafter referred to as the Fund).
- the maximum interest rate on deposits of legal entities is 50% per annum, while the maximum interest rate in a reliable, annual, effective, comparable calculation is 63.2% per annum;
- the maximum interest rates for the average monthly balances on current accounts of legal entities is 50% per annum, while the maximum interest rate in a reliable, annual, effective, comparable calculation is 63.2% per annum;
- the minimum interest rate for the average monthly balances on current accounts of legal entities is 0% per annum, while the minimum interest rate in a reliable, annual, effective, comparable calculation is 0% per annum.
- no interest is paid for using the money placed in the current bank account (effective from 1 January 2019). This provision does not apply to legal relations that arose between the Bank and the Client before 1 January 2019, according to which the Bank assumed obligations to pay interest for the use of money placed on the current account.

41. The interest rates for deposits of legal entities, as well as for the average monthly balances on current accounts of legal entities, are approved by the authorized body of the bank, within the interest rates approved by the Board of Directors, within the interest amounts provided for by the Rules.

The amount of interest rates on deposits of individuals (including individual entrepreneurs, farm households, private bailiffs, and so on) and floating-rate deposit spreads for individuals are approved by the authorized bodies of the Bank, within their competence, within the limits of the interest rates:

- in the national currency approved by the Board of Directors, within the limits of interest amounts stipulated by the Rules;
- in foreign currency and floating-rate deposit spreads set by the Fund.

42. A fixed/floating interest rate is set for all types of deposits, regardless of the deposit currency. The Bank does not have the right to change the amount of interest for deposits unilaterally, except in cases of extension of the deposit term, increase in the interest rate provided for in the bank deposit agreement/offer application for opening a bank deposit/adhesion contract¹⁻¹, and also with the exception of floating-rate deposits.

43. The Bank branches conduct deposit transactions on the basis of a power of attorney issued by the Bank, provided that the branch is ready to conduct such transactions.

44. The Bank accepts a deposit from the client on the basis of a bank deposit agreement concluded between them/adhesion contract/offer statement for opening a bank deposit, which reflects all the conditions for accepting, maintenance and issuing a deposit.

45. Deposit transactions are conducted by the Bank on the basis of:

- depositor's instructions;

¹⁻¹ Standard Terms and Conditions for the provision of Banking and Other Services of Eurasian Bank JSC (Adhesion Contract).

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- claims of third parties based on a notarized power of attorney or equivalent to a notarized one in accordance with the legislation of the Republic of Kazakhstan;
- claims of third parties that do not require acceptance of the depositor in accordance with the legislation of the Republic of Kazakhstan;
- the Bank orders, if it does not contradict the legislation of the Republic of Kazakhstan and the terms of the bank deposit agreement.

46. The interest accrual on the deposit is conducted depending on the deposit terms. To calculate the accrual of interest on deposits, the Bank has adopted a conditional month equal to 30 calendar days and a conditional year equal to 360 calendar days, unless otherwise provided by the terms of the agreement.

47. The deposit can be claimed at any time during the term of the bank deposit agreement by terminating it. In case of early withdrawal by the depositor of money on fixed-term and conditional deposits, the deposit amount is refunded by the Bank in full, and the amount of interest for it is accrued and paid at the rate of demand deposits, unless otherwise provided by the bank deposit agreement/offer statement for opening a bank deposit/adhesion contract. In cases where the savings deposit is requested by the depositor before the expiration of the established period, the interest on the deposit is paid in the amount established at the demand deposit rate effective in the Bank at the time of termination of the bank deposit agreement/offer application. When the Bank decides to stop accepting deposits, the amount of the deposit and accrued interest is paid according to the terms of the deposit.

The Bank has the right to demand a refund of previously paid interest (by withholding money from the principal amount of the deposit) in case the depositor fails to comply with the terms of the bank deposit agreement/adhesion contract/offer application for opening a bank deposit (current account).

Chapter 2. The general terms for conducting loan transactions

49. The Bank lending transactions are conducted in accordance with the Eurasian Bank JSC Lending Policy.

50. The Bank sets the following limits on the amount of loans provided to clients:

- the minimum amount of the loan provided is at least seven thousand (7, 000) tenge, or equivalent of an amount in a foreign currency;
- the minimum amount of the loan provided on accounts using a payment card is not limited;
- the maximum amount of the loan provided should not exceed the amount of 25% of the Bank equity, subject to restrictions established by the legislation of the Republic of Kazakhstan.

51. The loan terms are determined according to the Bank INDs, depending on the terms of the proposed loan product.

52. Loans granted for a period of up to one (1) year are short-term, for a period of more than one (1) year - long-term. At the same time, the Bank sets the following maximum terms for granting loans:

- for loans provided to legal entities – no more than 20 years;
- for loans provided to individuals (consumer loans) – no more than 10 years;
- for mortgage loans – no more than 30 years;
- The minimum term for loans provided to the Bank clients is 1 calendar day.

53. The lease term should not exceed 75% of the useful life of fixed assets. The maximum lease term is 7 years.

54. Interest rates on loan products are established by the authorized bodies of the bank, within their competence, within the limits of the marginal interest rates provided for in this Chapter, depending on the risk factors of the requested loan, the state of the financial market, demand for loan resources, and the acceptable rate of return of the Bank on loan transactions, taking into account the approved transfer pricing rates.

The interest rates are set individually for each loan application in accordance with the Regulations on the Limits of Decision-Making Powers Related to Credit Risk.

55. The maximum interest rates on payment credit cards are set out in Appendix No. 1 to the Rules.

56. The Bank sets the following minimum interest rates for loans issued:

- on loans provided to legal entities: the interest rate is from 5% per annum, the annual effective interest rate is 5% per annum;
- for loans provided to individuals: from 0% per annum for the balance of the principal debt, the annual effective interest rate is 0.01% per annum for the balance of the principal debt;

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- for loans provided to clients when accepting collateral in the form of money, the Bank margin is set at 0% per annum, the annual effective interest rate is 0% per annum;
- guarantees, depending on the type of guarantee and collateral for it, according to the rates and tariffs for guarantees approved by the Board of Directors;
- for letters of credit executed by the Bank – not lower than the interest rate on loan transactions;
- for leasing operations: the interest rate is from 16% per annum, the annual effective interest rate is 16% per annum.

57. The Bank sets the following maximum interest rates for loans issued:

- on loans provided to legal entities – up to 36% per annum;
- for loans provided to individuals – up to 56% per annum on unsecured bank loans; up to 40% on secured bank loans; up to 25% on residential mortgage loans, for the loan amount as of the date of conclusion of the loan agreement or for the balance of the principal debt, in case of amendments and (or) additions to the loan agreement, subject to the restriction² established by the Authorized Body of the Republic of Kazakhstan;
- for loans provided to individuals when accepting collateral in the form of money, the Bank margin is set at up to 10% per annum, taking into account the restriction established by the Authorized Body of the Republic of Kazakhstan;
- for loans provided to legal entities when accepting collateral in the form of money, the Bank margin is set at up to 10% per annum.

58. Interest rates on loans provided to individuals may be fixed and floating.

The procedure for calculating and conditions for the floating interest rate are determined by a regulatory legal act of the Authorized Body of the³ Republic of Kazakhstan.

59. The Bank has the right to unilaterally change the interest rates established on the date of conclusion of the bank loan agreement with legal entities in the direction of increasing, if:

- violation by the borrower of its obligations to provide reliable information related to the receipt and servicing of the loan, in cases stipulated by the bank loan agreement/agreement;
- if the Bank has the right to demand early fulfillment of obligations in cases provided for by the legislation of the Republic of Kazakhstan and the bank loan agreement/agreement;
- changes in the composition of the participants (shareholders) of the borrower, collectively owning ten or more percent of the shares (participation interests) of the joint-stock company (business partnership), without prior written notification to the Bank;
- violation by the borrower and/or the pledgor of the right of the Bank, which is the pledgee, to check the actual availability, size, condition and storage conditions of the pledged property, as well as the fact that third parties have submitted claims to the property of the borrower (pledgor), including the property pledged in the Bank.

60. For loans provided to individuals, including mortgage loans, the fixed annual interest rate, by agreement of the parties, may be changed:

- for a floating interest rate during the term of the agreement;
- in the direction of an increase after the expiration of its validity period determined by the agreement, but not earlier than three years from the date of conclusion of the bank loan agreement/agreement. Each subsequent change in the direction of increasing the fixed interest rate is possible by agreement of the parties after the expiration of the fixed rate, but not earlier than three years from the date of the previous change in the fixed interest rate.

The fixed interest rate is not subject to unilateral change, except in cases of its downward change or temporary downward change by the Bank, committed in accordance with the procedure established by the Law of the Republic of Kazakhstan On Banks and Banking Activities. A temporary decrease in the interest rate is understood as a reduction in the amount of the interest rate by the Bank for a certain period, after which the interest rate is set at an amount not exceeding the amount of the interest rate that was in effect before the temporary change.

61. If there is a delay in fulfilling the obligation under the bank loan agreement, but no later than thirty (30) calendar days from the date of its occurrence, the Bank notifies the Client, in the manner provided for in

² The threshold (maximum) amount of the annual effective interest rate on loans is established by the National Bank of the Republic of Kazakhstan

³ Calculation rules, conditions for the floating interest rate, approved by Resolution No. 119 of the Management Board of the National Bank of the Republic dated 30 June 2017.

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the bank loan agreement, of the need to make payments under the bank loan agreement and of the consequences of the client's failure to fulfill its obligations. The notification of debt collection under the bank loan agreement contains brief information for the client about the amount of debt under the bank loan agreement (indicating the amount of the principal debt, interest, commission, penalties and other types of penalties, as well as other amounts payable). If the requirements arising from the notification specified in this paragraph are not satisfied, the Bank applies to the client the measures provided for in Article 36 of the Law on Banks. To notify the borrower, it is allowed for the Bank to involve a legal entity that is a commercial organization included in the register of collection agencies (collection agency).

62. Changes in interest rates on previously issued loans and other loan instruments (guarantees, letters of credit) may be conducted by decision of the authorized body/the Management Board or the Board of Directors of the Bank, based on the terms of the loan product/instrument and the bank loan agreement/agreement.

63. The list of documents required for the formation of the borrower's file is determined by the Bank Internal Normative Documents, which regulates the Bank lending activities.

64. The bank loan agreement/agreement specifies the annual effective interest rate calculated in accordance with the requirements of the regulatory legal act of the Authorized Body of the Republic of Kazakhstan.

65. The procedure and terms of payment of interest on the loan are established by the bank loan agreement/agreement, based on the terms of the loan. For individuals, the bank loan/agreement agreement specifies the method of repayment of the loan at the borrower's choice, and to choose the repayment method, he is provided with draft loan repayment schedules calculated using the methods of differentiated and/or annuity payments before the conclusion of the bank loan/agreement agreement.

66. Prior to the conclusion of a bank loan agreement with an individual not related to entrepreneurial activity, the Bank is obliged to provide an individual with a choice of loan terms that do not provide for the collection of commissions and other payments taken into account when calculating the annual effective interest rate on the loan in accordance with the procedure established by the regulatory legal act of the authorized body, and also, lending conditions providing for the right of the Bank, in addition to the interest rate, commissions and other payments related to the issuance and servicing of the loan and provided for by the bank loan agreement/agreement.

The Bank is obliged to indicate in bank loan agreements/agreements the full list of commissions and other payments, as well as their amounts to be charged in connection with the issuance and servicing of the loan, and has no right to unilaterally introduce new types of commissions and other payments within the framework of the concluded agreement/agreement not provided for by the legislation of the Republic of Kazakhstan.

67. The Bank does not have the right to unilaterally change the terms of the bank loan agreement/agreement, except in cases of improvement for the borrower.

The improvement of the terms of the bank loan agreement/agreement for the borrower for the purposes of this paragraph means:

- a downward change or complete cancellation of commissions and other payments for the provision of services related to the servicing of a bank loan/agreement;
- a change in the direction of reduction or complete cancellation of the penalty (fine, penalty fee);
- change in the direction of decreasing the interest rate under the bank loan agreement/agreement;
- deferral and (or) installment payments under a bank loan agreement/agreement.

An additional list of improving conditions for the borrower may be provided in the bank loan agreement/agreement. If the bank applies the improving conditions, the borrower is notified of a change in the terms of the bank loan agreement/agreement in the manner provided for in the bank loan agreement/agreement. The borrower has the right, within fourteen calendar days from the date of receipt of the notification, to refuse, in accordance with the procedure provided for in the bank loan agreement/agreement, the improving conditions proposed by the bank. If the Borrower agrees, an additional agreement to the bank loan agreement/agreement is concluded, unless otherwise provided by the Agreement.

68. It is prohibited for the Bank to index the client's obligations and payments under a bank loan agreement concluded with the client, issued in tenge with its binding to any currency equivalent in accordance with the Law on Banks.

69. The Bank is not entitled to charge a penalty/commission or other types of penalties for early repayment of loans within 14 calendar days from the date of receipt of the loan and upon expiration:

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- six (6) months from the date of receipt of the loan issued for a period of up to one (1) year;
- one (1) year from the date of receipt of a loan issued for a period exceeding one (1) year.

70. An individual who has received a loan unrelated to the conduct of entrepreneurial activity for the purchase of goods, works and services has the right, within fourteen (14) calendar days from the date of conclusion of the bank loan agreement/agreement, to repay the loan with payment of interest accrued by the Bank from the date of granting the loan, without payment of penalties and other types penalties for repayment of the loan, unless otherwise provided by the terms of the bank loan/agreement.

71. Fulfillment of obligations for repayment of loans issued by the Bank and payment of interest on them may be secured by providing the property (assets) of the borrower or third parties as collateral (hereinafter referred to as pledgers) as defined by the Civil Code, including:

- deposits placed on the savings accounts of the mortgagors opened in the Bank;
- movable property (vehicle, liquid commodity products, refined precious metals in bullion, coins made of precious metals established by the legislation of the Republic of Kazakhstan, securities and other property);

- immovable property (land plots, as well as buildings, structures and other property);
- guarantees of a Bank, a legal entity or an individual with a high reliability rating;
- by the guarantee of an individual.

72. The following requirements are imposed by the Bank on the collateral accepted as security for the fulfillment of the borrower's obligations:

- the collateral provided to the Bank must be the property of the pledgor, while the Bank is provided with documents confirming the pledgor's ownership of the pledged property, as well as written confirmation from the registering authority that the pledged object is free from any encumbrances and claims of third parties and is not under arrest;

- the collateral must be liquid. If necessary, the Bank has the right to request an audit opinion from the pledgor on the actual value of the pledged property or to require an assessment of such property by an independent appraiser;

- at the request of the Bank, the pledgor's property accepted as collateral must be insured by the pledgor/borrower (if there is a risk of damage or loss of the pledged property during the term of the pledge agreement). The need for property insurance is determined by the terms of provision of loan products and the decision of the authorized body of the Bank.

73. The types and list of assets accepted by the Bank as collateral for loans submitted are determined by the Bank Collateral Policy.

74. In accordance with the Law on Banks, the mortgagor/borrower has the right to choose an insurance company and/or an appraiser at his discretion.

75. The Bank has the right to unilaterally suspend the issuance of new loans within the framework of the concluded bank loan agreement (agreements), in the following cases:

- 1) the Bank has the right not to provide new loans, according to the bank loan agreement/agreement;
- 2) violations by the borrower of his/her/its obligations to the Bank under the bank loan agreement/agreement;

- 3) deterioration of the borrower's financial condition, identified by the results of monitoring conducted by the Bank, in accordance with the requirements of the legislation of the Republic of Kazakhstan;

- 4) changes in the requirements of the legislation of the Republic of Kazakhstan affecting the proper execution by the Bank of the bank loan agreement/agreement.

76. A prerequisite for concluding a bank loan agreement/agreement, leasing, factoring, forfeiting, accounting for bills of exchange, issuing guarantees, sureties, opening letters of credit is the written consent of the borrower/co-borrower/client/guarantor/guarantor to provide information about him and the concluded transaction, as well as information related to the fulfillment by the parties of their obligations obligations, to the credit bureau and for the credit bureau to provide the Bank with a credit report on it, as well as consent to the collection and processing of personal data in accordance with the legislation of the Republic of Kazakhstan and the Bank INDS.

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77. The rights and obligations of the Bank and its clients, their responsibility to each other are determined by the legislation of the Republic of Kazakhstan and agreements (agreements of the parties).

78. Disputes and disagreements arising in connection with the execution of contracts (agreements of the parties) are resolved through negotiations, and in case of failure to reach agreement between the parties – in court, established by the legislation of the Republic of Kazakhstan.

79. The Bank guarantees compliance with the requirements for non-disclosure of information related to banking secrecy in accordance with the legislation of the Republic of Kazakhstan.

80. If the Bank receives a client's request, the Bank is obliged to accept and consider the received request in accordance with the Rules for Providing Banking Services.

81. The Bank and its clients are obliged to comply with the terms of the agreements, perform the duties assigned to them by the terms of the agreements (agreements of the parties).

82. The Bank and its clients are responsible for non-fulfillment or improper fulfillment of obligations stipulated by agreements (agreements of the parties) in accordance with the legislation of the Republic of Kazakhstan and the terms of the relevant agreements (agreements of the parties).

83. Contracts may provide for conditions that exclude or limit the liability of the parties, for example, force majeure circumstances beyond the control of the parties to the contract (agreement of the parties).

84. In case of improper payments and money transfers, the Bank is liable in accordance with the legislation of the Republic of Kazakhstan and the agreement (agreement of the parties) concluded with the client.

85. Excluded.

86. The Bank is not responsible for payment documents issued by the client in error, as a result of which there was an untimely or erroneous debit/crediting of the client's money, as well as replacement and/or delay in processing settlement documents beyond the established deadlines.

87. The Bank charges from the Client an additional fee for telecommunications, postal, as well as other expenses actually incurred for transactions and services.

88. The Bank has the right to deduct commissions and additional expenses incurred by the Bank in conducting services/operations from the Client's account in a non-acceptance manner and without additional instruction from the Client.

Chapter 4. Rates and tariffs for the Bank services (operations)

89. The limits of rates and tariffs for banking services/transactions are approved by the Board of Directors. Their modification also falls within the competence of the Board of Directors and cannot be delegated to other bodies of the Bank.

90. Basic (standard) tariffs and rates for banking services/transactions, including for related persons, are approved by decisions of the authorized bodies of the Bank, within their competence (within the limits of the maximum (minimum and maximum) rates/rates established by these Rules and are reviewed if there is a need to revise them.

91. Individual tariffs and rates for banking services/transactions, except for the cases provided for in paragraph 92 of the Rules, are approved by decisions of the authorized bodies of the Bank, within their competence, within the limits of the maximum rates and tariffs established by the Rules:

- for persons who are not related persons of the Bank;
- for related persons of the Bank, in the case of the provision of these services under standard conditions, including, but not limited to: standard forms of contracts approved by the Board of Directors of the Bank, decisions of the authorized bodies of the Bank, taking into account the requirements of Article 50 of the Law of the Republic of Kazakhstan on Banks (if similar conditions are provided to at least 2 clients who are not related persons of the Bank).

92. Individual tariffs and rates for banking services/transactions for related persons of the Bank are approved by the decision of the Board of Directors of the Bank within the limits of the rates and tariffs established by the Rules, taking into account the requirements of Article 50 of the Law of the Republic of Kazakhstan on Banks (if similar conditions are provided to at least 2 clients not related to the Bank) according to:

- bank deposits of legal entities and individual entrepreneurs, loan, leasing, factoring operations, operations for issuing guarantees, sureties, letters of credit;

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– for other banking services/transactions, in the case of provision of these services not according to standard conditions: without the use of standard forms of contracts approved by the Board of Directors of the Bank, decisions of authorized bodies of the Bank.

93. Individual tariffs and rates for banking services/transactions that go beyond the limits of the rates and tariffs established by the Rules are approved by the Board of Directors of the Bank.

94. Within the limits of the limits of rates and tariffs for banking services/operations, as well as the limits on interest rates for deposits and loans approved by the Board of Directors, authorized bodies of the Bank, within their competence, individual tariffs may be set for individual clients (categories of clients) or for individual products.

95. At the same time, the provision of preferential rates and tariffs to related persons of the Bank is prohibited.

96. If the client is related person of the Bank, the Bank determines the possibility of providing individual conditions within the limits of the rates and tariffs for banking services/operations approved by the Rules, taking into account the requirements of Article 50 of the Law of the Republic of Kazakhstan On Banks and Banking Activities in the Republic of Kazakhstan (if similar conditions are provided for at least to 2 clients who are not related persons of the Bank).

97. When sending individual rates and tariffs for consideration to the authorized bodies of the Bank, the responsible subdivision of the Bank is responsible for checking the client for relatedness with the Bank and, if related, for monitoring and preventing the provision of preferential conditions.

98. Excluded.

99. Up-to-date information on rates and tariffs is posted in branches (their premises) in a place accessible for viewing and familiarization, as well as on the Bank website on the Internet, indicating information on the dates of approval and amendments to the current rates and tariffs, numbers of internal documents and the body that approved (accepted).

In case of discrepancies between the text in Kazakh and Russian, the Bank and the Client are guided by the text in Russian.

100. The Bank notifies clients of changes and/or additions to standard tariffs for banking services by posting, no later than seven (7) calendar days before the date of their entry into force, a corresponding notification on the Bank website on the Internet, unless otherwise provided by the legislation of the Republic of Kazakhstan and/or a decision of the authorized body of the Bank and/or the relevant Agreement concluded between the Bank and the Client.

At the same time, the refusal to receive banking services provided by the Bank is the right of the client.

101. The limits of rates and tariffs for banking services/transactions are set by Annexes No. 1 to the Rules.

Chapter 5. Transactions with related persons of the Bank

102. The Bank, in conducting its activities, checks the client for relatedness with the Bank, in accordance with the signs of connection established by the Law on Banks, as well as regulatory legal acts of the authorized body of the Republic of Kazakhstan.

An individual or a legal entity may be recognized as related persons of the Bank on the basis of a reasoned judgment of the authorized body of the Republic of Kazakhstan.

A transaction with a related person of the Bank is conducted taking into account the requirements of the Law on Banks and can be conducted only by decision of the Board of Directors of the Bank, upon consideration of all its terms, except in cases when the standard terms of such transactions are approved by the Board of Directors of the Bank and apply to similar transactions with third parties.

103. The provision of preferential terms when concluding transactions with related persons of the Bank is prohibited, in accordance with the Law on Banks.

Granting preferential terms to a related person of the bank means making a transaction with a related person of the bank, or in his/her/its interests, which, by its nature, purpose, characteristics and risk, the bank would not make with a related person of the Bank.

The Bank checks the terms of transactions/operations for the presence of preferential treatment in accordance with the criteria established by the Law on Banks and regulatory legal acts of the authorized body of the Republic of Kazakhstan.

103-1. It is prohibited to issue loans to members of the Board of Directors and major participants of the Bank, with the exception of bank loans issued in an amount not exceeding the amount established by a

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regulatory legal act of the authorized body of the Republic of Kazakhstan on the date of the Bank's decision to issue a loan.

104. It is prohibited for related persons of the Bank to issue loans without collateral (blank loans), with the exception of loans in an amount not exceeding the amount established by a regulatory legal act of the authorized body of the Republic of Kazakhstan on the date of the Bank's decision to issue a loan, as well as loans to persons who are members of a banking conglomerate.

105. It is prohibited to refinance a borrower's loan from a lender, a related person of the Bank on loans, the amount of which exceeds the amount established by a regulatory legal act of the authorized body of the Republic of Kazakhstan.

106. The Bank may not make a transaction with any person, the value of which exceeds the amount established by the regulatory legal act of the authorized body of the Republic of Kazakhstan on the date of the Bank's decision to make a transaction (with the exception of a transaction for the acquisition of shares and shares in the authorized capital of legal entities, the value of which exceeds ten (10) % of the Bank equity as of the date of the Bank's decision on the transaction) and which entails:

- payment of obligations to a related person of the Bank;
- purchase of any property from a related person of the Bank;
- acquisition of securities issued by a related person of the Bank, with the exception of securities owned by the Bank.

Section 3. FINAL PROVISIONS

107. Responsibility for non-fulfillment/improper fulfillment of the requirements of the Rules, including the Action Plan (Appendix No. 3 to the Rules) is assigned to the heads of structural subdivisions participating in the process regulated by the Rules.

108. Issues not regulated by the Rules are subject to resolution in accordance with the legislation of the Republic of Kazakhstan and the Bank INDs.

109. When servicing clients, the Bank employees are obliged to be guided by the legislation of the Republic of Kazakhstan, the Rules and the Bank Internal Normative Documents.

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APPENDICES

Application number	Application name
Appendix No. 1	Limit values of rates and tariffs for banking services/operations
Appendix No. 2	Excluded
Appendix No. 3	Action plan

LIST OF CHANGES AND ADDITIONS

s.i.No.	Minutes number	Date of Minutes	Effective date	The initiator of change
1	44	10.05.2018	11.07.2018	Treasury and ALM Department, Corporate Block
2	67	30.06.2018		
3	99	17.10.2018		
4	116	29.12.2018	11.01.2019	Finance Department of the Financial Block
5	20	13.03.2019	09.04.2019	Finance Department of the Financial Block
6	62	20.08.2019	11.09.2019	Finance Department of the Financial Block
7	5	04.02.2020	25.02.2020	Finance Department of the Financial Block
8	35	19.05.2020		Finance Department of the Financial Block
9	47	24.06.2020		Finance Department of the Financial Block
10	50	08.07.2020		Finance Department of the Financial Block
11	52	21.07.2020		Finance Department of the Financial Block
12	55	28.07.2020		Finance Department of the Financial Block
13	59	19.08.2020		Finance Department of the Financial Block
14	62	02.09.2020		Finance Department of the Financial Block
15	69	29.09.2020		Finance Department of the Financial Block
16	73	21.10.2020		Finance Department of the Financial Block
17	82	09.12.2020		Finance Department of the Financial Block
18	6	03.02.2021		Finance Department of the Financial Block
19	8	12.02.2021		Finance Department of the Financial Block
20	14	03.03.2021		Finance Department of the Financial Block
21	24	28.04.2021		Finance Department of the Financial Block
22	29	26.05.2021		Finance Department of the Financial Block
23	37	07.07.2021	23.07.2021	Finance Department of the Financial Block
24	53	22.09.2021	11.10.2021	Finance Department of the Financial Block
25	65	03.11.2021	18.11.2021	Finance Department of the Financial Block
26	19	25.03.2022	15.04.2022	Finance Department of the Financial Block
27	40	01.06.2022	21.06.2022	Finance Department of the Financial Block
28	49	05.07.2022	08.07.2022	Finance Department of the Financial Block
29	3	18.01.2023	20.01.2023	Finance Block/Finance Department
30	26	30.03.2023	04.04.2023	Finance Block/Finance Department
31	67	09.08.2023	15.08.2023	Finance Block/Finance Department
32	85	27.09.2023	09.10.2023	Finance Block/Finance Department
33	4	17.01.2024	24.01.2024	Finance Block/Finance Department