

# **AIX CSD Fee Schedule**

January 2021

*(effective from March 1, 2021)*

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## General

- Capitalized terms in bold and italic defined in the AIX CSD Business Rules of the AIX Central Securities Depository Limited have the same meaning when used in this Fee Schedule;
- The referred time and periods of time, timing for billing shall be calculated according to the local time of Nur-Sultan;
- Invoices are issued on a monthly basis;
- Invoices for the services provided are issued in USD to non-residents of the Republic of Kazakhstan.
- Invoices for the services provided are issued in KZT to residents of the Republic of Kazakhstan. Fee amount is recalculated to KZT at the current rate of the USD to KZT established by the National Bank of the Republic of Kazakhstan (NBK) on the day of invoice for payment of services or date of service provision in the act of acceptance, whichever is earlier;
- AIX CSD may pass through to the Participant any other third-party costs it may incur;
- When basis point (bp) is mentioned in this Fee Schedule, one basis point equals 0.01%;
- Where the term “depot value” is used in this Fee Schedule, it has the meaning as described in the Safekeeping Fees section of this Fee Schedule;
- Amounts due shall be paid within 30 calendar days from the date of invoices;
- Amounts do not include VAT or any other taxes.

## Membership fees

### Initial Membership Fee / Application Processing Fee

For <b>Participant Member</b>	Fees are waived until further notice
For <b>Participant Non-Member</b>	Fees are waived until further notice
<ul style="list-style-type: none"> <li>• Paid with the application to become <b>Participant</b> of <b>AIX CSD</b>. Non-refundable fee in case the <b>Applicant</b> is declined from <b>Participation</b>.</li> </ul>	

### Annual Membership fee

For <b>Participant Member</b>	Fees are waived until further notice
For <b>Participant Non-Member</b>	Fees are waived until further notice
<ul style="list-style-type: none"> <li>• Paid at the beginning of the calendar year or when <b>Participation</b> granted on a per day pro rata basis.</li> </ul>	

## Avenir workstation user fees (per year)

Up to six usernames	within the annual membership fee
Subsequent usernames	275 USD
<ul style="list-style-type: none"> <li>• Paid at the beginning of the calendar year or when access granted on a per day pro rata basis. Non-refundable if user is suspended during the year.</li> </ul>	

## Settlement fees

### Stock Exchange Transactions concluded on AIX

<b>Admitted Product type:</b>	<b>Fee (per Settled Instruction)</b>
Debentures and any other <b>Admitted Product</b> based on Debentures only or representing debt	Included in the AIX trade and settlement fee
Shares, ETFs, warrants, depository receipts, funds, structured products and any other <b>Admitted Product</b> .	Included in the AIX trade and settlement fee
<ul style="list-style-type: none"> <li>• The fee is charged from each <b>Participant</b> taking part in the respective <b>Settlement Transaction</b>.</li> </ul>	

### Internal Off-Market DVP Transactions

<b>Admitted Product type:</b>	<b>Fee (per Settled Instruction)</b>
Debentures and any other <b>Admitted Product</b> based on Debentures only or representing debt	4.5 USD
Shares, ETFs, warrants, depository receipts, funds, structured products and any other <b>Admitted Product</b> .	7.5 USD
<ul style="list-style-type: none"> <li>• The fee is charged from each <b>Participant</b> taking part in the respective <b>Settlement Transaction</b>.</li> </ul>	

### Internal Off-Market FOP Transactions

<b>Admitted Product type:</b>	<b>Fee (per Settled Instruction)</b>
Debentures and any other <b>Admitted Product</b> based on Debentures only or representing debt	2.25 USD
Shares, ETFs, warrants, depository receipts, funds, structured products and any other <b>Admitted Product</b> .	3.75 USD

- The fee is charged from each **Participant** taking part in the respective **Settlement Transaction**.

## External Off-Market Transactions

Transfer and instrument type:	Instruction type:	Fee (per Settled Instruction):
Transfer of <b>Securities</b> of any instrument type to <b>AIX CSD</b> from another CSD / ICSD / Nominated Custodian	RvP (Receive versus Payment) or RFOP (Receive Free Of Payment) instruction	free
Transfer of <b>Securities</b> of any instrument type from <b>AIX CSD</b> to another CSD / ICSD / Nominated Custodian	<i>DVP</i>	3 bp of the value* subject to a minimum of 70 USD
Transfer of <b>Securities</b> of any instrument type from <b>AIX CSD</b> to another CSD / ICSD / Nominated Custodian	<i>FOP</i>	3 bp of the value* subject to a minimum of 50 USD
<ul style="list-style-type: none"> <li>• The fee is charged from the <b>Participant</b> initiating the transfer.</li> </ul> <p>*The value is calculated according to the official average price of the instrument on AIX the day before the day of the transfer. If no average price of the instrument on AIX exists the day before the day of the transfer, the value is calculated according to the face value of the instrument</p>		

## Safekeeping fees

### Safekeeping fee

Safekeeping fees are charged for **Securities** held on **Account**. Safekeeping fees are the provision and maintenance of securities accounts where it is carried out by **AIX CSD** acting as issuer CSD and refer to the servicing of the assets carried out by the **AIX CSD** acting as an investor CSD (as opposed to Issuer CSD). These fees are applicable to AIFC-registered securities and non AIFC-registered securities. Safekeeping fees are calculated in basis points per annum, calculation convention 365. Safekeeping fees are charged on a monthly basis and based on the monthly average depot value of the relevant securities held in all accounts with the **AIX CSD**.

## Debentures

Scale Depot value * (in million USD)	Fee (in bp per annum) of depot value*
Up to 100	0.25
From 100 up to 500	0.23
From 500 up to 1,000	0.21
From 1,000 up to 10,000	0.19
From 10,000 up to 50,000	0.17
From 50,000	0.15

## Shares, depository receipts, ETFs, warrants, funds, structured products and any other Admitted Product

Scale Depot value * (in million USD)	Fee (in bp per annum) of depot value*
Up to 100	0.9
From 100 up to 500	0.8
From 500 up to 1,000	0.6
From 1,000	0.4

The safekeeping fees are charged on a monthly basis and based on the monthly average depot value of **Admitted Products** held in all accounts of given **Participant**.

The depot value of the **Admitted Products** is determined on a daily basis by:

- the market value determined by the closing price on **AIX** for that day, or
- if market value is not applicable, the nominal value is used for debt instruments and base value<sup>1</sup> is used for other **Admitted Products**.

All resulting amounts will be converted into USD at the exchange rate of the NBK for that day and the monthly average depot value calculated.

The monthly average depot value is calculated from the average daily depot value in the subject month.

Finally, the safekeeping fee is calculated from the monthly average depot value in the subject month multiplied by the applicable basis points per annum (applied according to the table above) and divided by 12 months.

### Safekeeping fee example:

<sup>1</sup>Information about base value **Notified** by **AIX CSD** to the **Participants** for the respective **Admitted Product**.

A Participant holds 10,000,000 of **Admitted Product** during a month which average closing price was 15 USD every day. The **Admitted Product** were held on **Participant's** account for 20 business days out of 31 calendar days on that month.

$$\text{Monthly average depot value} = \frac{10,000,000 * \$15 * 20 \text{ days}}{31 \text{ days}} = \$ 96,774,193.55$$

Basis point = 0.9 (according to the table), less than 100mln USD.

$$\text{Safekeeping fee} = \frac{\$96,774,193.55 * 0.009\%}{12} = \$ 725.81$$

So, the Safekeeping fee **Participant** to pay for that month will be 725.81 USD.

## Miscellaneous Fees

Fees components:	Fee:	Comment:
Securities conversions for creation of depository receipts	any related third-party charges	
Securities conversions for cancellation of depository receipts	any related third-party charges	
Transferring securities from AIX CSD to facilitate Depository Receipts conversions to/from underlying securities	3 bp of the value* subject to a minimum of 70 USD	*The value is calculated according to the official average price of the <b>Security</b> on <b>AIX</b> the day before the day of the transfer. If no average price of the <b>Security</b> on <b>AIX</b> exists the day before the day of the transfer, the value is calculated according to the face value of the <b>Security</b> . It is not charged for conversions within the <b>AIX CSD</b> where the converted <b>Security</b> remains in the <b>AIX CSD</b> and when the adjustments described below were not applied in 100 % for last 9 consecutive months for the respective custody fee.
Customer holdings reports which are checked and confirmed by AIX CSD (upon request of Participant)	Fees are waived until further notice	
Customer holdings reports which are generated and confirmed by AIX CSD (upon request of Participant)	Fees are waived until further notice	

## Adjustments

When 10 (ten) or more the External Off-Market Transactions on average per month for six months are executed on a **Participant's** account / accounts (including proprietary and clients' accounts) then the following fees apply and the **AIX CSD** adjusts the previously applied fees, but only if they were not adjusted before:

Transfer and instrument type:	Instruction type:	Fee (per Settled Instruction):
Transfer of <b>Securities</b> of any instrument type to <b>AIX CSD</b> from another CSD / ICSD / Nominated Custodian	RvP (Receive versus Payment) or RFOP (Receive Free Of Payment) instruction	free
Transfer of <b>Securities</b> of any instrument type from <b>AIX CSD</b> to another CSD / ICSD / Nominated Custodian	<i>DVP</i>	1.5 bp of the value* subject to a minimum of 35 USD
Transfer of <b>Securities</b> of any instrument type from <b>AIX CSD</b> to another CSD / ICSD / Nominated Custodian	<i>FOP</i>	1.5 bp of the value* subject to a minimum of 25 USD
<ul style="list-style-type: none"> <li>The fee is charged from the <b>Participant</b> initiating the transfer.</li> </ul> <p>*The value is calculated according to the official average price of the instrument on AIX the day before the day of the transfer. If no average price of the instrument on AIX exists the day before the day of the transfer, the value is calculated according to the face value of the instrument</p>		

## Penalties payable by the Participants

Fees components:	Fees:	Comments:
Failure to settle on the first settlement batch on the intended Settlement Day by 11:30 am, settlement takes place on intended Settlement Day after 11:30 am	Regular settlement fee for the respective instrument type + 2 bp of the value* per settlement transaction, subject to a minimum of 200 USD and a maximum of 1,000 USD, charged to the Participant failing to deliver <b>Admitted Product</b> and/or cash for settlement to take place	*The value is calculated according to the traded price of the failed transaction on <b>AIX</b> . If the settlement currency is not USD, for calculating the fees, the Official (market) Exchange rate of NBK is applied.

Failure to settle at close of intended <i>Settlement Day</i> and subsequent <i>Settlement Days</i>	10 bp of the value* per settlement transaction per <b>Settlement Day</b> , subject to a minimum of 500 USD and a maximum of 2,500 USD, charged to the Participant failing to deliver <b>Admitted Product</b> and/or cash for settlement to take place	*The value is calculated according to the traded price of the failed transaction on <b>AIX</b> . If the settlement currency is not USD, for calculating the fees, the Official (market) Exchange rate of NBK is applied.
Buy-in/Sell-out by AIX in favor of non-failing party*	1,000 USD per settlement transaction + any direct costs incurred by <b>AIX CSD</b> per settlement transaction + an amount covering the market loss incurred by <b>AIX CSD</b> when executing the buy-in / sell- out transaction	* Detailed in clauses 4.5 and 4.6 of the Attachment 2 Settlement Fails, as well as Annex 2 and Annex 3 of AIX CSD Procedures
Cash Compensation*	1,000 USD per settlement transaction + the Cash Compensation Amount	*Detailed in clauses 4.5 and 4.6 of the Attachment 2 Settlement Fails, as well as Annex 2 and Annex 3 of AIX CSD Procedures
Cash-settlement facilitation*	25 USD per request	*Detailed in clauses 5.5 - 5.9 of the Attachment 2 Settlement Fails of AIX CSD Procedures
Service Interest*	KZT: NBK Tenge OverNight Index Average (TONIA) + 2pts. Charged on a daily basis from T+4. USD: Secured Overnight Financing Rate (SORF) + 2pts. Charged on a daily basis from T+4.	*Detailed in clauses 5.5 - 5.9 of the Attachment 2 Settlement Fails of AIX CSD Procedures
<ul style="list-style-type: none"> <li>The above stated fees are cumulative.</li> </ul>		

## Interests payable by Participants

Fees components:	Fees:	Comments:
Failure to make a payment of Participant Fees due to AIX CSD by the due date	Overdue interest is equal to the official refinancing rate of the NBK.	Applies to the overdue sum from the due date until payment of overdue sum, whether before or after judgment. The interest will accrue each day.