

APPROVED  
by Order №173/1 dated 21.06.24

**PROVISION №1**  
**on compliance with FATCA and CRS requirements**  
**by ITS Central Securities Depository Limited**

Astana, 2024

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## Chapter 1. General Provisions

1.1. This Provision on compliance with FATCA and CRS requirements by ITS Central Securities Depository Limited (the Provision) is developed in accordance with the legislation of the Republic of Kazakhstan, provisions of international agreements on taxation of foreign accounts and automatic exchange of financial information, as well as internal documents of ITS Central Securities Depository Limited (ITS CSD).

1.2. ITS CSD was registered on the IRS portal **on June 06, 2024** as a **member of Expanded Affiliated Group (EAG)** and as a Reporting Model 1 FFI. ITS CSD was assigned a global intermediary identification number (GIIN): **9VRVS9.00001.ME.398**. The Lead FFI is International Trading System Limited (ITS) with GIIN number: **9VRVS9.00000.LE.398**.

1.3. The Provision defines the procedure and specifics of ITS CSD compliance with the requirements set out in:

- 1) The Code of the Republic of Kazakhstan On Taxes and Other Obligatory Payments to the Budget (the Tax Code) in its current revision;
- 2) US Foreign Account Tax Compliance Act dated March 18, 2010 (FATCA);
- 3) The intergovernmental agreement between the Government of the Republic of Kazakhstan and the US Government on the improvement of international tax discipline through mutual assistance in the area of taxation dated September 11, 2017 (the FATCA Agreement);
- 4) The multilateral agreement<sup>1</sup> of authorised bodies regarding automatic exchange of information on financial accounts signed by the Republic of Kazakhstan on June 26, 2018, (the CRS Agreement);
- 5) The rules and time limits for submission of information to state revenue authorities approved by order of the Minister of Finance of the Republic of Kazakhstan dated February 13, 2018, No. 171 (the FATCA Rules);
- 6) The rules and time limits for submission of information to state revenue authorities by second level banks and organisations performing certain types of banking operations, custodians, central depository, brokers and/ or dealers authorised to manage client accounts as nominal holders of securities, investment portfolio managers, as well as insurance organisations approved by order of First Deputy Prime Minister - Minister of Finance of the Republic of Kazakhstan dated 27.12.2019 No.1429 in view of provisions of Methodological Recommendations on compliance with the requirements of the said Order (the CRS Rules).

1.4. This Provision sets out the procedure for Reportable Accounts determination, as well as contents, procedure, and time limit for information submission by ITS CSD to the Authorised Body within the framework of the FATCA and CRS Agreements.

1.5. Requirements of the Provision are obligatory for all ITS CSD units, in particular, that indicated in Chapter 3 of this Provision.

1.6. If necessary, ITS CSD develops other internal regulatory documents based on this Provision (methods, schedules, procedures, etc.) in order to implement FATCA and CRS requirements.

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<sup>1</sup> The multilateral agreement, i.e. the agreement developed in accordance with Article 6 of the Convention on Mutual Administrative Assistance in Tax Matters and ratified by the Law of the Republic of Kazakhstan dated December 26, 2014, No. 267-V (the Strasbourg Convention), that provides for the introduction of common standard for automatic exchange of information (Common Reporting Standard, CRS) regarding financial accounts between tax authorities of the countries having signed the Multilateral Agreement. Common Reporting Standard (CRS) was developed by OECD with the participation of G-20 countries to resolve the issue of legal tax amount reduction and tax evasion, as well as to improve the level of compliance with the tax rules

## Chapter 2. Glossary

### 2.1. Key notions and abbreviations used in the Provision:

**Account** means current and/ or savings account, in particular, Financial Account, metal account, as well as personal account (sub-account) and off-balance account for securities and other property.

**Active Non-Financial Entity (Active NFE) means** an enterprise compliant with any criteria indicated in the definition of active non-financial entity in FATCA Agreement and (or) CRS Agreement, respectively.

**Authorised Body** means State Income Committee at the Ministry of Finance of the Republic of Kazakhstan.

**Beneficiary Owner** means

- for the purpose of CRS implementation: a natural person, that ultimately directly or indirectly (via third persons) owns (has the major share of over 25 per cent in the capital of) the Client or can control actions of the Client;
- for the purpose of FATCA implementation: a natural person, that ultimately directly or indirectly (via third persons) owns (has the major share of over 10 per cent in the capital of) the Client or can control actions of the Client.

**Client (Account Holder)** means an individual entrepreneur, a natural person or a legal entity signing (having signed) a Financial Account Agreement with ITS CSD.

**CRS (Common Reporting Standard)** means common standard for automatic exchange of information on financial accounts between tax authorities of countries developed by Organisation for Economic Cooperation and Development (OECD).

**CRS status** means status assigned to each Client as a result of measures aimed at Identification for the purpose of CRS.

**Identification** means implementation of a procedure to identify Client's FATCA and CRS statuses.

**FATCA U.S. Indicia** mean additional signs suggesting grounds to consider the Client as a US Taxpayer. To identify such signs, only information obtained in accordance with Kazakhstan KYC/AML rules shall be considered. If at least one of the below listed signs is identified, ITS CSD may request additional documentation.

For the purpose of this document, signs of US Taxpayer being a natural person are following:

- born in US (natural persons);
- phone number registered in US (country code +1);
- residential (registered) address or actual residential address or zip code (including PO Box) in US;
- standing instructions for payment of amounts in US;
- account address marked for transfer or on demand as the only one;
- letter of attorney provided to a person with residential (registered) address or actual residential address or zip code in US;
- right to sign provided to a person with residential (registered) address or actual residential address or zip code in US.

Besides, for the purpose of this document signs of US Taxpayer being a legal entity are following:

- US Tax status (QI).

**FATCA tax** means 30% fine/ tax upon payment of certain incomes to clients being objectors and nonparticipating financial institutions (NPFPI).

**FATCA status** means status assigned to each Client as a result of measures aimed at Identification for the purpose of FATCA (list of FATCA statuses is presented in Appendix 7 to this Provision).

**FDAP income** mean any payments associated with the receipt of fixed, definable, annual or periodic income from US sources (detailed types are presented in Appendix 6 to this Provision).

**Financial Account Agreement** means bank account (deposit) agreement, including agreement for current, settlement account, depository agreement, custodian agreement (for House Account, Omnibus Account, Trading House Account and Trading Omnibus Account), brokerage agreement or other agreement providing for placement by the Client of funds or other assets in ITS CSD or provision of financial services by ITS CSD to them according to FATCA and/ or CRS requirements, which the Client have signed or plans to sign with ITS CSD<sup>2</sup>.

**Financial Information** means information:

- on personal accounts for securities and other financial instruments open within the framework of agreements with non-resident natural persons, non-resident legal entities, and legal entities, beneficiary owners of which are non-residents, as well as on the balance of securities and other financial instruments on such accounts;
- on bank accounts and their numbers, on cash balance on such accounts, as well as information on availability, form, and cost of other property, in particular, placed on metal accounts of non-resident natural persons, non-resident legal entities, and legal entities, beneficiary owners of which are non-residents;
- on executed accumulative insurance agreements, beneficiaries under which are non-resident natural persons;
- in case of account open for non-resident natural persons, non-resident legal entities, and legal entities, beneficiary owners of which are non-residents, within the framework of custodian, broker and/ or dealer activities:
  - total gross amount of interests, total gross amount of dividends, and total gross amount of other income generated by assets stored on the account, in each case paid or debited to the account (or regarding the account) during relevant reporting term;

<sup>2</sup> ITS CSD based on current license requirements opens House Accounts, Omnibus Accounts, Trading House Accounts and Trading Omnibus Accounts for its Clients

- gross incomes from sales or redemption of financial assets, total income from increased cost at the time of sales of financial instruments less losses from operations with financial instruments received during the calendar year or other reporting term, regarding which financial organisation of the Republic of Kazakhstan acted as a custodian, broker and/ or dealer with the right to manage client accounts as a nominal holder of securities;
- total gross amount of interests on deposits paid during the calendar year or relevant reporting term;
- on assets, including cash and refined precious metals accepted by second level banks for trust management during the calendar year or relevant reporting term;
- on total payments made to NPFFI.

**Financial Institution (FI)** means a legal entity performing following activities:

- Custodial - ensures accounting and storage of third party financial assets as a material part of its operations and total income of the organisation pertaining to accounting and storage of third party financial assets and relevant financial services equals to or exceeds 20 per cent of the total income of the organisation during the shorter of the following terms:
  - 3 years expiring on December 31 (or on the last day of the reporting term, that is different from a calendar year) preceding the year of the calculation; or
  - the duration of the organisation existence.
- Depository - accepts (raises as deposits) funds of natural persons and legal entities within the framework of standard banking or other similar operations.
- Investment organisation, the main operations of which include one or more activity in the name and under instructions of its clients, such as:
  - trading in money market instruments (checks, notes, deposit certificates, derivative financial instruments, etc.), foreign currency, currency, interest, and indexed instruments, marketable securities or commodity futures;
  - trust management of third party property (management companies);
  - other investment, administration or management of funds, money or financial assets in the name of other persons.

It is deemed, that organisation exercises its main activity, if gross income from such activity equals to or exceeds 50 per cent of total gross income of the organisation during the shorter of the following terms:

- 3 years expiring on December 31 (or on the last day of the reporting term, that is different from a calendar year) preceding the year of the calculation; or
- the duration of the organisation existence.
- The main part of gross income of the organisation pertains to investment, re-investment or trading in financial assets, and organisation is managed by an organisation, that directly or via third persons exercises one of the 3 activities indicated in the above clause in the name of the managed organisation.
- Organisation is (or declares, that it is) a collective investment fund, mutual investment fund, exchange-traded fund, private equity fund, hedge fund, venture fund or another similar investment fund established to implement a strategy of investment, re-investment or trading in financial assets.
- Insurance organisation or holding company of an insurance company, that makes cash payments regarding agreement of accumulative life insurance, insurance of surviving to a certain age or occurrence of another event or life insurance agreement providing for periodic insurance payments (rent, annuities).

- Holding company or treasury centre, that:
  - belongs to an Expanded Affiliate Group including financial institution authorised to receive funds from Clients, depository, certain insurance company or investment company; or
  - are established or used by a collective investment fund, mutual investment fund, exchange-traded fund, private equity fund, hedge fund, venture fund or another similar investment fund established to implement a strategy of investment, re-investment or trading in financial assets.

**Financial Account** means any of the following accounts that is managed by any financial institution, or types of participation:

- Depository account (commercial, check, savings, time deposit account, accounts confirmed with deposit certificates or similar instruments, as well as any amount stored by insurance company under interest payment agreement);
- Custodial account (House Account, Omnibus Account, Trading House Account and Trading Omnibus Account) (account containing any financial instrument or contract stored as investment for the benefit of another person, including, without limitation: shares or interests in any corporation, debt securities, mortgages, bonds or other proofs of indebtedness, currency or commodity transactions, credit default swaps, swaps based on non-financial index, contracts for nominal principal amount, as defined in § 1.446-3(c) of the US Tax Code, insurance agreements or rent insurance agreements, any options or other derivative instruments);
- Equity or debt participation in financial institution, that is a foreign financial institution (FFI), the main activities of which is investing (except for the shares, that are regularly traded on the established securities market); exceptions are associated with certain forms of equity or debt participation in holding company, treasury, as well as depository or custodial institutions;
- Any rent agreement or insurance agreement with monetary cost in cash exceeds USD 50,000 at any time of the year.

Financial accounts may exclude following Accounts (excluded Financial Accounts – for more details see § 9 of this Provision):

- Certain savings accounts, such as pension accounts or certain non-pension accounts (e.g. accounts with profitable interests, that are meant to pay for education, cash withdrawal from such accounts being only allowed for this purpose);
- Certain life insurance agreements;
- Property bills;
- Certain collateral accounts;
- Certain rent insurance agreements;
- Accounts or products excluded according to Model 1 or Model 2 of IGA agreement.

**GIIN (Global Intermediary Identification Number)** means a number assigned by the US IRS to financial institution compliant with FATCA requirements.

**Non-Financial Entity (NFE)** means any legal entity that is not involved in activities of a Financial Institution;

**Nonparticipating Foreign Financial Institution (NPFPI)** means a financial institution found outside of US, that is not registered at US IRS portal and is not participating in FATCA implementation;

**Passive Non-Financial Entity (Passive NFE)** means a legal entity established/ registered in the Republic of Kazakhstan or another state, that is not a Financial Institution, over 50% (separately or in total) of the overall incomes of which for the previous year are passive incomes, and over 50% (separately or in total) of the average weighted amount of assets of the legal entity (as of the end of the quarter) are assets generating passive income.

Passive Non-Financial Entities are organisations that fail to comply with any of the following criteria of Active Non-Financial Entity:

- less than 50 per cent of gross income of the NFE for the previous calendar year or other relevant reporting term is passive income, and less than 50 per cent of assets owned by the NFE during the previous calendar year or other relevant reporting term are assets generating passive income or owned for the purpose of passive income generation;
- NFE's shares are regularly circulating on the organised securities market or NFE is an affiliate of a legal entity, shares of which are regularly circulating on the organised securities market;
- state organisations, international organisations, National Bank of the Republic of Kazakhstan, Agency for Financial Market Regulation and Development in the Republic of Kazakhstan or any organisation fully owned by one or more of the above mentioned organisations;
- NFE activities include ownership (full or partial) of issued shares of one or more subsidiaries or provision of financing and services to such companies that carry out commercial or economic activities, except for NFEs operating for the purpose of investment.
- NFE was not a financial organisation during the last five years and is undergoing liquidation of its assets or reorganisation in order to renew its operations, except for financial operations.

**Passive Income** means dividends, interests, incomes in form of remuneration, rent and royalty, annuities, profit from sale or exchange of property generating one of the types of the said income, income from increased cost, profit from transactions with exchange commodities (including futures, forwards, and other similar transactions) except for hedging transactions, if such transactions constitute the main activities of the company, profit from operations with foreign currency, income from insurance activities, if such activities are not the key activities of the NFE, contracts, the cost of which is aligned with the underlying asset (nominal value), or other types of incomes similar to those mentioned above.

**Presumption Rules** means conditions, under which it is possible to apply another procedure for classification under FATCA and Client's FATCA status determination:

- Status of a US citizen or foreign citizen: US allowed in following cases:
  - reliable confirmation of FATCA status as a foreign citizen is lacking;
  - if assumed US taxpayer status cannot be reliably classified as Other US Taxpayers (i.e. not a certain US taxpayer), certain US taxpayer status must be assumed.
- Status of US taxpayer or foreign citizen (supposedly a legal entity): Assumed foreign, if:
  - it is impossible to reliably associate payment with a foreign or American taxpayer + EIN starting with 98;
  - it is impossible to reliably associate payment with a foreign or American taxpayer + message sending to a foreign company;
  - it is impossible to reliably associate payment with a foreign or American taxpayer + phone number outside of US;
  - it is impossible to reliably associate payment with a foreign or American taxpayer + name of the legal entity indicates, that the legal entity is one of per se corporations in the list of foreign corporations of the US IRS (NOT a corporation in the list per se, that contains the designation of a corporation or company); or
  - offshore payment made outside of US regarding any offshore liability + lack of knowledge or reason to know, that the legal entity or natural person is a person under US jurisdiction (this presumption applies both for legal entities and natural persons).
- Legal entity classification: nonparticipating foreign financial institution assumed, if:
  - payment to a foreign legal entity, that cannot be reliably associated with documented proof confirming its FATCA status (e.g., as a participating FFI, Nonparticipating FFI or NPFPI).
- Legal entity classification: intermediary status assumed:
  - it is impossible to reliably associate payment with the intermediary, but only if the person accepting payment is a

bank, broker, financial agent, intermediary or another agent + lack of knowledge, that the person receives the payment on its own account

It is assumed, that any part of payment made to a foreign intermediary, that cannot be reliably associated with necessary documentation, is made to the Account Holder of Nonparticipating FFI of the intermediary.

- Legal entity/ natural person classification: Nonparticipating FFI assumed, if:
  - joint account + unreliable identification of any account holder being a natural person + any joint payment recipient supposedly not being a natural person (e.g. based on their name).
- Legal entity/ natural person classification (for offshore liabilities): unknown foreign natural person assumed, if:
  - payment is made outside of US for joint offshore liability + unreliable identification of any account holder + all joint recipients of the payment turn out to be natural persons.

The Tax Presumption Rules below are not applicable, if payment recipient provides the tax agent with necessary documentation.

**Recalcitrant account holder, objector** means a natural person or legal entity having refused to disclose information required for FATCA related Identification. Financial institution having failed to provide ITS CSD with information required for FATCA related Identification is also a financial institution not participating in FATCA implementation (Nonparticipating Foreign Financial Institution, NPFFI).

Types of objectors:

- Natural persons or legal entities having failed to provide ITS CSD with information and documents for FATCA related identification, e.g. those refusing to fill in the Self-Certification Form;
- Natural persons or legal entities having failed to provide ITS CSD with correct (corrected) name, TIN or current W-8 form, Self-Certification Form) containing the said data, if US Internal Revenue Service notifies ITS CSD, that the client's name indicated by ITS CSD in its reporting is incorrect;
- Natural persons or legal entities having failed to provide ITS CSD with a permit to submit information on them to the US IRS;
- A legal entity having notified ITS CSD, that it is a passive non-financial entity with major US owners, that failed to provide information on controlling persons.

ITS CSD starts to consider a Client as an objector, if such client is not assigned a FATCA status upon expiry of the time limits provisioned for identification;

**Reportable Account** means a Financial account or insurance agreement number, regarding which financial information is submitted to the Authorised body in accordance with FATCA and CRS Rules.

**Reportable Jurisdiction** means a foreign country (territory) included in the list of reportable jurisdictions of CRS published on the official web-site of the authorised body.

**Reportable Person** means

- for the purpose of CRS implementation: a natural person or legal entity of a Reporting jurisdiction;
- for the purpose of FATCA implementation: a US taxpayer, non-American financial institution with documented American owner; passive NFE with major American owner (over 10%); Recalcitrant account holder; Directly reporting a non-American non-financial institution.

**Reportable Financial Institution** means second level banks and organisations and branches of banks, that are not residents of the Republic of Kazakhstan, performing certain types of banking operations, custodians, central depository, brokers and/ or dealers authorised to manage client accounts as nominal holders of securities, investment portfolio managers, insurance organisations, branches of insurance brokers, that are not residents of the Republic of Kazakhstan, and branches of insurance (re-insurance) organisations, that are not residents of the Republic of Kazakhstan, involved in life insurance.

**Responsible Officer** means ITS CSD employee responsible for fulfilment of FATCA and CRS requirements, as well as FATCA and CRS Agreements, who performs duties of a Responsible Officer provisioned in FATCA Rules and CRS Rules.

**Self-Certification Form** means a questionnaire filled in and signed by a Client in paper or electronic format, requirements for which are independently approved by Reportable Financial Institution based on FATCA rules and CRS rules that provides for client's responsibility for information presented in the questionnaire.

**TIN/IN (Taxpayer Identification Number/ Identification Number)** means taxpayer identification number (or its analogue) assigned by the state (territory), of which the Client (Account holder) is a tax resident.

**Tax Status** means the status obliging a natural person or legal entity to pay taxes in the country, where such person or entity is a tax resident. Tax residency in the Republic of Kazakhstan is defined in accordance with Articles 217 and 219 of the Code of the Republic of Kazakhstan On Taxes and Other Obligatory Payments to the Budget (the Tax Code) and in accordance with provisions of relevant international agreement regulating double taxation and tax evasion issues.

**US** means United States of America and US area that includes territories, including American Samoa, Commonwealth of the Northern Mariana Islands, Guam, Commonwealth of Puerto Rico or US Virgin Islands.

**US Internal Revenue Service (IRS)** means authorised body of the US Federal Government, that collects taxes and enforces the tax legislation.

**US Taxpayer (US Tax Resident)** means

- For natural persons – natural persons are acknowledged as US tax residents, if one of the following conditions is fulfilled:
  - the natural person is a US citizen;

- the natural person has a permit for permanent stay in US (permanent resident's card (form I-551 (Green Card)));

- the natural person complies with the Long Term Stay criteria.

ITS CSD doesn't provide information, if a natural person is a citizen of the Republic of Kazakhstan and simultaneously with citizenship of the Republic of Kazakhstan has no second citizenship of US, residence permit in US (permit for permanent stay in US) or doesn't permanently reside (stay on a long term basis) in US. US Tax residents exclude teachers, students, trainees having temporarily staid in US based on F, J, M or Q visa.

- For legal entities – a legal entity or US tax resident, branches of foreign legal entities in US, US partnership, US corporation, any property (with certain exceptions) managed by a US taxpayer, and any trust, if American court may exercise primary supervision of the trust activities and one or more US taxpayers may control all material decisions of the trust; US government (including government agencies and departments), any US state or Columbia District (including their agencies and departments).

**W-8 forms** mean documents under the form provisioned by the US IRS that are used to identify statuses of taxpayers in countries other, than US:

- W-8BEN form means certificate of foreign status of the beneficiary owner (natural person) for tax withholding at American source;

- W-8BEN-E form means certificate of foreign status of the beneficiary owner (legal entity) for tax withholding at American source;

- W-8EXP form means certificate of a legal entity, that is exempted from obligations associated with tax payment in US (foreign governments, international organisations, foreign central issuing banks);

- W-8IMY form means certificate of a legal entity acting as a Qualified Intermediary (QI), Withholding Foreign Partnership (WP), Withholding Foreign Trust (WT), foreign fiscally transparent organisation, American branch of organisation;

- W8ECI form means a document confirming, that amounts, for which the certificate is issued, are essentially associated with trade or business in US and shall be included in gross income of payment recipient in the taxable year. This form applies only if it contains TIN of the payment recipient;

- I-407 form (refusal from the status of a legal permanent resident) is meant to establish a simple procedure to register refusal from residency of any foreigner legally residing in US. It is used to guaranty, that relevant foreigner agrees with due legal procedure and voluntarily, eagerly, and decisively refuses from the status of a legal permanent resident. It guaranties, that the foreigner was informed on the right for case hearing at court and intendedly refused from this right (if an application is submitted to recognise the status).

**W-9 form** means a document under the form provisioned by the US IRS that is used to confirm US Taxpayer status, subject to obligatory indication of US TIN.

2.1. Terms, that are not defined in this Chapter, but used in the Provision, shall have the meanings provisioned in the legislation of the Republic of Kazakhstan, FATCA Agreement, CRS Agreement and/ or other internal documents of ITS CSD.

### **Chapter 3. ITS CSD units responsible for fulfilment of FATCA and CRS Agreement requirements**

3.1. For the purpose of FATCA and CRS Agreement requirements fulfilment by ITS CSD, ITS CSD defines functions, as well as units responsible for implementation of such functions. In order to implement certain requirements of the FATCA and CRS Agreements, ITS CSD has the right to engage third parties under service agreements.

3.2. Tax Planning Department (TPD) is responsible for implementation of the following functions:

1) participation in development of this Provision and other internal documents describing the procedure for FATCA and CRS Rules and Agreements fulfilment by ITS CSD, as well as their timely updating;

2) overall coordination of activities aimed at FATCA and CRS requirements fulfilment in ITS CSD;

3) Client identification in order to identification of Reportable Personas and Reportable Account, and also in order to compile Financial Information and necessary Identification form development;

4) periodic annual compilation of Financial Information, that is timely transferred to the Authorised Body via telecommunication network;

5) interaction with IT-division regarding data compilation from ITS CSD systems;

6) interaction with ITD regarding establishment of a communication channel between ITS CSD and Authorised Body for Financial Information transfer;

7) control of receipt by the Authorised Body of Financial Information transferred;

8) re-sending of corrected Financial Information to the Authorised Body, if necessary;

9) submission of replies to the Authorised Body requests, if any requests are received from the Authorised Body;

10) FATCA tax withholding and payment arrangement;

11) consulting of ITS CSD units, if there are difficulties associated with FATCA and CRS.

3.3. TPD is responsible for development of business requirements/ terms of reference, if necessary, regarding control of obligatory filling in of fields/ information for the system to define persons as regulated ones according to FATCA and CRS Agreements.

3.4. Anti-Money Laundering Department (AMLD) is responsible for implementation of the following functions:



- 1) sending of requests for updating of information on FATCA and CRS along with sending of requests for updating of information for AML/CFT procedures;
- 2) FATCA procedure analysis in terms of regulatory risks;
- 3) sanctions compliance.
- 3.5. IT-division is responsible for implementation of the following functions:
  - 1) fulfilment of business requirements/ terms of reference of relevant units within the framework of FATCA and CRS Agreement fulfilment;
  - 2) modification, tuning, and support of IT systems in accordance with FATCA and CRS requirements;
  - 3) updating of the communications channel between ITS CSD and the Authorised Body for Financial Information transfer to the Authorised Body;
  - 4) support of the process aimed at Financial Information sending to the Authorised Body.
- 3.6. Managers of the units belonging to TPD are responsible for implementation of the following functions:
  - 1) organisation and control of complete and correct filling in of Client Self-Certification Form, in particular, regarding client's Tax Status. In case of reportable person determination under FATCA, control of receipt from/ provision to the Client for filling in of relevant W-8 or W-9 forms and other documentary evidence of FATCA status;
  - 2) organisation and control or correct presentation of information on the Client in client electronic card, in particular, regarding client's Tax Status;
  - 3) Front Office employee training in correct and full presentation of information on Clients, in particular, regarding client's Tax Status, in Self-Certification Form and W-8 and W-9 forms, as well as relevant ITS CSD IT systems.
- 3.5. Internal Audit Department is responsible for inspections in accordance with the Work Plan for FATCA requirements fulfilment by ITS CSD units.
- 3.6. Legal Department participates in development and/ or initiation of ITS CSD internal documents regulating FATCA and CRS requirements fulfilment, as well as analysis of FATCA procedure in terms of legal risks.
- 3.7. Accounting Department is responsible for accounting of tax requirements and liabilities in terms of US taxes, as well as payment of necessary taxes.
- 3.8. Front Office Employees involved in primary Client registration at the time of execution of relevant service agreements with them are responsible for implementation of the following functions:
  - 1) obtaining of information and documents from the Clients confirming their FATCA and CRS statuses;
  - 2) ensuring complete and correct filling in by the Clients of Self-Certification Form and W-8 and W-9 forms, that, in particular, contain information on Client's Tax Status;
  - 3) identification of primary Signs of Client belonging to US;
  - 4) provision of Clients with relevant W-8 or W-9 forms for filling in;
  - 5) complete and accurate presentation of information on the Client, in particular, client's Tax Status in client's electronic card.

#### **Chapter 4. General provisions on the list, procedure and time limits for submission of information to the Authorised Body**

- 4.1. Reportable Financial Institutions provide the Authorised Body with information on Reportable Accounts of their Clients.
- 4.2. Financial Information on such accounts is provided to the Authorised Body in electronic format via telecommunications network of the Authorised Body. Upon Financial Information submission, ITS CSD receives confirmation of receipt or rejection by the Authorised Body of relevant form in electronic format according to FATCA Rules and CRS Rules.
- 4.3. Regarding each Reportable Account, TPD provides the Authorised Body with relevant Financial Information in form of reports provisioned under FATCA Rules and CRS Rules.
- 4.4. Financial Information is provided to the Authorised Body in view of the following threshold values:
 

Threshold amount determination in accordance with FATCA Agreement

 TPD provides the Authorised Body with information on reportable persons' Reportable Accounts in accordance with FATCA Agreement with the following parameters:
  - 1) regarding Reportable Accounts of natural persons:
    - a) regarding existing and new Reportable Accounts of natural persons, except for deposit accounts of natural persons, as of December 31 of any reporting year, or as of the day of the account closing, if the account is closed in the reporting term, regardless of the balance amount and/ or cost of assets on such accounts, except for deposit accounts of natural persons;
    - b) existing and new deposit accounts of natural persons as of December 31 of the reporting year, or as of the day of the account closing, if the account is closed in the reporting term, if total balance of funds and/ or cost of assets on such accounts exceeds USD fifty thousand (50,000).
  - 2) regarding Reportable Accounts of legal entities:
    - a) regarding existing Reportable Accounts of legal entities, in particular, regarding Passive FFIs, the beneficiary owners of which are citizens and/ or tax residents of US, as of November 30, 2014, if total balance of funds and/ or cost of assets on such accounts exceeds USD two hundred fifty thousand (250,000);

b) regarding existing and new Reportable Accounts of legal entities, in particular, regarding Passive FFIs, the beneficiary owners of which are citizens and/ or tax residents of US, if the balance of funds and/ or cost of assets on such accounts as of December 31 of any reporting year, or as of the day of the account closing, if the account is closed in the reporting term, regardless of the balance amount and/ or cost of assets on such accounts.

3) total payments in any reporting year made in favour of Recalcitrant account holder , if there are such counterparties.

#### Threshold amount determination in accordance with CRS Agreement

TPD provides the Authorised Body with information on Reportable Accounts of reportable persons in accordance with CRS Agreement with the following parameters:

1) regarding Reportable Accounts of natural persons:

regarding existing and new accounts of natural persons as of December 31 of any year, or as of the day of the account closing, if the account is closed in the reporting term, regardless of the balance amount and/ or cost of assets on such accounts;

2) regarding Reportable Accounts of legal entities:

a) regarding existing Reportable Accounts of legal entities, in particular, regarding Passive FFIs, the beneficiary owners of which are tax residents of reportable jurisdictions, as of December 31, 2019, if total balance of funds and/ or cost of assets on such accounts exceeds USD two hundred fifty thousand (250,000);

b) regarding existing and new Reportable Accounts of legal entities, in particular, regarding Passive FFIs, the beneficiary owners of which are tax residents of reportable jurisdictions as of December 31 of any subsequent year, or as of the day of the account closing, if the account is closed in the reporting term, regardless of the balance amount and/ or cost of assets on such accounts.

4.5. ITS CSD employees don't provide Clients with consultation directly or indirectly aimed at possible evasion from FATCA and CRS requirement fulfilment.

4.6. If it is necessary to introduce supplements and/ or changes to previously provided information, ITS CSD provides additional information regarding relevant report forms.

4.7. If submission of information, that fails to comply with applicable requirements, is revealed, the Authorised Body sends ITS CSD a request. Information requested by the Authorised Body must be provided within fifteen (15) calendar days from receipt of such request.

4.8. Financial Information according to the requirements of FATCA and CRS Agreements is provided to the Authorised Body separately on annual basis by June 30 of the next year after the reporting year.

4.9. Balance of cash or amount of funds on the account is defined as of December 31 of the reporting year or as of the day of the account closing, if the account is closed in the reporting term.

4.10. To define total balance of cash or cost on accounts owned by a natural person or legal entity, ITS CSD sums up balances of cash or cost on all accounts of such natural person or legal entity.

4.11. In order to define belonging to Reportable Account, balance of cash or cost on account(s) is summed up in US dollars and includes equivalent amounts in other currencies. The rate for account balance conversion into US dollars is the official spot rate defined as of the last day of the calendar year preceding the year, in which the balance is being defined.

4.12. Account balances are summed up under the following procedure:

1) to define total balance of cash or cost on accounts owned by a natural person, Reportable Financial Institution sums up the balances of cash or cost on all accounts opened in the Reportable Financial Institution.

2) to define total balance of cash or cost on accounts owned by a legal entity, Reportable Financial Institution shall take into account all accounts in the Reportable Financial Institution.

4.12. Balance is summed up and equivalents of amounts in other currencies are defined under the following procedure.

1) For the purpose of threshold determination, total balance of cash or cost on account(s) includes equivalent amounts at the official exchange rate set out by the National Bank of the Republic of Kazakhstan as of the last day of the reporting year.

2) Balance of cash or cost on account(s) is presented in the client's account currency. If balance of cash or cost on account(s) is denominated in different currencies, Reportable Financial Institution may convert such amounts into US dollars based on the official exchange rate set out by the National Bank of the Republic of Kazakhstan as of the last day of the reporting year.

3) Securities balance is summed up based on the market cost as of the last day of the reporting year.

4.13. Financial Information is submitted to the Authorised Body in Latin letters with the use of transliteration corresponding to ISO 8859 or ISO 9 international standards.

4.14. Country code is the code corresponding to ISO 3166-1 Alpha 2 of International Organisation for Standardisation.

4.15. Currency code is the code corresponding to ISO 4217 of International Organisation for Standardisation.

### **Chapter 5. General requirements for the list of information submitted to the Authorised Body**

List of information submitted to the Authorised Body includes the following information:

1) Information on Reportable Financial Institution:

- business-identification number (BIN) of Reportable Financial Institution submitting the report;
  - name of Reportable Financial Institution providing information in accordance with its constituent and other documents;
  - location address (mailing address) of the Reportable Financial Institution, if mail service of the Reportable Financial Institution doesn't deliver mail to the street address and Reportable Financial Institution has a zip code, indicate the zip code instead of the street address;
  - GIIN (to ensure compliance with FATCA Rules);
  - surname, name, patronymic (if any) of the responsible person of the Reportable Financial Institution having provided information;
- 2) information on the Reportable person:
- for natural person, in particular, beneficiary owner of a legal entity:
    - surname, name, patronymic (if any);
    - residential address;
    - date and place of birth;
    - citizenship;
    - tax residency;
    - TIN/IN (Taxpayer Identification Number/ Identification Number);
  - for legal entity:
    - name;
    - location address;
    - country of registration/ incorporation;
    - tax residency;
    - legal entity type;
    - FATCA and CRS status;
    - TIN/IN (Taxpayer Identification Number/ Identification Number);
- 3) information on Reportable Account number of the Reportable person;
- 4) Financial Information on Reportable Account of the Reportable person:
- account balance or amount on the account as of December 31 of the reporting year or as of the date of closing of the account, if the account was closed during the reporting year;
  - total gross amount of dividends paid;
  - total gross amount of remunerations (interests) paid;
  - total gross revenue from asset sales or buyout;
  - total gross amount of other income.

## **Chapter 6. General Regulations on ITS CSD Clients check and criteria of their classification as Reportable Persons. Client Self-Certification**

6.1. When establishing business relations with a Client (executing service agreements), updating of information on the client within 90 days from the date of relevant agreement execution or the date of changes in the situation, employees of Division of Accreditation and Registration of Trading Organization Department (Front Office) must provide the Client with a Self-Certification Form for filling in and signing, as indicated in Appendix 1 or 2 to this Provision (for legal entities and natural persons, respectively), as well as relevant W-8 or W-9 form. Front office employee must control complete and correct provision by the client of necessary information in the above mentioned forms, in particular, information on Tax Status of the Client.

6.2. Self-Certification Form and relevant W-8 and W-9 forms signed by the Client in person or certified with electronic digital signature, that contain assurance of data and IN accuracy, as well as a copy of ID document, certificate of tax residency issued by relevant tax authority in the country, of which the account holder is a resident according to their statement constitute documentary evidence of the Tax Status of a Client being a natural person (if it is not Republic of Kazakhstan). Documents indicated in this clause are included in the Client's file.

6.3. Self-Certification Form and relevant W-8 and W-9 forms signed by an authorised representative of the Client or certified with an electronic digital signature, that contain assurance of data and IN accuracy, as well as copies of organisational and registration documents of the Client, certificate of tax residency issued by relevant tax authority in the country, of which the account holder is a resident according to their statement (if it is not Republic of Kazakhstan), constitute documentary evidence of the Tax Status of a Client being a legal entity. Additionally, ITS CSD may request financial statements of the Client, as well as letters and/ or assurances of relevant foreign authorised bodies regarding the Client.

6.4. Front office employees must ensure correct and complete presentation of information on the Client and Client's Tax Status in relevant ITS CSD systems.

6.5. If Client is a tax resident only in the Republic of Kazakhstan and provides their IIN/BIN of the Republic of Kazakhstan, such client is not a Reportable person according to the requirements of FATCA and CRS Agreements.

6.6. If Client provides documentary evidence, that they are not a US tax resident/ US citizen, tax resident of a Reportable Jurisdiction, such Client is not a Reportable person.

6.7. ITS CSD may rely on data and documentation received for the purpose of AML/KYC, as well as data in Self-Certification Form and W-8 or W-9 form, if such documentation contains sufficient information for FATCA status determination (or support of the Client's requirement for FATCA status provision), and if there are no reasons for ITS CSD to know, that information is inaccurate. E.g. in the following cases:

- requirement for FATCA status is deemed unreliable or incomplete, if it contradicts with information contained in account opening files (including documentation on AML/KYC);
- if documents/ forms provided are incomplete or contain incorrect data;
- IRS Notification is received: if a Foreign Financial Institution receives a notification from IRS, that wrong FATCA classification was obtained, FATCA classification must be updated within 30 days from receipt of such notification;
- if the legal entity name and GIIN are not shown in the last valid IRS list during 90 days;
- foreign financial institution FFI (claiming the FATCA Status is either a limited branch, or limited FFI, if permanent residential address of such tax agent or mailing address of any foreign financial institution, that is located in a country, other, that the country, in which FFI declares, that it is a participating foreign financial institution or is not registered deemed-compliant foreign financial institution or tax agent makes payment to foreign financial institution at any address outside of the country, in which FFI declares, that it is a participating foreign financial institution or is registered;
- if any foreign financial institution is deleted from the list of foreign financial institutions on IRS web-site, tax agent knows, that such foreign financial institution is not a participating foreign financial institution or is not registered as deemed-compliant foreign financial institution since the first day of the following months from the first day of the next month as such a fact was discovered.

In the above cases, ITS CSD may act under the procedure defined in §1-4 of this Provision regarding natural persons and legal entities, as well as beneficiaries of legal entities, respectively.

6.8. Till obtaining of complete and reliable primary set of documents enabling Client's FATCA status determination, ITS CSD shall not commence business relations with such Client.

6.9. Till obtaining of an updated set of documents enabling refining and confirmation of the Client's FATCA status, as well as in cases, when intermediate FATCA status of the Client is revealed or the Client is acknowledged as Financial Institution not participating in FATCA implementation (NPFFI), ITS CSD may terminate business relations with such Client.

6.10. In case of changes in the situation, as well as while waiting for update of documents requested from the Client for the purpose of FATCA, ITS CSD may define FATCA statuses based on Tax Presumption Rules.

6.11. All Clients' documentation enabling determination of their FATCA and CRS statuses must be stored in paper and/ or electronic format (depending on how it was obtained) for at least 6 years after the year, in which Account identification procedures were implemented. If US IRS request is received at the end of the 6th year, the storage term can be extended. If ITS CSD has a function of a tax agent, information must be stored till the time, when it is suitable for determination of the debt in terms of tax payments of any tax agent. Data stored in electronic format must be printed out upon US IRS request.

### **§ 1. Due diligence of new accounts of individuals**

Prior to opening an Account, the Reportable Financial Institution is required to obtain a Self-Certification Form and the relevant Prospective Customer's W-8 or W-9 form, which will enable the Reportable Financial Institution to determine the tax residency of the Account Holder.

In case the Self-Certification Form and the related Form W-8 or W-9 establishes that the Account Holder is a tax resident of an Reportable Jurisdiction or the United States, the Reportable Financial Institution is required to treat the Account as a Reportable Account, and the Self-Certification Form and the related Form W-8 or W-9 is also required to include the Account Holder's ID with respect to such Reportable Jurisdiction or USA tax number, current address and date of birth.

In case of any change in circumstances with respect to a new Account that causes the Reportable Financial Institution to believe that the original Self-Certification Form and the related Form W-8 or W-9 are incomplete or unreliable, Reportable Financial Institution may not rely on the original Self-Certification Form and related Form W-8 or W-9 and is required to obtain the correct Self-Certification Form and related Form W-8 or W-9 and other documentary evidence that establishes the Account Holder's tax residency.

In case of necessity to obtain additional information from the Client, change of circumstances and occurrence of "reason to know" events for the purposes of correct determination of the tax residency status, FATCA and CRS statuses of the Client, the necessary documents are to be requested and provided by ITS CSD within 90 calendar days from the date of conclusion of the Financial Account Agreement, from the date of change of circumstances and/or occurrence of "reason to know" events.

In case the required documents are not submitted within the term specified in the preceding paragraph, the Account Holder will be treated as a non-cooperating Account Holder after the expiry of this term.

### **§ 2. Due diligence of new accounts of legal entities**

The Reportable Financial Institution applies the following residency verification procedures to new Accounts of legal entities:

– receipt of the Self-Certification Form and the related W-8 or W-9 form and other documentary evidence that is part of the account opening documentation that will enable the Reportable Financial Institution to determine tax residency and to confirm the accuracy and reliability of the data provided in such self-certification based on the information received by the Reportable Financial Institution in connection with the account opening.

In case the Self-Certification Form and the related Form W-8 or W-9 state that the legal entity is a tax resident in the Reportable Jurisdiction or the United States, the Reportable Financial Institution is required to treat the account as a Reportable Account unless the Reportable Financial Institution determines, based on available or publicly available information, that the legal entity is not a Reportable Entity.

In case the Self-Certification Form does not indicate the tax residency of the legal entity, the Reportable Financial Institution may rely on the address of the legal entity to determine its residency.

In case of necessity to obtain additional information from the Client, change of circumstances and occurrence of "reason to know" events for the purposes of correct determination of the tax residency status, FATCA and CRS statuses of the Client, the necessary documents are to be requested and provided by ITS CSD within 90 calendar days from the date of conclusion of the Financial Account Agreement, from the date of change of circumstances or occurrence of "reason to know" events.

In case the required documents are not provided within the deadline specified in the preceding paragraph, the Account Holder shall, upon expiry of this deadline, be treated as a non-cooperating Account Holder or a Non-Participating Foreign Financial Institution.

### **§ 3. Due diligence of new accounts of legal entities with respect to beneficial owners**

In relation to new accounts of legal entities irrespective of their tax residency, the Reportable Financial Institution is required to establish the following:

- whether such legal entity is a Passive NFE
- identify the beneficial owner of a Passive NFE;
- obtain a Self-Certification Form, the related Form W-8 or W-9 and other documentary evidence from the legal entity indicating beneficial owner details.

As part of the enquiry of the beneficial owners of Passive NFE, the USA Attributes specified for individuals are applicable.

In case any of the beneficial owners of a Passive NFE is an Accountable Person, the account of the Passive NFE will be treated as a Reportable Account.

In case of necessity to obtain additional information from the Client, change of circumstances and occurrence of "reason to know" events for the purposes of correct determination of the tax residency status, FATCA and CRS statuses of the Client, the necessary documents are to be requested and provided by ITS CSD within 90 calendar days from the date of conclusion of the Financial Account Agreement, from the date of change of circumstances or occurrence of "reason to know" events.

In case the required documents are not provided within the deadline specified in the preceding paragraph, the Account Holder shall, upon expiry of this deadline, be treated as a non-cooperating Account Holder or a Non-Participating Foreign Financial Institution.

### **§ 4. Updating data on accounts**

Updating of FATCA and CRS status information on the Financial Accounts is required to be performed by the Reportable Financial Institution subject to the following conditions:

- a) in case of changes in the provisions of the FATCA Agreement and CRS or other regulations approved in the framework of their application and implementation in the Republic of Kazakhstan;
- b) in case of obtaining information from Customers by submitting updated Self-Certification Forms, related W-8 or W-9 forms and other documentary evidence (in case of change of circumstances and/or a "reason to know" supplementary enquiry);
- c) once every three years for all non-updated Self-Certification Forms and W-8 forms for the past three years; said forms are valid until the last day of the third calendar year following the year in which the documentary evidence was submitted to ITS CSD.

In case of occurrence of the circumstances referred to in a) and c) above, ITS CSD is obliged to inform the respective Clients in advance that the documentation provided will expire or have to be replaced and to request additional data, if necessary.

The Reportable Financial Institution is required, on an annual basis, on the last day of each year in respect of which FATCA and CRS reporting is made, to ensure that the information it holds on the Accounts and the FATCA and CRS statuses of Clients and counterparties is complete and up to date. The Reportable Financial Institution is required on a regular basis (at least annually) to verify the availability of Clients' GIINs on the US Internal Revenue Service portal.

The Reportable Financial Institution may not use the Self-Certification Form or other documentary evidence in case the Reportable Financial Institution knows or becomes aware that the Self-Certification Form or documentary evidence is incomplete or unreliable.

Clients of the Reportable Financial Institution shall inform the Reportable Financial Institution of changes in their data previously reflected in the Self-Certification Form and related W-8 or W-9 forms, as well as in other documentary evidence, no later than 30 calendar days after changes in such data, by submitting updated Self-Certification Forms, related W-8 or W-9 forms and other documentary evidence in accordance with the procedure established by this Provision.

In case of necessity to obtain additional information from the Client, change of circumstances and occurrence of "reason to know" events for the purposes of correct determination and/or verification of the tax residency status, FATCA and CRS statuses of the Client, the necessary documents are to be requested and provided by ITS CSD within 90 calendar days from the date of conclusion of the Financial Account Agreement, from the date of change of circumstances or occurrence of "reason to know" events.

In case the required documents are not provided within the deadline specified in the preceding paragraph, the Account Holder shall, upon expiry of this deadline, be treated as a non-cooperating Account Holder or a Nonparticipating Foreign Financial Institution.

The Tax Planning Department, in conjunction with the Accounting department, performs additional monitoring of Individual Accounts with aggregate amounts recognised as large, i.e. in excess of USD 1 mln. In case such aggregate threshold in respect of one individual for all his/her Accounts reaches the specified limit and/or exceeds it as of December 31 of each year, the Tax Planning Department may, via Front Office staff, request additional data from the Customer, after analysing the sufficiency of information, in case there are reasons to believe that such data is not sufficient, before July 1 of the following year or before the first date of receipt of the tax payment on such Accounts, in case there are reasons to believe that such data is not sufficient.

#### **§ 5. Identification of Reportable Persons among Clients of individuals in accordance with the FATCA Agreement**

Individuals who have USA citizenship (Client provides a US ID) and/or US tax residency (Client provides US tax residency on the Self-Certification Form) are Reportable Persons under the FATCA Agreement and are required to complete a W-9 form that is provided to them for completion by a Front Office employee and a waiver document, or Client may provide ITS CSD with a pre-filled W-9 form and a waiver document. The TIN must be listed in the W-9 form.

In case the Client is not a citizen and/or tax resident of the United States of America, however, during identification he/she indicates the following data (hereinafter referred to as the USA Identity Features):

- 1) place of birth in the USA;
- 2) current USA mailing or residential address (including USA post office box); current telephone number registered in the USA;
- 3) current phone number registered in the USA;
- 4) other USA Identity Features,

then, the Front Office employee clarifies the Customer's tax status by requesting the following support documents:

- in case of indication of place of birth in the USA, a passport of a state other than the USA, an Application in the form of Appendix 3 to this Provision and a copy of the "Certificate of Loss of US Citizenship" are required;
- in the case of subclauses 2) - 3) of this paragraph, it is required to request a passport of a state other than the USA and a document confirming tax residency of another jurisdiction, issued by a governmental authority of that jurisdiction. The document needs to contain the IN assigned to the customer by the government of such jurisdiction authority;
- in case of Features according to subclause 4) of this paragraph, additional explanations and comments of the Client, as well as supporting documents shall be requested.

In case the results of the clarifying measures described in the previous paragraph of the Provision exclude US citizenship and tax residency, the Client may not be a Reportable Person under FATCA and provides a completed W-8BEN form. However, depending on the country of tax residence, such Client may be a Reportable Person under the CRS Agreement if the country of tax residence is a Reportable Jurisdiction.

#### **§ 6. Identification of Reportable Persons among Clients of legal entities under the FATCA Agreement**

The Reportable Persons under the FATCA Agreement include the following legal entities:

- 1) a legal entity with country of incorporation/establishment in the United States;
- 2) a legal entity with USA as its country of tax residence;
- 3) a legal entity - a financial institution, the beneficial owners of which are citizens and/ or tax residents of the USA.
- 4) a legal entity - a passive NFE with beneficial owners being USA citizens and/or tax residents.

Legal entities referred to in the preceding paragraph of the Provision are required to complete a W-9 form and a waiver document, which are provided to them for completion by a Front Office employee or the Client may submit a pre-filled W-9 form and waiver document to ITS CSD. The TIN must be listed in the W-9 form.

To determine a non-resident legal entity as a financial or non-financial institution, passive or active NFE, the Provision provide for a Self-Certification Form, which determines the Reportable Financial Institution under both FATCA and CRS.

In case the country of incorporation/establishment or tax residence of the legal entity is not the USA, the following data are provided for identification:

- 1) address of location specified in the constituent documents (legal address) - USA;
- 2) address of actual location (actual address) - USA;
- 3) current phone number registered in the USA;

then the Client provides additional comments to the Front Office employee.

In case the country of citizenship or tax residence of the Beneficial owner of the Financial organisation, Passive NFE is not the United States, the following data are indicated for identification:

- 1) the place of birth of the Beneficial Owner of the Passive NFE in the United States;

2) the current USA mailing address or actual residence address of the Beneficial Owner of the Passive NFE (including a USA post office box);

- 3) the current US registered telephone number of the Beneficial Owner of the Passive NFE.

then the Front Office employee performs the activities specified in § 6 of this Provision.

In case the Client - Legal Entity is a non-US Financial Institution, the Self-Certification Form requires the Client to complete a GIIN number. In case the entity has a GIIN or is a non-US Financial Institution that is not required to be registered with the IRS portal, it is not a Reportable Person under the FATCA Agreement and the Client should not indicate "Nonparticipating Foreign Financial Institution (NPFPI)" on the Self-Certification Form and W-8 form.

In case the Client - legal entity is a non-US Financial Institution and selects "FATCA Nonparticipating Financial Institution (NPFPI)" in the Self-Certification Form, then the Front Office employee is required to send an electronic document management ("EDM") memo on such Customer in any form and enclose a copy of the Self-Certification Form of such Customer prior to the establishment of the business relationship to the Tax Planning Department and Anti-Money Laundering Department. Financial Monitoring Department along with Tax Planning Department, after analysing the Client's data, submits in response a memo to the Front Office employee on the decision taken.

Depending on the information provided by the Client in the Self-Certification Form, the Front Office employee selects the appropriate type of legal entity in accordance with the form of the Authorised Body. Explanation on selection of the type of legal entity is provided in Appendix 4 to this Provision.

#### **§ 7. Identification of Reportable Persons among Individual Clients in accordance with the CRS Agreement**

Reportable Persons the information on which is transferred to the Authorised Body in accordance with the CRS Agreement are the categories of individuals who have tax residency of the Reportable Jurisdiction.

The Client is obliged to provide information on tax residency and assigned tax number (TIN) when completing the Self-Certification Form.

The Front Office employee is required to reflect the country of residence and TIN of the Client in the relevant Client Record Card.

#### **§ 8. Identification of Reportable Persons among Legal Entity Clients in accordance with the CRS Agreement**

The following categories of legal entities are Reportable Persons information on which is transferred to the Authorised Body in accordance with the CRS Agreement:

- 1) legal entities - passive NFEs with tax residency in the Reportable Jurisdiction;
- 2) legal entities - passive NFEs whose Beneficial Owners are tax residents of the Reportable Jurisdiction.

The Client is obliged to provide information on tax residency and assigned tax number (TIN) when completing the Self-Certification Form.

Depending on the information provided by the Client in the Self-Certification Form, the Front Office employee selects the appropriate type of legal entity in accordance with the form of the Authorised Body. Explanation on selection of the type of legal entity is provided in Appendix 5 to this Provision.

#### **§ 9. List of Organisations and Financial Accounts that are not Reportable**

Excluded Financial Accounts are the following accounts:

- voluntary pension contribution retirement contract;
- pension annuity contract;
- account opened within the framework of an annuity insurance contract concluded within the framework of compulsory and voluntary insurance of an employee against an accident in the performance of labour (work) duties;
- account owned solely by heirs, in case the documentation for such an account includes a copy of the deceased's will or death certificate;
- account established by court order;
- account that exists solely because the customer makes a payment in excess of the charge card balance or other revolving credit;

- account that exists solely for the receipt of alimony, pensions, allowances and other social benefits. The following organisations are not required to provide information:
- organisation the shares of which are regularly traded on one or more existing securities markets;
- any organisations that are related to organisations the shares of which are regularly traded on one or more existing securities markets;
- governmental organisations;
- international organisations;
- National Bank;
- financial organisations.

## **Chapter 7. Responsible Officer (FATCA and CRS)**

7.1. The main task of the Responsible Officer is to organise and coordinate the work of ITS CSD to comply with the requirements of FATCA and CRS legislation.

7.2. Within the framework of fulfilment of the main task of the Responsible Executive, the Responsible Officer performs the following functions:

- development and timely updating of this Provision (compliance programme) to fulfil the obligations assumed by ITS CSD under the FATCA and CRS Agreements;
- regular monitoring of provisions of Kazakhstani and foreign legislation on FATCA and CRS issues;
- arrangement of methodological support for implementation of FATCA and CRS requirements;
- arrangement of interaction with the Authorised Body and the US Tax Authority on the implementation of FATCA and CRS requirements in ITS CSD;
- arrangement of measures to eliminate identified violations and shortcomings in the activities under FATCA and CRS;
- notification of relevant officials, ITS CSD management bodies, Responsible Officer of ITS as a Lead FFI on receipt of requests from the US Tax Authority and/or the Authorised Body and the status of execution of such requests;
- coordination of interaction between ITS CSD units in order to implement the provisions of FATCA and CRS.
- registration of ITS CSD status changes with the IRS (including notification of the IRS about appointment/change of the Responsible Officer);
- training of ITS CSD employees on FATCA and CRS issues;
- certification in personal account on the IRS website;
- notification of Anti-Money Laundering Department and ITS CSD management and Responsible Officer of ITS as a Lead FFI on the results (outcomes) of periodic certification by submitting the results of certification in the personal account on the IRS website (including in case of additional request of Anti-Money Laundering Department within the framework of monitoring of subdivisions).

7.3. The Responsible Officer is authorised to represent ITS CSD in all matters relating to FATCA and CRS compliance.

## **Chapter 8. Due diligence and periodic conformity certification**

8.1. The due diligence is carried out by the Responsible Officer annually by September 30 of the year following the reporting one. Its primary purpose is to provide an internal review of the effectiveness of internal control relevant to the fulfilment of obligations to comply with relevant legislation for the previous reporting period.

8.2. Due diligence includes the following procedures:

- verification of the adequacy and currency of written policies and procedures, regulations governing the activities of ITS CSD employees in identifying Clients, collecting documentation, preparing reports, and other obligations to the IRS;
- verification of systems and processes that enable ITS CSD to effectively fulfil its obligations and ensure that there are no material failures;
- verification of the effectiveness of the process for identifying Client accounts that are subject to 30% FATCA withholding for USA source income tax (FDAP income).

8.3. The results of the due diligence are documented in a report signed by the Responsible Officer and agreed by the Head of Anti-Money Laundering Department and also by Responsible Officer of ITS as a Lead FFI. The report includes information on the activities carried out and their results, as well as on significant failures detected. In case of detection of failures or deficiencies in the internal control system, the report indicates recommendations for improvement of the failures and changes to be made in the internal control procedures.

8.4. Every three years (or upon request), the Responsible Officer is subject to a periodic compliance certification in his or her personal account on the IRS website to verify compliance with the IRS internal compliance controls. Periodic certification of compliance takes place in the form of a questionnaire, according to the results of which ITS CSD is assigned one of the statuses - compliance, failure to certify, not required, qualified certification. Due diligence data is used for periodic certification of conformity.



8.5. The Responsible Officer is required to ensure that no material failures have occurred during the periodic compliance certification period, or appropriate action has been taken if any material failures have occurred, and that, with respect to any failure to withhold tax, escrow or report to the extent required under the FFI Agreement, ITS CSD has corrected such failure by paying the taxes due (including interest and penalties) and completing the appropriate return (or amended return).

8.6. In case the Responsible Officer has identified an event of default or material failure that has not been corrected by the time of the periodic certification, the Responsible Officer is required to certify that:

- in case of material failures relating to compliance with the FFI agreement by the foreign financial institution, appropriate measures have been taken and there are no current failures;
- in relation to any failure to withhold, deposit or report tax to the extent required under the FFI Agreement, the foreign financial institution has remedied such failure by paying the tax due (including interest and penalties) and completing the relevant return (or amended return);
- The Responsible Officer (or his or her nominee) will respond to any notice of violation (if applicable) or submit to the IRS, to the extent required, a description of each material violation and a written plan for addressing such violations.

## **Chapter 9. Responsibility**

9.1. Responsibility for improper implementation of this Provision is imposed on employees and heads of structural units involved in the process of fulfilment of the requirements of the FATCA and CRS Agreements.

9.2. Persons who have violated the requirements of this Provision are responsible in accordance with the legislation of the Republic of Kazakhstan.

9.3. The Head of Tax Planning Department is responsible for organisation and maintenance of effective internal control in the process of ITS CSD' compliance with the requirements of FATCA and CRS Agreements in accordance with the provisions of ITS CSD' internal regulations.

9.4. Heads and employees of ITS CSD divisions involved in the process of fulfilling the requirements of the FATCA and CRS Agreements are responsible for the organisation and implementation of internal control in accordance with the provisions of ITS CSD internal documents, Regulations governing the internal control policy and procedures for interaction between participants in the ITS CSD internal control system.

9.5. The Responsible Officer is responsible (upon request) to provide Responsible Officer of ITS as a Lead FFI on any information related to any Reportable account maintained by ITS CSD as a Reporting Model 1 FFI, data on submitted reports, requests received from the Authorized Body and (or) the Internal Revenue Service (IRS), as well as responses sent.

9.6. The Responsible Officer is responsible (upon request) to provide the Internal Revenue Service (IRS) with additional information on any Reportable. account maintained by ITS CSD as a Reporting Model 1 FFI.

9.7. An event of default occurs if ITS CSD, as a Reporting Model 1 FFI, fails to meet the material periodic compliance, tax withholding and reporting obligations of the FFI agreement or if the Internal Revenue Service (IRS) determines that a Reporting Model 1 FFI has failed to substantially comply with the requirements of the FFI Agreement. An event of default includes, for example, the following:

- failure to obtain valid and enforceable waivers from U.S. account holders when required by local law;
- failure to close or transfer accounts without a waiver document;
- inability to reduce the number of uncooperative account holders or Nonparticipating FFIs;
- inability to close or transfer taxable accounts;
- inability to implement or maintain a compliance programme to meet the requirements under a FFI Agreement;
- impossibility to carry out periodic conformity certifications;
- failure to take timely corrective actions to remedy a material failure;
- failure to make initial or periodic certifications that are required;
- failure to comply with a request from the Internal Revenue Service (IRS) for additional information;
- filing improper refund claims;
- any transaction relating to subsidies, incentives and non-trustee distributions on behalf of any local FFI that is an investment entity.

## **Chapter 10. Final provisions**

10.1. In case of amendments to the legislation of the Republic of Kazakhstan and occurrence of contradictions of certain provisions of the Regulations to the legislation of the Republic of Kazakhstan, such provisions of the Provision are invalid and ITS CSD employees use the legislation of the Republic of Kazakhstan in their activities until appropriate amendments and additions are made to this Provision.



**Self-Certification Form of Legal Entity  
(for the purposes of FATCA and CRS)**

- Client  
 Controlling Person in relation to Client  
 Beneficial owner in relation to the Client:


PART 1. BASIC INFORMATION

<b>1.1. Full name</b>																				
In Russian language																				
In Foreign language (if any)																				
<b>1.2. Location address stated in the constituent documents (legal address)<sup>1</sup> (country, province, city, index, street, house number, floor, etc.).</b>																				
<b>1.3. Actual address (actual address)<sup>1</sup> (country, province, city, index, street, house number, floor, etc.).</b>																				
<b>1.4 Mailing address (if different)<sup>1</sup> (country, province, city, postcode, street, house number, floor, etc.) 1.</b>																				
<b>1.5 Telephone number</b>																				
<b>1.6 Information on tax resident status:</b>																				
<b>In which country is a legal entity subject to taxation?</b>	<input type="checkbox"/> in Kazakhstan, BIN: <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td></tr></table>																			
	<input type="checkbox"/> in USA <sup>2</sup> , TIN: <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td><td style="width: 15px; height: 15px;"></td></tr></table>																			
<input type="checkbox"/> in another state, name all the states: 1. Specify IN 2. Specify IN																				
<b>1.7 Is the US telephone number in paragraph 1.5 provided?</b>																				
<input type="checkbox"/> NO <input type="checkbox"/> YES																				

<sup>1</sup> In case the entity is not a USA Taxpayer, the appropriate IRS Form W-8 is required, including:

1) Form W-8BEN-E is submitted by a legal entity that is not a USA tax resident. This form is a tax withholding certificate from a foreign entity with respect to the United States for the purpose of withholding USA source taxes;  
2) Form W-8EXP is filed by a non-U.S. entity that is an exempt U.S. entity: foreign governments, international organisations, central banks, government agencies of countries under a U.S. protectorate, and other exempt entities;  
3) Form W-8IMY is filed by an entity that is a non-U.S. Qualified Intermediary (QI), a Withholding foreign partnership (WP), a Withholding foreign trust (WT), a foreign fiscally transparent entity, or a U.S. branch.

<sup>2</sup> Provide a U.S. taxpayer identification form W-9.

PART 2. STATUS CLARIFICATION

<b>2.1</b> Do you have permanent instructions for payment of amounts to the US?	<input type="checkbox"/> NO <input type="checkbox"/> YES
<b>2.2</b> Did you use the words “for delivery” or “on demand” as the only account address?	<input type="checkbox"/> NO <input type="checkbox"/> YES
<b>2.3</b> Has a power of attorney been issued on behalf of your Company to a person who has a residential (registered) address or a physical residential or mailing address in the United States?	<input type="checkbox"/> NO <input type="checkbox"/> YES
<b>2.3</b> Is the authority to sign on behalf of your Company granted to a person who has a residential (registration) address or a physical residential or mailing address in the United States?	<input type="checkbox"/> NO <input type="checkbox"/> YES

PART 3. INFORMATION ABOUT THE BENEFICIAL OWNER/  
CONTROLLING PERSON

<b>3.1</b> Status	<input type="checkbox"/> Direct and (or) indirect ownership <input type="checkbox"/> Management control <input type="checkbox"/> Another type of control _____ <input type="checkbox"/> Principal <input type="checkbox"/> Committent <input type="checkbox"/> Founder of the trust <input type="checkbox"/> The grantor is the manager of the trust <input type="checkbox"/> Trustee of the trust <input type="checkbox"/> Other _____
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PART 4. FINANCIAL INSTITUTION DETAILS

**4.1 Is a legal entity a financial institution (FFI)?**

- YES, it is. Specify the type of activity of the financial institution:
  - Custodial - an organisation, which carries out as an essential part of its activities the recording and safekeeping of financial assets of third parties);
  - Depository – an organisation accepts (attracts into deposits) monetary funds of individuals and legal entities within the framework of ordinary banking or other similar activities;
  - Investment entity, includes one of the following entities:
    - As a principal activity, carries out one or more of the following activities on behalf of the clients:
      - trading in monetary market instruments (cheques, bills of exchange, certificates of deposit, derivatives, etc.), foreign currency, foreign exchange, interest rate and index-linked instruments, traded securities, or commodity futures;
      - trust management of third party assets (management companies);
      - otherwise investment, administration or management of funds, money or financial assets;
    - The substantial part of the entity's gross income relates to income from investment, reinvestment or trading in financial assets and the entity is managed by an organisation that is a financial institution that directly, or through third parties, carries out one of the three activities specified in the paragraph above on behalf of the managed entity;
    - The entity is (or claims to be) a collective investment fund, mutual fund, exchange-traded fund, private equity fund, hedge fund, venture capital fund, or other similar investment fund established to pursue a strategy of investing, reinvesting, or trading in financial assets;
    - An insurance company that makes cash payments in respect of a cumulative life insurance contract in case of death, surviving to a certain age or term or other event, or a life insurance contract with periodic insurance payments (rents, annuities);
    - Holding company or treasury centre which:
      - Are part of an expanded group of affiliates that includes a financial institution authorised to accept funds from customers, a depository, a designated insurance company or an investment company; or
      - Are established or used by a collective investment fund, mutual fund, exchange-traded fund, private equity fund, hedge fund, venture capital fund, or other similar investment fund established to pursue a strategy of investing, reinvesting, or trading in financial assets.
- No, a legal entity is a non-financial institution. Proceed to complete Part 5.

**4.2 Does the financial institution have a Global Identification Number (GIIN)?**

<input type="checkbox"/> YES, it does If yes, please specify:	
<input type="checkbox"/> NO, it does not;	

**4.3 Whether the financial institution has registered with the US Internal Revenue Service portal for FATCA purposes:**

- Financial institution participating in the FATCA application (PFI);
- Registered FATCA compliant financial institution (RDCFI);
- Territory Financial Institution (Territory FI);
- Sponsored Entity, specify the GIIN above (2.2);
- FATCA Nonparticipating Financial Institution (NPFI);

<input type="checkbox"/> The legal entity has FATCA compliant FI status, the registration of which is not required on the US IRS portal	Complete Appendix 1 to this Self-Certification Form
---	---

## PART 5. NON-FINANCIAL INSTITUTION DETAILS

5.1 The legal entity does not carry out the activities of a financial institution, NFFE?	
<input type="checkbox"/> YES, if Yes, complete Part 5 to the end.	<input type="checkbox"/> NO, the company is a financial institution (Part 4 has been completed) - proceed to completing Part 6
<b>5.2 Is the legal entity a Passive NFFE?</b>	
Does "passive income" <sup>3</sup> account for more than 50 per cent (individually or in the aggregate) of the company's gross income for the previous tax year (e.g. the previous calendar year or tax period of one year) and do the assets generating "passive income" account for more than 50 per cent of the company's weighted average assets?	
<input type="checkbox"/> No, "passive income" is less than 50 per cent (Active NFFE)	<input type="checkbox"/> Yes, "passive income" accounts for more than 50%. (Passive NFFE)

5.3 To be completed in case the legal entity is a Passive NFFE	
Whether the legal entity has:	
<ul style="list-style-type: none"> <li>• U.S. natural and/or legal persons directly or indirectly (through third parties) holding more than 10% of the charter (share) capital or authorised fund, property of the organisation or</li> <li>• controlling persons, beneficial owners<sup>4</sup> who are tax residents of foreign countries (except USA) and holding directly or indirectly (through third parties) more than 25% of the charter (share) capital or authorised fund, property of the organisation or are control the activity of the company?</li> </ul>	
<input type="checkbox"/> No. <input type="checkbox"/> Yes, there are, U.S. persons <input type="checkbox"/> Yes, there are beneficial owners who are tax residents of foreign countries other than the United States. <i>If "Yes", complete a similar Self-Certification Form for the relevant person in respect of each such person</i>	

5.4 In case the legal entity is an Excepted NFFE, indicate the relevant status:																									
<input type="checkbox"/> Company, shares of which are regularly traded on one or more organised securities markets (Publicly Traded Corporation); <input type="checkbox"/> Company is a member of an Extended Affiliated Group (EAG), which includes an entity, shares of which are regularly traded on one or more organised securities markets (Certain affiliated entities related to a publicly traded corporation). <input type="checkbox"/> Qualified Intermediary, Withholding foreign partnership or Withholding foreign trust; <input type="checkbox"/> Direct Reporting NFFE, indicate GIIN below. <input type="checkbox"/> Sponsored Direct reporting NFFE, indicate GIIN below. <input type="checkbox"/> <u>GIIN:</u> <table border="1" style="display: inline-table; vertical-align: middle;"> <tr> <td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td><td style="width: 20px; height: 15px;"> </td> </tr> </table>																									
<input type="checkbox"/> <u>Other, specify</u>																									

<sup>3</sup> **Passive income** -

- dividends; interest; rents and royalties (excluding rents and royalties arising from active operations);
- annuities;
- profit from the sale or exchange of property that generates one of these types of income;
- profit from transactions in exchange-traded commodities (including futures, forwards and similar transactions), except for transactions that are hedged, provided that transactions in such commodities are the principal activity of the organisation;
- profit from foreign currency transactions (foreign exchange gains and losses);
- contracts, the price of which is linked to the underlying asset (par value), e.g. derivatives (currency SWAPs, interest rate SWAPs, options, etc.);
- redemption amount under the insurance contract or the loan amount secured by the insurance contract;

amounts received by the insurance company on account of reserves for insurance activities and annuities; income received from the pool

<sup>4</sup> In case of failure to identify the individual(s) who are the controlling holders, as required by the CRS, the individual holding the highest management position in the Company is considered to be the controlling owner.

PART 6. CONFIRMATION AND SIGNATURE

- 1) I certify that I am authorised to sign this Self-Certification Form;
- 2) I certify that the information provided in this Self-Certification Form is accurate, complete and true;
- 3) I certify that the TIN(s) listed on this Self-Certification Form is(are) accurate;
- 4) By signing this Self-Certification Form, I hereby:

- in accordance with the requirements of the Law of the Republic of Kazakhstan "On Personal Data and their Protection" I hereby give ITS CSD unconditional and irrevocable consent to the collection, processing, storage and dissemination of information concerning me, including my personal data, biometric data, recorded on electronic, paper and any other media, as well as future changes and amendments thereto, in connection with the emergence of any legal relations with ITS CSD, including in the future;

- I hereby unconditionally and irrevocably consent to the transfer of the information contained in this Self-Certification Form to the members of the group/conglomerate of which ITS CSD is a member, the U.S. Internal Revenue Service and the Authorised Body;

- I hereby give my unconditional and irrevocable consent to the storage of my personal data by ITS CSD within the terms established by the legislation of the Republic of Kazakhstan and internal regulations of ITS CSD, after termination of all legal relations between ITS CSD and me/, and I do not object that ITS CSD is not obliged to notify anyone about the actions of ITS CSD on collection, processing of my personal data and their trans-border transfer to the territory of foreign countries, including those that do not ensure protection of personal data;

- I am informed and am responsible for any incomplete, incorrect and/or invalid data provided in this Self-Certification Form;

5) undertake to notify ITS CSD of any changes to any of the data on this Self-Certification Form within 30 days of the date of the change;

6) I confirm that the Self-Certification Form has been read by me in full, completed by myself or before me.

This Self-Certification Form is made in one (1) original copy, which remains with ITS CSD.

**Client's signature** \_\_\_\_\_

**Date of signature** \_\_\_\_\_

**Capacity** \_\_\_\_\_

**Full name** \_\_\_\_\_

**L.S.**

**Thank you for the information provided!**

To be completed by a FATCA Compliant Financial Institution, that is not required to register  
with the Internal Revenue Service (IRS) portal

<u>Name of the Financial Institution</u>	
--	--

**Indicate the status of a FATCA Compliant Financial Institution that is not required to register with the IRS.**

- Excepted FFI, including:
- Excepted nonfinancial group entities;
- Excepted nonfinancial start-up companies or companies entering a new line of business;
- Excepted nonfinancial entities in liquidation or bankruptcy;
- Excepted inter-affiliate FFI;
- Section 501(c) entity;
- Non-profit organizations;
- Exempt beneficial owner;
- Foreign government, any political subdivision of a foreign government, or any wholly owned agency or instrumentality in any one or more of the foregoing;
- International organization or any wholly owned agency or instrumentality thereof;
- Foreign central bank;
- Government of a U.S. territory;
- Foreign exempt retirement funds:
- Treaty-qualified retirement fund;
- Broad participation retirement fund;
- Narrow participation retirement fund;
- Fund formed pursuant to a plan similar to a section 401(a) plan;
- Investment vehicles exclusively for retirement funds;
- Pension fund of an exempt beneficial owner;
- Entity wholly owned by exempt beneficial owners;
- Exempt beneficial owner pursuant to a Model 1 IGA or Model 2 IGA;
- Certified deemed-compliant FFI;
- Local bank (status of a legal entity registered in a Model 1 country)/ Nonregistering local bank (status for all other cases);
- Financial institution with local client base (status of a legal entity registered in a Model 1 country);
- FFI with only low- value accounts;
- Qualified credit card issuer (status of a legal entity registered in a Model 1 country);
- Trustee-documented trust (status of a legal entity registered in a Model 1 or Model 2 Agreement country);
- Sponsored Investment Entity and Controlled Foreign Corporation (the status of a legal entity registered in a Model 1 country);
- Sponsored, closely held investment vehicles;
- Investment Advisors, Investment Managers;
- Collective Investment Vehicle (status of a legal entity registered in a Model 1 country);
- Limited life debt investment entity;
- Non-reporting FFI under a Model 1 IGA and Certified deemed-compliant FFI under a Model 2 IGA;
- Owner documented FFI;
- Owner documented FFI with US owners;
- Owner documented FFI without US owners;
- None of the above. Other:



Memo to the Client on the procedure of identification of legal entities for the purposes of  
taxation of foreign accounts

**Dear Client!**

Based on the Intergovernmental Agreement between the Government of the Republic of Kazakhstan and the Government of the United States of America on Improvement of International Tax Discipline through Mutual Assistance in Tax Affairs dated September 11, 2017 and the Multilateral Agreement of Competent Authorities on Automatic Exchange of Financial Account Information signed by the Republic of Kazakhstan on June 26, 2018, which is based on Article 6 of the Convention on Mutual Administrative Assistance in Tax Affairs ratified by the Law of the Republic of Kazakhstan dated December 26, 2014 No. 267-V (Strasbourg Convention) and provides for the implementation of the Common Standard for Automatic Exchange of Information (CRS) on financial accounts between the tax authorities of the countries that signed the Multilateral Agreement, please, fill in the Legal Entity Self-Certification Form in order to obtain accurate and up-to-date information on your tax residency.

If necessary (it will be indicated on the Questionnaire), you should also submit a completed appropriate W-9 or W-8 Form (available on the IRS website or will be provided to you by our staff).

**In order to complete the Self-Certification Form correctly, please be sure to analyse the information below.**

During the identification process, you will need to indicate whether your organisation is a Financial Institution (FI<sup>2</sup>) for FATCA purposes (Part 2 of the Self-Certification Form) or a Non-Financial Entity (NFE<sup>3</sup>) (Part 3 of the Self-Certification Form).

A Financial Institution is required to indicate whether it complies with FATCA requirements.

An entity other than a Financial Institution that is a Non-Financial Institution is required to indicate whether its "passive income" is more than (Passive Non-Financial Institution) or less than (Active Non-Financial Institution) 50% (individually or in the aggregate) of the company's gross income for the preceding tax year (e.g. the preceding calendar year or a tax period of one year) and whether the assets generating "passive income" are more or less than 50% of the company's weighted average assets.

If the Non-Financial Entity is a "Passive"<sup>5</sup> entity, it is necessary to indicate whether the entity has:

- U.S. tax residents or U.S. citizens who are beneficial owners of a legal entity;
- tax residents of foreign countries (except the USA) who are beneficial owners of a legal entity.

This information may be transferred to the tax authorities of other countries in accordance with the procedure established by the legislation of the Republic of Kazakhstan.

<sup>1</sup> The Organisation for Economic Co-operation and Development (OECD) has developed rules binding on CRS member countries, which are available on the OECD's automatic information exchange website: [www.oecd.org/tax/automatic-exchange/](http://www.oecd.org/tax/automatic-exchange/).

<sup>2</sup> Financial Institution means any legal entity that carries out the type of activity of a financial institution.

<sup>3</sup> Non-Financial Entity means an institution that does not carry out the activities of a financial institution.

<sup>5</sup> Passive Nonfinancial Entity - A passive nonfinancial entity whose passive income is more than 50% of the gross income of the entity.

**Self-Certification Form for Individuals  
(for the purposes of FATCA and CRS)**

- Client  
 Controlling Person in relation to the Client  
 Beneficial owner in relation to the Client


PART 1. BASIC INFORMATION

<b>1.2 Surname</b>	
<b>1.3 Name</b>	
<b>1.4 Patronymic</b> (if any)	
<b>1.5 Date of birth</b> (YYYY/MM/DD)	
<b>1.6 Place of birth</b> (including country)	
<b>1.7 Citizenship</b>	
<b>1.8 Registered address</b> (country, province, city, index, street, house number, floor, etc.)	
<b>1.9 Actual address (if different)</b> (country, province, city, index, street, house number, floor, etc.)	
<b>1.10 Mailing address (if different)</b> (country, province, city, index, street, house number, floor, etc.)	
<b>1.11 Contact telephone number</b>	

<b>1.12 Information on tax resident status:</b>	
In which country is an individual subject to taxation?	<input type="checkbox"/> in Kazakhstan, IIN: <input style="width: 150px;" type="text"/>
	<input type="checkbox"/> in USA <sup>2</sup> , TIN: <input style="width: 150px;" type="text"/>
	<input type="checkbox"/> in another state, name all the states: 1. Specify IN 2. Specify IN
<b>1.13 Is the individual a US tax resident?</b>	<input type="checkbox"/> NO <input type="checkbox"/> YES
<b>1.14 Have you given up your US citizenship or not received it for some reason? If "Yes", fill out the appropriate Application form, and in case of renunciation of citizenship, provide the appropriate supporting document</b>	<input type="checkbox"/> NO <input type="checkbox"/> YES

<sup>1</sup> In case the individual is not a US Taxpayer, IRS Form W-8BEN is required.

<sup>2</sup> Provide a U.S. taxpayer identification form W-9.

## PART 2. STATUS CLARIFICATION

<b>2.1</b> Do you have permanent instructions for payment of amounts to the US?	<input type="checkbox"/> NO <input type="checkbox"/> YES
<b>2.2</b> Did you use the words “for delivery” or “on demand” as the only account address?	<input type="checkbox"/> NO <input type="checkbox"/> YES
<b>2.3</b> Has a power of attorney been issued on behalf of Your to a person who has a residential (registered) address or a physical residential or mailing address in the United States?	<input type="checkbox"/> NO <input type="checkbox"/> YES
<b>2.3</b> Is the authority to sign on behalf of Your granted to a person who has a residential (registration) address or a physical residential or mailing address in the United States?	<input type="checkbox"/> NO <input type="checkbox"/> YES

PART 3. CITIZENSHIP AND RESIDENCE BY INVESTMENT SCHEMES (CBI AND RBI)<sup>5</sup>

<b>3.1</b> Do you have a citizenship other than that specified in paragraph 1.7, obtained by investment schemes (CBI), according to the OECD list?	<input type="checkbox"/> NO <input type="checkbox"/> YES _____ _____ <i>(indicate jurisdictions)</i>
<b>3.2</b> Are you a tax resident of a jurisdiction that provides citizenship by investment schemes (RBI), according to the OECD list??	<input type="checkbox"/> NO <input type="checkbox"/> YES _____ _____ <i>(indicate jurisdictions)</i>
<b>3.3</b> Do you have a residence permit or permanent residence in a foreign jurisdiction??	<input type="checkbox"/> NO <input type="checkbox"/> YES _____ _____ <i>(indicate jurisdictions)</i>
<b>3.4</b> In which state (territory) do you have your center of vital interests (home, family, job, etc.)	_____ _____ <i>(indicate jurisdictions)</i>
<b>3.5</b> In which state (territory) did you pay tax on personal income and filed a return for the previous tax period (including the Republic of Kazakhstan)?	_____ _____ <i>(indicate jurisdictions)</i>

PART 4. INFORMATION ABOUT THE BENEFICIAL OWNER/  
CONTROLLING PERSON

<b>4.1</b> Status	<input type="checkbox"/> Direct and (or) indirect ownership <input type="checkbox"/> Management control <input type="checkbox"/> Another type of control _____ <input type="checkbox"/> Principal <input type="checkbox"/> Committent
-------------------	---

<sup>5</sup> <https://www.oecd.org/tax/automatic-exchange/crs-implementation-and-assistance/residence-citizenship-by-investment/>

	<input type="checkbox"/> Founder of the trust <input type="checkbox"/> The grantor is the manager of the trust <input type="checkbox"/> Trustee of the trust <input type="checkbox"/> Other _____
--	--

#### PART 5. CONFIRMATION AND SIGNATURE

- 1) I certify that the information provided in this Self-Certification Form is accurate, complete and true;
- 2) I certify that the TIN(s) listed on this Self-Certification Form is(are) accurate;
- 3) By signing this Self-Certification Form, I hereby:

- in accordance with the requirements of the Law of the Republic of Kazakhstan "On Personal Data and their Protection" I hereby give ITS CSD unconditional and irrevocable consent to the collection, processing, storage and dissemination of information concerning me, including my personal data, biometric data, recorded on electronic, paper and any other media, as well as future changes and amendments thereto, in connection with the emergence of any legal relations with ITS CSD, including in the future;

- I hereby unconditionally and irrevocably consent to the transfer of the information contained in this Self-Certification Form to the members of the group/conglomerate of which ITS CSD is a member, the U.S. Internal Revenue Service and the Authorised Body;

- I hereby give my unconditional and irrevocable consent to the storage of my personal data by ITS CSD within the terms established by the legislation of the Republic of Kazakhstan and internal regulations of ITS CSD, after termination of all legal relations between ITS CSD and me/, and I do not object that ITS CSD is not obliged to notify anyone about the actions of ITS CSD on collection, processing of my personal data and their trans-border transfer to the territory of foreign countries, including those that do not ensure protection of personal data;

- I am informed and am responsible for any incomplete, incorrect and/or invalid data provided in this Self-Certification Form;

4) undertake to notify ITS CSD of any changes to any of the data on this Self-Certification Form within 30 days of the date of the change;

5) I confirm that the Self-Certification Form has been read by me in full, completed by myself or before me.

This Self-Certification Form is made in one (1) original copy, which remains with ITS CSD.

---

**Client's signature** \_\_\_\_\_

**Date of completion** \_\_\_\_\_

**Full name** \_\_\_\_\_

**Thank you for the information provided!**

**Appendix 3**  
to the Provision on  
compliance with  
FATCA and CRS requirements

from \_\_\_\_\_  
full name

**Statement**

I, \_\_\_\_\_, hereby state that  
(full name)

- has lost US citizenship;
- has not received US citizenship at birth

due to/because of \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

I hereby certify the completeness and accuracy of all information I have provided in this application.  
I am fully aware that I am personally responsible for the completeness and accuracy of the information I have provided in this application.  
I am aware that the provision of knowingly false or incomplete information in this application may expose me to liability under applicable law.

\_\_\_\_\_  
(Client's full name)

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(date)

**Memo**  
**on the choice of type of legal entity for FATCA purposes**

Type of legal entity	Identification of the type of legal entity as per the form of the Authorised Body	Explanation for selecting the type of legal entity
FATCA101	financial institution with documented certain US owners	<ul style="list-style-type: none"> <li>- At the beginning of the Form, the Client ticked the "Beneficial Owner" box and</li> <li>- answered "YES" in paragraph 4.1 of Part 4 and completed the Self-Certification Form signed by the beneficial owner or a person authorised to sign this form on behalf of the beneficial owner.</li> </ul>
FATCA102	passive non-financial institution with significant US owners	<ul style="list-style-type: none"> <li>- At the beginning of the Form, the Client ticked the box "Beneficial Owner" and</li> <li>- in clause 5.1. of the Part 5 indicated "YES." and</li> <li>- in clause 5.2. of the Part 5 indicated "YES, passive income" is more than 50%" (passive Non-Financial Institution). and</li> <li>- in clause 5.2. of the Part 5 indicated "Yes, there are US persons" and</li> <li>completed the Self-Certification Form signed by the beneficial owner or a person authorised to sign this form on behalf of the beneficial owner.</li> </ul>
FATCA103	nonparticipating foreign financial institution	<ul style="list-style-type: none"> <li>- At the beginning of the Form, the Client has ticked the "Client" box and</li> <li>- In clause 4.1 of Part 4, answered "YES, it is" and indicated the type of Financial Institution and</li> <li>- in clause 4.3 of Part 4, marked "Nonparticipating Financial Institution (NPF)"</li> </ul>
FATCA104	certain U.S. person <i>unless the Client is covered by FATCA 101, FATCA 102, FATCA103, FATCA105</i>	<ul style="list-style-type: none"> <li>- At the beginning of the Form, the Client has ticked the "Client" box and</li> <li>- in clause 1.6. Of the Part 1 indicated "YES" - in the U.S., and provided a TIN and</li> <li>submitted W-9 form</li> </ul>
FATCA105	directly reporting non-financial foreign institution	<ul style="list-style-type: none"> <li>At the beginning of the Form, the Client has ticked the "Client" box and</li> <li>- in clause 5.4 of Part 5, ticked one of the paragraphs</li> </ul>
Non FATCA	no requirement for Financial Information to be submitted to the Authorised Body	Not covered by the types mentioned above

**Memo**  
**on selecting the type of legal entity for CRS purposes**

<b>Type of legal entity</b>	<b>Identification of the type of legal entity as per the form of the Authorised Body</b>	<b>Explanation for selecting the type of legal entity</b>
CRS 101	Passive Non-Financial Institution with one or more controlling persons who are persons of the Reportable Jurisdiction	<ul style="list-style-type: none"> <li>- At the beginning of the Form, the Client ticked the box "Beneficial Owner" / "Controlling Person"</li> <li>and</li> <li>- in clause 5.1. of Part 5 indicated "YES."</li> <li>and</li> <li>- in clause 5.2 of Part 5, answered "YES"</li> <li>and</li> <li>in clause 5.3 of Part 5, answered "Yes, there are beneficial owners who are tax residents of foreign countries" (<i>with the foreign country being the Reportable Jurisdiction</i>)</li> </ul>
CRS 102	Reportable Person for the purposes of the Agreement <i>Except when the Client falls under CRS Type 101 and CRS Type 103</i>	<ul style="list-style-type: none"> <li>- At the beginning of the Form, the Client has ticked the "Client" box</li> <li>and</li> <li>- in clause 1.6. of Part 1, indicated "in another State", indicate all States (<i>among specified States - the Reportable Jurisdiction</i>)</li> </ul>
CRS 103	Passive Non-Financial Institution that is a Reportable Person for the purposes of the Agreement	<ul style="list-style-type: none"> <li>- At the beginning of the Form, the Client has ticked the "Client" box</li> <li>and</li> <li>- in clause 5.1 of Part 5, answered "YES"</li> <li>and</li> <li>- in clause 5.2 of Part 5, answered "YES"</li> </ul>
Non CRS	No requirement for Financial Information to be submitted to the Authorised Body	Not covered by the types mentioned above

### FDAP income

FDAP income for which an obligation to make a withholding arises are:

- Interest income, including:
  - ✓ Interest income on debt securities issued by U.S. registered entities and/or the U.S. Government, the federal District of Columbia, the states and other governmental agencies ("U.S. debt securities");
  - ✓ interest income on debt obligations of legal entities, partnerships or trusts registered in the USA (including interest on loans/borrowings, deposits);
  - ✓ original issue discount on U.S. debt securities; interest income paid by foreign subsidiaries of U.S. companies.
- Dividends received on shares issued by legal entities incorporated in the USA;
- Dividends received on shares of foreign companies (Non-US Companies) if more than 25% of the income received by such company within 3 years was directly related to the performance of commercial or trading activities in the USA (Controllable Foreign Corporations (CFC) rules, the issuer should be informed about the application of these rules);
  - Payments under life insurance contracts, payments under death insurance contracts made by U.S. insurance companies;
  - Income (interest, other payments) from participation in US Real Estate Funds (REMIC residual interests);
  - Guarantee fee paid by US companies;
  - Repo transaction proceeds that are paid by a US company (the difference between the first and second instalments of the repo);
  - *Dividend equivalent payments* on securities lending and repurchase transactions where the underlying asset is securities of US issuers;
  - Certain types of Derivative Financial Instruments (DFIs) income;
  - Income on DFIs based on indices (S&P 500, NASDAQ, etc.) is not subject to taxation if the index includes more than 25 issuers and the share of each issuer is less than 10%;
  - Remuneration for the use of trademarks, brands, licences, know-how, etc., derived from US assets (patents, copyrights, trade secrets and claims, goodwill, trademarks, brands, franchises owned by US persons, etc.);
  - Remuneration for services (labour functions) rendered (performed) in the United States, including: wages, bonuses, annual payments, compensation, etc. (except for income that is related to doing business in the U.S.);
- Rentals from leasing a property located in the United States;
- Payments made by trusts incorporated in the United States and governed by U.S. law.



**Appendix 7**  
to the Provision on  
compliance with  
FATCA and CRS requirements

**List of FATCA statuses**

№	Name of status
1	Specified U.S. Person
2	Not a Specified U.S. Person
3	Participating FFI
4	Registered Deemed Compliant FFI
5	Territory FI
6	Non-participating FFI
7	Recalcitrant Account Holder
7.1.	<i>Recalcitrant account holders that are Passive NFFEs</i>
7.2.	<i>Recalcitrant account holders that are U.S. persons</i>
7.3.	<i>Recalcitrant account holders with U.S. Indicia</i>
7.4.	<i>Recalcitrant account holders without U.S. Indicia</i>
7.5.	<i>Dormant accounts</i>
8	Excepted Foreign Financial Institution
8.1.	<i>Excepted nonfinancial group entity</i>
8.2.	<i>Excepted nonfinancial start-up company or company entering a new line of business</i>
8.3.	<i>Excepted nonfinancial entity in liquidation or bankruptcy</i>
8.4.	<i>Excepted inter-affiliate FFI</i>
8.5.	<i>Section 501(c) entity</i>
8.6.	<i>Non-profit organization</i>
9	Owner Documented FFI
9.1.	<i>Owner documented FFI with US owners</i>
9.2.	<i>Owner documented FFI without US owners</i>
10	Exempt Beneficial Owner
10.1.	<i>Foreign government, any political subdivision of a foreign government, or any wholly owned agency or instrumentality in any one or more of the foregoing</i>
10.2.	<i>International organization or any wholly owned agency or instrumentality thereof</i>
10.3.	<i>Foreign central bank of issue</i>
10.4.	<i>Government of U.S. territories</i>
10.5.	<i>Certain foreign retirement funds</i>
10.6.	<i>Investment entity wholly owned by exempt beneficial owners</i>
10.7.	<i>Exempt beneficial owner pursuant to Attachment 2 to Model 11GA or Model 2 IGA</i>
11	Certified Deemed-compliant FFI
11.1.	<i>Local bank/ Nonregistering local bank</i>
11.2.	<i>Financial Institution with a Local Client Base</i>
11.3.	<i>FFI with only low-value accounts</i>
11.4.	<i>Qualified Credit Card Issuer</i>
11.5.	<i>Trustee-Documented Trust</i>
11.6.	<i>Sponsored Investment Entity, Controlled Foreign Corporation</i>
11.7.	<i>Sponsored, closely held investment vehicle</i>
11.8.	<i>Investment Advisor, Investment Manager</i>
11.9.	<i>Collective Investment Vehicle</i>
11.10.	<i>Limited life debt investment entity</i>
11.11.	<i>Nonreporting FFI under a Model 1GA and Certified deemed-compliant FFI under a Model 2</i>

	/IGA
<b>12</b>	Excepted Non-financial Foreign Entity
<b>13</b>	Qualified Intermediary, Withholding partnership, Withholding Trust
<b>14</b>	Publicly Traded Corporation
<b>15</b>	Certain affiliated entities related to a publicly traded corporation
<b>16</b>	Certain territory entity
<b>17</b>	Active non-financial foreign entity
<b>18</b>	Direct reporting non-financial foreign entity
<b>19</b>	Sponsored direct reporting non-financial foreign entity
<b>20</b>	<i>Passive NFFE</i>
<b>20.1.</b>	<i>Passive non-financial foreign entity with substantial US owners</i>
<b>20.2.</b>	<i>Passive non-financial foreign entity without substantial US owners</i>