



**AMENDMENTS No.4
AIFC AUTHORISED MARKET INSTITUTION
RULES
(AMI)**

Approval Date: 13 December 2020

Commencement Date: 13 December 2020



In this document, a blue font and underlining indicates new text and strikethrough indicates deleted text, unless otherwise indicated.

...

1. INTRODUCTION

(...)

1.1.2. Outsourcing

An Authorised Market Institution may satisfy the requirements applying to it under these Rules by making arrangements for functions to be performed on its behalf by any other Person. In such circumstances:

(a) An Authorised Market Institution must, before entering into any material outsourcing arrangements with a service provider, ~~obtain the AFSA's prior approval to do so~~ notify AFSA of such an arrangement.

(b) For the avoidance of doubt, the requirement in sub-paragraph (a) applies to any outsourcing arrangements which were not in existence at the time the Authorised Market Institution was granted a Licence.

(c) Outsourcing arrangements made by an Authorised Market Institution do not affect the responsibility of the Authorised Market Institution to satisfy the requirements applying to it, but there is in addition a requirement applying to the Authorised Market Institution that the Person who performs (or is to perform) the functions is a fit and proper Person who is able to perform them.

(d) An Authorised Market Institution that outsources any functions must comply with the outsourcing requirements in GEN.

2. RULES APPLICABLE TO ALL AUTHORISED MARKET INSTITUTIONS

(...)

2.5. Business Rules

2.5.1. Requirement to prepare Business Rules

Save where the AFSA otherwise directs, an Authorised Market Institution must establish and maintain Business Rules governing relations between itself and the participants in the market, including but not limited to:

(a) Membership Rules, prepared in accordance with AMI 2.6, governing the admission of Members and any other Persons to whom access to its facilities is provided;

(b) Direct Electronic Access Rules, prepared in accordance with AMI 2.7, in case a Direct Electronic Access is available at the Authorised Market Institution, setting out the rules and conditions pursuant to which its Members may provide their clients with Direct Electronic Access to the Authorised Market Institution's trading systems;

(...)

2.6.4. Undertaking to comply with AFSA rules

An Authorised Market Institution may not admit a Recognised Non-AIFC Member as a Member unless it:



(...)

(d) where the Recognised Non-AIFC Member is incorporated outside the Republic of Kazakhstan, appoints and maintains at all times, an agent for service of process in the ~~Republic of Kazakhstan~~ [AIFC](#).

Guidance

- (1) [Service of process is the procedure by which a party to a lawsuit \(Claimant\) gives an appropriate notice of initial legal action \(Claim Form\) to another party \(Defendant\), in an effort to exercise jurisdiction over that Person so as to enable that Person to respond to the proceeding before the court. Notice is furnished by delivering a set of court documents \(called "process"\) to the Person to be served. Service of a Claim Form is defined in clause 4.9 of the AIFC Court Rules. Acknowledgement of process and consequences of not filing an acknowledgment of service are defined in clause 7.4 of the AIFC Court Rules. Methods of service are defined in Part 5 of the AIFC Court Rules.](#)
- (2) [An agent for service of process is a service provider having legal and real presence in the AIFC.](#)
- (3) [The main role of agent for service of process is to receive service of process in the AIFC on behalf of a Person, acknowledge the service of process, and forward the process to such Person once it is received.](#)

3. RULES APPLICABLE TO AUTHORISED INVESTMENT EXCHANGES

3.2.3. Undertaking to comply with AFSA rules

An Authorised Investment Exchange may not admit Securities or Units in a Listed Fund to trading unless the Person who seeks to have such Investments admitted to trading:

(...)

(d) appoints and maintains at all times, an agent for service of process in the AIFC and requires such agent to accept its appointment for service of process.

Guidance

[See Guidance to AMI 2.6.4](#)

(...)

3.6.5. Application for admission of Securities or Units in a Listed Fund to an Official List

(...)

(4) Subject to (5), at least 5 business days prior to an admission of Securities [\(other than \(i\) Exempt Securities or \(ii\) Equity Securities in connection with Pre-IPO Listings\)](#) or Units in a Listed Fund to its Official List, an Authorised Investment Exchange must provide the AFSA with notice of the decision and include the following information in the notification:

- (a) a copy of the listing application;
- (b) a copy of the assessment of the listing application carried out by the Exchange; and
- (c) any information requested by the AFSA.



AIFC AUTHORISED MARKET INSTITUTION RULES

(4-1) Subject to (5), at least 2 business days prior to an admission of Exempt Securities to its Official List or Equity Securities to its Official List under the sub-heading “Pre-IPO Listings”, an Authorised Investment Exchange must provide the AFSA with notice of the decision and include the information specified in (4) above.

(5) An Authorised Investment Exchange must immediately notify the AFSA of any decision to suspend, restore from suspension or de-list any Securities or Units in a Listed Fund from its Official List and the reasons for the decision.

3.6.6. Undertaking to comply with AFSA rules

An Authorised Investment Exchange may not admit Securities or Units in a Listed Fund to an Official List unless the issuer of such Investments:

(...)

(d) appoints and maintains at all times, an agent for service of process in the AIFC and requires such agent to accept its appointment for service of process.

Guidance

See Guidance to AMI 2.6.4

4. RULES APPLICABLE TO AUTHORISED CLEARING HOUSES

(...)

4.4. Settlement

4.4.1. Settlement finality

(1) An Authorised Clearing House must have rules and procedures which clearly define:

- (a) the point at which settlement is final according to the relevant governing law; and
- (b) the point after which unsettled payments, transfer instructions, or other obligations may not be cancelled by a participant.

(2) An Authorised Clearing House must complete final settlement no later than the end of the value date.

(3) Notwithstanding (1) above, a settlement by an Authorised Clearing House is final, irrevocable and binding and may not under any circumstances be reversed or avoided after:

(a) an amount of money is credited to or debited from a depository account; or

(b) an Investment approved for admission to the depository is credited to or debited from a depository account.

(4) Notwithstanding (1) above, transfer instructions and settlement are legally enforceable and, even in the event of insolvency proceedings against a participant, shall be binding on third parties, provided that transfer instructions were entered into a system before the moment of opening of such insolvency proceedings. Where, exceptionally, transfer instructions are entered into a system after the moment of



opening of insolvency proceedings and are carried out on the day of opening of such proceedings, they shall be legally enforceable and binding on third parties only if, after the time of settlement, the Authorised Clearing House can prove that it was not aware, nor should have been aware, of the opening of such proceedings.

(5) For the purpose of (4), the moment of opening of insolvency proceedings shall be the moment when the relevant judicial or administrative authority handed down its decision.

5. SUPERVISION

(...)

5.3. Financial and other information

5.3.1. Annual ~~reports and accounts~~ financial statements

Authorised Market Institution must give the AFSA:

- (a) a copy of its audited annual ~~report and accounts~~ financial statements; and
- (b) a copy of any audited consolidated annual ~~report and accounts~~ financial statements of any group of which the Authorised Market Institution is a member;

no later than when the first of the following events occurs:

- (c) ~~three~~ four months after the end of the financial year to which the document relates;
- (d) the time when the documents are sent to Persons granted access to the facilities or shareholders of the Authorised Market Institution; or
- (e) the time when the document is sent to a holding company of the Authorised Market Institution.