



AMENDMENTS № 14 TO AIFC CONDUCT OF BUSINESS RULES

Approval Date: 13 April 2025

Astana, Kazakhstan

COMMENCEMENTS OF AMENDMENTS No. 14 TO AIFC CONDUCT OF BUSINESS RULES:

These amendments No.14 TO AIFC CONDUCT OF BUSINESS RULES commence on 13 January 2026, except for amendments in COB 1.2.2. that commence on 13 October 2025.

In these amendments, underlining indicates a new text and strikethrough indicates a removed text.

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1. APPLICATION

(...)

1.2. Modifications and exclusions

(...)

1.2.2. Exclusions in relation to certain categories of Centre Participant

For the avoidance of doubt, the requirements in COB do not apply to:

(a) a Representative Office;

(b) unless otherwise provided under Rules made by the AFSA an Authorised Market Institution (other than an Authorised Crowdfunding Platform), except for COB 3 (Communications with Clients and Financial Promotions);

(c) an Authorised Crowdfunding Platform, except for COB 3 (Communications with Clients and Financial Promotions), COB 4 (Key Information and Client Agreement), COB 7 (Conflicts of Interest), COB 8 (Client Assets) and COB Schedule 2 (Key Information and Content of Client Agreement); or

(d) [intentionally omitted]

(e) unless otherwise provided under Rules made by the AFSA, a MTF Operator and an OTF Operator, except for COB 15 (Complaints Handling and Dispute Resolution);

(f) a Credit Rating Agency, except for COB 14 (Credit Rating Agencies)-;

(g) A Money Service Provider, except for COB 3 (Communications with Clients and Financial Promotions), COB 4 (Key Information and Client Agreement), COB 7 (Conflicts of Interest), COB 8 (Client Assets), COB 15 (Complaints Handling and Dispute Resolution), COB 16 (Record Keeping and Internal Audit), COB Schedule 2 (Key Information and Content of Client Agreement) and COB Schedule 5 (Financial Promotions).

For the purposes of 1.2.2(c), references in COB 3, COB 4, COB 7, COB 8 and COB Schedule 2 to:

(a) "Authorised Firms" shall be read as if it were a reference to "an Authorised Crowdfunding Platforms";

(b) "Regulated Activities" shall be read as if it were a reference to "Market Activities";

(c) references to "Professional Client" or a "Market Counterparty" shall be read as if they were a reference to "Accredited Lender or Accredited Investor"; and

(d) references to "Retail Client" shall be read as if they were a reference to "Retail Lender or Retail Investor".

For the purposes of 1.2.2(e), references in COB 15 to "Retail Client" shall be read as if they were a reference to "Member, who is a natural person with Direct Electronic Access".

For the purposes of 1.2.2. (g), references in COB 3, COB 4, COB 7, COB 8, COB 15, COB 16, COB Schedule 2 and COB Schedule 5 to:

(a) "Retail Client" shall be read as if they were a reference to a "Client";

(b) "Professional Client" or "Market Counterparty" do not apply to a Money Service Provider.

Guidance: Other applicable requirements

Although the Centre Participants listed in COB 1.2.2 are not generally subject to the requirements in COB, they will be subject to requirements in other Rules, which may include but are not limited to requirements in REP, AMI and GEN as applicable.

8. CLIENT ASSETS

(...)

8.1.2. Application of COB 8

This section applies to an Authorised Firm which:

(a) receives Money from, or holds or controls Money for or on behalf of, a Client in the course of, or in connection with, the carrying on of Investment Business, or Provides Money Services, in or from the AIFC;

(b) holds or controls Instruments belonging to a Client in the course of, or in connection with, the carrying on of Investment Business, or Provides Money Services, in or from the AIFC; or

(c) Provides Custody in or from the AIFC.

(...)

8.1.4. General requirements

An Authorised Firm which receives Money from, or holds Money for or on behalf of, a Client in the course of, or in connection with, the carrying on of Investment Business, or Provides Money Services, in or from the AIFC, must comply with COB 8.2.

An Authorised Firm which holds Investments belonging to a Client in the course of, or in connection with, the carrying on of Investment Business in or from the AIFC, ~~or Provides Custody~~, or Provides Money Services, in or from the AIFC, must comply with COB 8.3.

(...)

8.2.5. Requirement to pay Client Money into Client Money Account

Where an Authorised Firm receives or holds Client Money it must ensure (except where otherwise provided in COB 8.2.8) that the Client Money is paid into one or more Client Money Accounts within one day of receipt.

Where an Authorised Firm deposits any Money into a Client Money Account, such Money is Client Money until the Money is withdrawn from the Client Money Account in accordance with the Client Money Rules.

Guidance:

An Authorised Firm Providing Money Services must comply with PMS 9 when paying or placing Client Money into Client Money Accounts.

15. COMPLAINTS HANDLING AND DISPUTE RESOLUTION

15.1. Application

This chapter applies to an Authorised Firm, other than a Representative Office, that is licensed by the AFSA to carry on a Regulated Activity, in relation to Retail Clients and Professional Clients only.

Rule 15.5. sets out additional requirements that apply to an Authorised Firm that is licensed by the AFSA to carry on a Regulated Activity of Providing Money Services.

An Authorised Firm that is licensed by the AFSA to carry on a Regulated Activity of Providing Money Services is defined as a Money Service Provider in GLO.

(...)

15.5. Additional requirements for complaints related to Money Services

15.5.1. This rule applies to complaints made by a Client against a Money Service Provider in relation to the provision of Money Services.

15.5.2. A Money Service Provider must, except as provided in COB 15.5.3., notify the complainant in writing of the resolution of the complaint and, where applicable, provide clear terms of redress no later than 15 business days from the date the complaint is received.

15.5.3. If the Money Service Provider is unable to comply with the requirement under COB 15.5.2 due to reasons beyond its control, it must send a response to the claimant clearly stating the reasons for the delay and specifying a new deadline by which the complainant will receive a full response.

15.5.4. Information about other means of resolving complaints, as outlined in paragraph 2 of COB

15.4.2., must be made available to the complainant:

(a) on the website of the Money Service Provider (if any);

(b) at branches of the Money Service Provider (if any); and

(c) in the general terms and conditions of the client agreement between the Money Service Provider and the Client.

SCHEDULE 2: KEY INFORMATION AND CONTENT OF CLIENT AGREEMENT

The key information which an Authorised Firm or an Authorised Crowdfunding Platform is required to provide to a Client and include in the Client Agreement with that Client pursuant to COB 4 must include:

(a) the core information set out below; and

(b) where relevant, the additional information required for Investment Business and for Investment Management, for Operating an Investment Crowdfunding Platform or for Operating a Loan Crowdfunding Platform.

1.	CORE INFORMATION
	In the case of a Retail Client, the core information is:
	(a) The name and address of the Authorised Firm, and if it is a Subsidiary, the name and address of the ultimate Holding Company
	<u>(a-a) if different from the information under (a), the address and contact details of the branch or agent from which the Money Service is being provided;</u>
	(b) The regulatory status of the Authorised Firm
(...)	(...)
6.	<u>ADDITIONAL INFORMATION FOR MONEY SERVICE PROVIDERS</u>
	<p><u>(a) Information about the Money Services</u></p> <ul style="list-style-type: none"> i. <u>a description of the main characteristics of the Money Service to be provided;</u> ii. <u>the information or Unique Identifier that must be provided by the Client in order for a Payment Order to be properly initiated or executed;</u> iii. <u>the form and procedure for giving consent to the initiation of a Payment Order or execution of a Payment Transaction and for the withdrawal of consent in accordance with PMS 7.4.;</u> iv. <u>a reference to the time of receipt of a Payment Order, in accordance with PMS 7.11.1, and the cut-off time, if any, established by the Money Service Provider;</u> v. <u>the maximum execution time for the Money Services to be provided;</u> vi. <u>whether spending limits for the use of a Payment Instrument may be agreed in accordance with PMS 7.7.;</u> <p><u>(b) Information about charges, interest and exchange rates</u></p> <ul style="list-style-type: none"> i. <u>details of all charges payable by the Client to the Money Service Provider, including those connected to the manner in and frequency with which information is provided or made available and, where applicable, a breakdown of the amounts of any charges;</u> ii. <u>where relevant, details of the interest and actual or Reference Exchange Rates to be applied or, if Reference Interest and Exchange Rates are to be used, the method of calculating the actual interest and the relevant date and index or base for determining such Reference Interest and Exchange Rates;</u> iii. <u>where relevant and if agreed, the immediate application of changes in Reference Interest and Exchange Rates and information requirements relating to the changes in accordance with PMS 5.5.</u>

	<p><u>(c) Information about communication:</u></p> <ul style="list-style-type: none"> i. <u>the means of communication agreed between the parties for the transmission of information or notifications under AIFC Rules and Regulations, including, where relevant, any technical requirements for the Client's equipment and software for receipt of the information or notifications;</u> ii. <u>the manner in which and frequency with which information under PMS is to be provided or made available;</u> iii. <u>the language or languages in which the client agreement will be concluded and in which any information or notifications will be communicated;</u> <p><u>(d) the Client's right to receive the terms of the client agreement and information during period of client agreement.</u></p> <p><u>(e) Information about safeguards and corrective measures:</u></p> <ul style="list-style-type: none"> i. <u>where relevant, a description of the steps that the Client is to take in order to keep safe a Payment Instrument and how to notify the Money Service Provider for the purposes of PMS 7.8.;</u> ii. <u>the secure procedure by which the Money Service Provider will contact the Client in the event of suspected or actual fraud or security threats;</u> iii. <u>where relevant, the conditions under which the Money Service Provider proposes to reserve the right to stop or prevent the use of a Payment Instrument in accordance with PMS 7.7.;</u> iv. <u>how and within what period of time the Client is to notify the Money Service Provider of any unauthorised or incorrectly initiated or executed payment transaction under PMS 7.9.1., and the Money Service Provider's liability for unauthorised Payment Transactions under PMS 7.9.2.;</u> v. <u>the Money Service Provider's liability for the initiation or execution of Payment Transactions in connection with non-execution or defective or late execution of Payment Transactions;</u> vi. <u>the conditions for the payment of any refund (e.g. refunds for payment transactions initiated by or through a Payee).</u> <p><u>(f) information about changes to and termination of client agreement:</u></p> <ul style="list-style-type: none"> i. <u>where relevant, the proposed terms under which the Client will be deemed to have accepted changes to the client agreement in accordance with PMS 5.5., unless they notify the Money Service Provider that they do not accept such changes before the proposed date of their entry into force;</u> ii. <u>the duration of the client agreement;</u> iii. <u>where relevant, the right of the Client to terminate the client agreement and any agreements relating to termination;</u> <p><u>(g) Information about redress:</u></p> <ul style="list-style-type: none"> i. <u>any contractual clause on —</u> <ul style="list-style-type: none"> 1. <u>the law applicable to the client agreement;</u> 2. <u>the competent courts;</u> ii. <u>the availability of alternative dispute resolution procedures for the Client and the methods for having access to them.</u> <p><u>(h) Information about safeguarding Client's Money:</u></p> <ul style="list-style-type: none"> i. <u>the form and procedure for giving consent by a Client where relevant Client Money will be safeguarded by investing in assets according to PMS 9.1. (1)(b).</u>
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