

Annex 1
to the decision of the Council of
Center for Scientific and Technological
Initiatives" Samgau " Foundation
dated 19 April 2023, minutes No. 5/23

Approved
by the decision of the Council of
Center for Scientific and Technological
Initiatives "Samgau" Foundation
dated 19 April 2023, minutes No. 5/23

**Rules for procurement of goods, works and services of
Center for Scientific and Technological Initiatives "Samgau" Foundation**

Astana, 2023

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Section 1. Scope of application of the Rules

1.1. These Rules for procurement of goods, works and services (hereinafter referred to as the “Rules”) have been developed in accordance with Acting Law of the Astana International Financial Centre (hereafter referred to as the “AIFC”) and the Charter of Center for Scientific and Technological Initiatives "Samgau" Foundation and determine the procurement procedure for purchase of goods, works and services by the Center for Scientific and Technological Initiatives "Samgau" Foundation.

1.2. These Rules do not apply to:

1) the procedure for funding of R&D projects by Center for Scientific and Technological Initiatives "Samgau" Foundation, for which the conclusion and control of funding agreements for implementation of research and development projects are carried out in accordance with Rules for conclusion and monitoring of funding agreements for implementation of research and development projects of the group of “Samruk-Kazyna” JSC;

2) the procurement of goods, works, services related to usage of funds of grants, donations, sponsorship funds which have the target purpose;

3) the procurement of services from individuals under employment contracts or from individuals who are not business entities under contracts for the provision of paid services, including services of private notaries, lawyers and bailiffs;

4) the procurement of goods, works, services related to representation expenses, travel expenses;

5) payment of remuneration to members of the governing bodies and committees established under them, compensation or payment of expenses related to the performance of duties by members of the governing bodies and its committees and holding meetings of governing bodies and its committees;

6) the procurement of goods, works, services at prices, norms, limits, tariffs, fees and payments established by the Acting law of the AIFC, the legislation of other countries;

7) the procurement of services for training, retraining and professional development of employees, for passing professional exams, as well as the procurement of goods, services related to the organization and assessment of professional knowledge and competencies;

8) the procurement of materials of exhibitions, seminars, conferences, meetings, forums, symposiums, trainings, internships, master classes, as well as payment for participation in these events and the procurement of goods, works and services for organization of these events;

9) the procurement of visa processing and booking services, registration and sale of air, rail, river, sea and bus travel documents (tickets);

10) payment of fees, state duties and other expenses related to dispute resolution in courts, arbitrations;

11) the procurement of goods, works, services from national operators, market

entities occupying a monopoly position, as well as from entities, state and natural monopolies;

12) the procurement of services for patenting, evaluation, protection and management of intellectual property rights and implementation of other expenses related to the procurement of such services in accordance with the Acting law of the AIFC/ applicable law and international treaties;

13) the procurement of public and other services from entities defined by the legislation of the Republic of Kazakhstan, as well as services of AIFC bodies in accordance with the Acting law of the AIFC;

14) the procurement of financial services related to the banking operations carried out by the National Bank of the Republic of Kazakhstan, banks and organizations carrying out certain types of banking operations on the basis of licenses obtained in accordance with the legislation of the Republic of Kazakhstan, and services of other participants in the security market, brokerage and (or) dealer services, custodial services, purchase of services for connection, maintenance and use of the financial automated system of information transport, the services of Society for Worldwide Interbank Financial Telecommunications, including those related to obtaining bank statements and information services provided by the stock exchange operating in the territory of the Republic of Kazakhstan, services of second-tier banks of the Republic of Kazakhstan and (or) international (foreign) banks, legal consultants, financial consultants, external audit and (or) evaluation organizations for the issuance of comfort letters, trust managing investor, payment transfer agents, registrars, procedural, arbitration and other services necessary for the organization of borrowing by the Customer, including the issue of securities and their redemption, debt management and investment (treasury) portfolio, services provided by information and analytical systems of leading international financial information providers, as well as the acquisition of the above services when carrying out securitization transactions as an originator and (or) creditor in accordance with the Law of the Republic of Kazakhstan "On project financing and securitization".

Section 2. Terms and Definitions

2.1. The basic terms are used in these Rules:

1) advance payment (prepayment) security – a bank guarantee or other security for the return of the advance payment (prepayment) specified by the Customer in the tender documentation, with validity periods until the full repayment of the advance payment (prepayment) under the procurement contract;

2) affiliated entity of potential supplier - any individual or legal entity, who has the right to make decisions and (or) influence the decisions made by the potential supplier, including by virtue of the transaction made in writing, and any individual or legal entity in respect of which this potential supplier has such right;

3) conflict of interests of a tender commission member – a situation in which the personal interests of a member of the tender commission may affect the impartiality of his participation in decision-making by the tender commission;

4) contract execution security – a bank guarantee or other security performance of the contract defined by the Customer in the tender documentation, with the maturity date until the complete fulfillment of the procurement contract;

5) Customer – Center for Scientific and Technological Initiatives "Samgau" Foundation;

6) electronic digital signature – a set of electronic digital symbols created by means of an electronic digital signature and confirming the authenticity of an electronic document, its ownership and the invariability of its content;

7) electronic document – a document in which information is provided in electronic digital form and certified by means of an electronic digital signature;

8) electronic procurement – purchases with using of information systems that provide automation of procurement organization and conducting processes through methods provided by the Rules, including reverse bidding;

9) electronic trading platform (ETP) – an information system designed to automate the processes of organizing and conducting procurement, monitoring market prices, determined by the Customer;

10) expert commission – a collegial body, created by the Customer with engaging experts for participation in the development of the terms of reference and (or) technical specifications of procured goods, works and services, and (or) preparation of expert opinion on the consistency of proposals of potential suppliers to technical specifications of purchased goods, works and services;

11) false information – false information contained in the procurement documents of a potential supplier (supplier), as well as made by corrections that distort the actual content of documents and do not correspond to the documents submitted by the potential supplier (supplier);

12) Fund – "Sovereign Wealth Fund "Samruk-Kazyna" Joint-Stock Company;

13) goods – items (things), including semi-finished products or raw materials in solid, liquid or gas state, electric and thermal energy, objectified results of intellectual creative activity, as well as rights in rem, under which it can be possible to make the purchase and sales transaction in accordance with Acting Law of the AIFC or other applicable law;

14) Internet resource of the Customer – information resource, a website that hosts information related to the procurement;

15) list of unreliable potential suppliers (suppliers) of the Customer – systematized information about unreliable potential suppliers (suppliers);

16) long-term contract – a procurement contract concluded for a period of more than 12 (twelve) months;

17) long-term procurement – purchase of goods, works and services, the delivery time (execution /rendering) of which exceeds 12 (twelve) months;

18) list of debtors in respect of which the court decisions on declaring them bankrupt have entered into legal force - systematized information about individual entrepreneurs and legal entities declared bankrupt in court, posted on the internet resource of the authorized state body in the field of rehabilitation and bankruptcy;

19) organizations of the Fund - legal entities which fifty percent or more of the voting shares (interest) is directly or indirectly owned by the Fund on the right of property or trust management. Indirect affiliation means that each subsequent legal entity owns fifty percent or more of the voting shares (interest) of another legal entity on the right of ownership or trust management;

20) potential supplier - an individual carrying out entrepreneurial activity, a legal entity (with the exception of state institutions, unless otherwise established for them by the laws of the Republic of Kazakhstan), a consortium, claiming to conclude a procurement contract, having legal capacity (for legal entities), civil capacity (for individuals);

21) potential supplier - non-resident:

an individual who is a citizen of a foreign state and carries out entrepreneurial activities in accordance with the legislation of such a foreign state;

a legal entity created on the territory of a foreign state and carrying out entrepreneurial activity in accordance with the legislation of such a foreign state;

22) procurement – purchase, carried out in the manner prescribed by the Rules, of goods, works, services by the Customer on a paid basis needed to support operations and also to perform Customer’s statutory activity;

23) procurement structural division – a structural division responsible for organizing and conducting procurement;

24) procurement contract – a civil contract entered into between the Customer and the supplier in accordance with Acting Law of the AIFC or applicable law and these Rules;

25) Project – R&D project that is in the process of selection for funding in accordance with the established procedure at the Customer or was selected by the Customer and approved by the decision of the Scientific and Technical Council of the Fund for funding;

26) R&D – research and development work;

27) supplier – an individual carrying out entrepreneurial activity, a legal entity (with the exception of state institutions, unless otherwise established for them by the laws of the Republic of Kazakhstan), a consortium, acting as a counterparty of the Customer in the procurement contract concluded with him;

28) services – activities aimed at meeting the needs of the Customer, which does not have a tangible result;

29) tender documentation – documentation provided to a potential supplier to prepare an application for participation in the tender and containing information on the conditions and procedure for holding a tender;

30) work – an activity that has a material result, as well as other activities classified as work in accordance with Acting Law of the AIFC or other applicable law.

2.2. Other definitions and terms not specified in the clause 2.1 of the Rules are used in the meanings determined by the Acting Law of the AIFC or legislation of the Republic of Kazakhstan.

2.3. Unless otherwise required by the context, the words used in the singular can be used as the plural and vice versa.

Section 3. General provisions

3.1. The organization of procurement, interaction of structural divisions during the procurement process, control, and monitoring of the process of procurement of goods, works and services are regulated by internal acts of the Center that shall not contradict to these Rules.

3.2. The Rules shall be based on the following principles:

- 1) provision of the potential suppliers with the equal opportunities to participate in procurement procedure on basis of fair competition;
- 2) openness and transparency of procurement process;
- 3) control and responsibility for decisions made;
- 4) rational expenditure of the money used for procurement;
- 5) purchase of qualitative goods, works, services;
- 6) prevention of corruption manifestations.

3.3. The procurement of goods, works, services shall be executed on the basis of the approved budget of the Customer. The Customer has the right to carry out procurement procedures concerning the selection of supplier of goods, works, services before approval of the budget, and at the same time, the condition for concluding a procurement contract with this supplier is the availability of an approved budget.

3.4. The procurement plan is formed on the basis of the consolidated need, taking into account the available stocks.

3.5. The procurement plan (annual and long-term) is approved by the Chief Executive Officer of the Customer or an authorized person within 20 (twenty) business days from the date of the approval of the budget.

3.6. The procurement plan (annual/ long-term), amendments and additions to it are published on the Internet resource of the Customer/ETP.

3.7. The Customer is obliged to introduce amendments, additions to the (annual, long-term) procurement plan in the following cases:

- amending the approved budget;
- other production needs.

3.8. Procedures for selecting a supplier for goods, works, services that are not provided for by an approved procurement plan (preliminary, annual, long-term) are prohibited.

3.9. The Chief Executive Officer of the Customer or a person authorized by him is personally responsible for compliance with the deadlines for approval and placement of the procurement plan.

3.10. The terms of the start of procurement procedures are determined based on the terms necessary for the procedure of selecting a supplier, concluding the procurement contract and delivering of goods, works and services (the start of work performing/services rendering).

3.11. The Customer on the basis of the decision of the Chief Executive Officer of the Customer or authorized person before the date of opening of applications for participation in the tender or request for quotations or conclusion of a procurement contract by method of a tender / request for quotations / from a single source has the right to refuse to make purchases (lot) at any stage in cases of reducing the cost of procurement goods, works, services provided for in the procurement plan, a reasonable reduction in the need or justified inexpediency of procurement of goods, works, services.

3.12. Upon decision-making on refusal of procurement, the Customer shall make appropriate changes to the procurement plan within 5 (five) business days. Introduction of amendments and supplements to the procurement plan, showing the subsequent increase in the cost of procurement, increasing the need, or appearance of the expediency to purchase such goods, works and services in the current year is not permitted.

3.13. A potential supplier is not entitled to participate in ongoing procurement and is subject to rejection when participating in procurement, if:

1) a potential supplier or its subcontractor (co-executor) or a legal entity that is part of the consortium is included in the Register of unfair participants of public procurement and (or) in the Register of unfair procurement participants, and (or) in the Register of unreliable potential suppliers (suppliers) of the Fund, in the Register of unreliable potential suppliers (suppliers) of the Customer and (or) in the list of debtors in respect of which the court decisions on declaring them bankrupt have entered into legal force;

2) a potential supplier and (or) subcontractor (co-executor) engaged by him/her, and (or) their chief executive, and (or) founders (shareholders) are included in the list of organizations and persons associated with the financing of terrorism and extremism, or in the list of organizations and persons associated with the financing of proliferation of weapons of mass destruction in accordance with the procedure established by Law of the Republic of Kazakhstan «On counteracting legalisation (laundering) of proceeds obtained through criminal means and financing of terrorism»;

3) a potential supplier and (or) subcontractor (co-executor) engaged by him/her, and (or) founders (shareholders) are legal entities whose place of registration is a state or territory included in the list of states with preferential taxation approved by the authorized

state body managing in the sphere of ensuring tax revenues and mandatory payments to the budget;

4) a potential supplier and (or) subcontractor (co-executor) engaged by him/her, and (or) founders (shareholders) is on the lists of unreliable taxpayers available on the Internet resource of the State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan;

5) an individual engaged in entrepreneurial activities and participating in procurement is the chief executive of a legal entity which is included in the Register of unfair participants of public procurement and (or) in the Register of unfair procurement participants, and (or) in the Register of unreliable potential suppliers (suppliers) of the Fund, in the Register of unreliable potential suppliers (suppliers) of the Customer and (or) in the list of debtors, in relation of which the court decisions on recognition of their bankruptcy have entered into legal force, is included in the lists of unreliable taxpayers available on the Internet resource of the State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan.

3.14. Conclusion of a procurement contract with potential supplier specified in clause 3.13 of the Rules is not permitted.

3.15. If the Compliance Officer of the Customer issues a notice of violations in the procurement process by the methods specified in sub-clauses 1) and 2) of clause 5.1 of the Rules, the Customer is obliged to take measures to eliminate them.

3.16. The procurement of goods, works, and services is carried out through electronic procurement, with the exception of procurement provided for by these Rules.

3.17. The potential supplier is responsible for the completeness, relevance, and reliability of the submitted information and documents.

Section 4. Special procurement procedure

4.1. Procurement of goods, works and services is carried out by the Customer without the use of ETP, taking into account the interests of the Customer and in compliance with the principles provided for in sub-clause 4), 5), 6) of clause 3.2 of the Rules in the following cases:

1) procurement of services for scientific, scientific-technical, technological, industry, financial and economic examinations of the Project;

2) procurement of services to assess the level of technological development, research their readiness to introduce new and (or) improved technologies;

3) procurement of services for search of technological solutions and technology (technology scouting);

4) procurement of goods, works and services for organization of activities aimed to identify, search and solve, as well as ensure the further development of technological tasks;

5) procurement of works and services from scientific, scientific-technical, scientific-educational, scientific-research, autonomous educational organizations and (or) its organizations by the main type of their activity;

6) procurement of goods, works and services, which are the objects of intellectual property from an entity which has the exclusive rights with regard to the goods, works and services being purchased as well as related works, services to ensure the introduction of the goods, works and services;

7) procurement of goods, services through the internet resources related to the main activity of the Customer in the amount not exceeding of 2,000 (two thousand) times of the Monthly Calculation Index established by the Law on State Budget for a relevant financial year, excluding value added tax;

8) procurement of goods, works, services for a total annual amount not exceeding 100 (one hundred) times of the Monthly Calculation Index established by the Law on the State Budget for a relevant financial year, excluding the value added tax;

9) procurement of services for the placement of materials in the mass media;

10) procurement of services of rating agencies, financial services, as well as recruitment and personnel development services;

11) procurement of licensed software and (or) services for access to information services related to the statutory and (or) day-to-day activity of the Customer from the software manufacturer or authorized supplier of the above-mentioned goods, services;

12) procurement of goods, works, services to:
localize and (or) liquidate consequences of emergencies;
procurement of goods, works, service protect life and health of employees at the strikes that threaten the security at the facilities of the Customer;

13) if the Customer who has procured goods, works, services from a supplier needs to carry out other procurement from the same supplier for the purpose of bringing to the single system, form or standard (unification, standardization) or compatibility with available goods, equipment, technology, works or services;

14) procurement of rental services for premises, buildings, structures necessary to ensure the statutory activities of the Customer, services for their technical maintenance, security and maintenance;

15) procurement of goods, works, services from the Fund or organizations of the Fund, as well as services from organizations/institutions whose founders are the Fund and (or) Fund's organizations, by the type(s) of activity provided for by the charter of the organization/institution;

16) procurement of consulting and legal services on issues of possible initiation of arbitration disputes or litigations, to protect and (or) represent the interests of the Customers in arbitration, international organizations, public authorities and court.

Subject to the provisions of clause 12.4 of these Rules, the application of sub-clauses 1) - 16) of this clause must be agreed with the Compliance Officer of the Customer in the manner prescribed by internal acts of the Customer.

4.2. Information on planned procurement specified in clause 4.1 of the Rules, shall be formed, approved, and posted on the Internet resource/ETP of the Customer.

4.3. The decision on the procurement of goods, works and services specified in clause 4.1 of the Rules shall be taken by the Management Board of the Customer in the prescribed manner.

4.4. Conclusion of a procurement contract with suppliers specified in clause 3.13 of the Rules is not permitted.

4.5. The Customer ensures the execution of the procurement contract provided for in clause 4.1 of the Rules in accordance with the internal act of the Customer regulating the preparation, conclusion and execution of agreements.

Section 5. Procurement methods

5.1. The procurement, except for the cases provided for in clause 4.1 of the Rules, is carried out in one of the following methods:

- 1) procurement by tender (two-stage tender), including with the use of bidding to lower the price;
- 2) procurement through request for quotations, including with the use of bidding to lower the price;
- 3) from single source.

The method of procurement is chosen by the Customer in accordance with the Rules, except for the case when the Customer decides to make purchases using a method from a single source or a special procurement procedure.

5.2. When making purchases, the Customer has the right to:

- 1) divide goods, works, services into lots according to their similar characteristics and components or at the place of their delivery (execution, rendering);
- 2) to provide in one lot the purchase of goods, works, services having complex technical characteristics and specifications and consisting of several interrelated components.

Consideration of the submitted documents for participation in the procurement and determination of the winner in the cases specified in this clause of the Rules is carried out separately for each lot.

5.3. The content of indications for trademarks, service marks, trade names, patents, utility models, industrial designs, the name of the place of origin of the goods and the name of the manufacturer, as well as other information and (or) documents that indicate the ownership of the purchased goods, works, services to individual suppliers is not allowed in the tender documentation/announcement by the method of procurement through request for quotations, except in the following cases:

1) procurement of goods, works, services for additional supply for missing parts, modernization, re-equipment, unification or ensuring compatibility with existing goods, works, services;

2) for repair and (or) technical support, maintenance, including scheduled repairs (if necessary) of the main (installed) equipment, as well as installed software available to the Customer.

5.4. It is not allowed for the supplier to transfer to subcontractors (co-executors) for subcontracting (co-execution) in aggregate more than 1/4 (one-fourth) of the volume of work (contract price), as well as services from their total price.

5.5. The potential supplier bears all the costs associated with his participation in the procurement. The Customer is not obligated to reimburse these costs regardless of the outcome of the procurement.

Section 6. Procurement by tender, including with the use of bidding to lower the price

6.1. The organization and procurement of goods, works, services by means of a tender shall involve the following consequent arrangements:

1) formation and approval by the Customer of the tender documentation, the composition of the tender commission, appointment of the secretary of the tender commission. In the case of procurement by tender with the use of bidding to lower the price, the Customer in the tender documentation indicates information about the size of the step to lower the price specified in the tender documentation, the range of which should be in the range from 1 to 5%;

2) publication of announcement for tender applications and approved tender documentation on the ETP;

3) explanation of provisions of the tender documentation to potential suppliers (upon request);

4) registration of the potential suppliers' tender applications on the ETP;

5) registration of the security of the application for participation in the tender (if a bank guarantee);

6) opening of tender applications on the ETP after the deadline for submitting applications for potential suppliers in the tender procedure;

7) review by the commission of the tender applications to determine the potential suppliers' compliance with the qualification requirements and tender documentation requirements;

8) evaluation and comparison by the commission the tender applications to select the winner;

9) publication of the protocol of results on the ETP;

10) registration of the original application for participation in the tender of the winner;

11) conclusion by the Customer of a procurement contract with the winner following the results of the tender.

6.2. In order to determine the conditions and procedure for conducting the procurement procedure, the Customer prepares tender documentation for each procurement on the basis of standard tender documentation.

6.3. The Customer approves the tender documentation, the composition of the tender commission and the secretary for each procurement.

6.4. The members of the commission are the chairman, deputy chairman and other members of the commission, while their total composition must be at least 3 (three) members.

6.5. The tender commission is effective from the date of entry into force of the decision on its creation and ceases its activities from the date of the supplier's submission of contract execution security under the procurement contract or upon the occurrence of the case provided for in clause 3.11 of the Rules;

6.6. The meeting of the tender commission is held subject to the presence of a simple majority of the tender commission. In the absence of any of the members of the tender commission, the protocol on the results indicates the reason for his absence with reference to the document confirming this fact.

In the absence of a simple majority of the members of the tender commission, the Customer, in order to achieve a quorum, replaces one of the absent members of the tender commission on the basis of the Customer's decision. Replacement of the absent secretary of the tender commission and (or) the expert is made by the Customer without fail.

6.7. The decision of the tender commission is adopted by open voting and is considered adopted if a majority of votes from the total number of members of the tender commission present at the meeting are submitted for it. In case of equality of votes, the chairman of the tender commission or, in his absence, the deputy chairman voted has casting vote. In case of disagreement with the decision of the tender commission, any member of the tender commission has the right to a dissenting opinion, which must be stated in the minutes of the meeting of the tender commission.

If any of the members of the tender commission has a conflict of interest, this person notifies the secretary of the tender commission about it, which is recorded in the protocol on the results of the tender. At the same time, this person does not participate in the decision-making by the tender commission.

6.8. The organizational activity of the commission is provided by the secretary of the tender commission, who is not a member of the tender commission and does not have the right to vote when making decisions by the commission.

6.9. In order to prepare a technical specification, determine whether the goods, works, and services offered by potential suppliers meet the requirements of the technical specification (quality and/or technical characteristics) of goods, works, and services, the Customer has the right to engage, on a paid or free basis, by agreement of the parties, an expert(s) with qualifications in the relevant field of the subject of procurement and who

are not with the Customer and its affiliated persons in employment relations, as well as in close family relations with the Chief Executive Officer of the Customer.

6.10. The expert(s) does not have the right to vote when the commission makes a decision. The expert opinion is attached to the protocol on the results of the tender and is an integral part of it.

6.11. The Customer shall publish an announcement of the ongoing tender and the approved tender documentation on the ETP at least 10 (ten) calendar days in advance, and in the case of a repeated tender – at least 5 (five) calendar days before the deadline for submitting applications for participation in the tender.

6.12. The published procurement announcement by the tender method and the approved tender documentation are available for viewing to all interested parties.

6.13. The application for participation in the tender is submitted to the Customer within the time limits determined by the tender documentation and is a form of expressing the consent of the potential supplier to accept the conditions and requirements established by the tender documentation.

6.14. The date and time of opening applications for participation in the tender must be determined by the Customer on a business day in the period from 10:00 to 18:00 Astana time.

6.15. The requirements for the content, design, validity period and provision of the application for participation in the tender of a potential supplier are provided for by the approved tender documentation.

6.16. The potential supplier submits to the Customer only one application for participation in the tender and has the right to withdraw his application, make changes to it before the deadline for their submission, without losing the right to refund the security of his application.

6.17. It is not allowed to make changes and (or) additions to applications for participation in the tender after the expiration of the deadline for their submission.

6.18. The applications for participation in the tender submitted by potential suppliers are automatically registered on the ETP.

6.19. Refusal to accept an application for participation in a tender on an ETP is made in the following cases:

1) submission by a potential supplier of a quotation offer, expressed in tenge, exceeding the amount allocated for the procurement;

2) submission of an application for participation in the tender by a potential supplier after expiration of the deadline for submitting applications for participation in the tender.

6.20. The potential supplier and its affiliate are not allowed to participate in the same tender (lot) and are subject to rejection when participating in procurement.

6.21. The potential supplier has the right to send a request to the Customer for clarification of the provisions of the tender documentation at least 4 (four) business days before the deadline for submitting applications for participation in the tender.

At the same time, the Customer within 2 (two) business days from the date of receipt of the request responds to it without specifying information about the person who sent the request by publishing it on the ETP with access to this clarification for all potential suppliers participating in the tender.

6.22. The Customer has the right to make changes and(or) additions to the tender documentation at least 2 (two) business days before the expiration of the final date of submission of applications for participation in the tender, with the exception of the subject of procurement.

At the same time, within the specified period, the Customer publishes the text of changes and (or) additions to the ETP and notifies potential suppliers who have submitted applications for participation in the tender.

In this case, the deadline for submitting applications for participation in the tender is extended for a period of at least 5 (five) calendar days.

6.23. The applications for participation in the tender are opened after the deadline for submitting applications for participation in the tender expires. At the same time, a protocol for opening applications for participation in the tender is automatically generated on the ETP, which is taken into account by the Customer.

6.24. If no applications for participation in the tender have been received before the deadline for submitting applications for participation in the tender, procurement by the tender method are recognized as failed and a protocol on the results of procurement is automatically formed on the ETP, which is taken into account by the Customer.

6.25. The applications for participation in the tender are evaluated and compared by the tender commission for compliance with the requirements of the tender documentation within no more than 10 (ten) business days from the date of expiry of the deadline for submitting applications for participation in the tender. Applications for participation in the tender for procurement of goods, works, services with complex technical characteristics and specifications are considered by the tender commission with the involvement of an expert (expert commission) (if necessary) within no more than 15 (fifteen) business days from the date of expiry of the deadline for submitting applications for participation in the tender.

6.26. In order to clarify the information when considering, evaluating and comparing applications for participation in the tender, the tender commission has the right to request:

- 1) from the potential suppliers of materials and explanations concerning the submitted documents as part of the application for participation in the tender (except for the price (discount), technical specifications and special qualification requirements);
- 2) the necessary information from the relevant state bodies, individuals and legal entities.

At the same time, requests and other actions of the tender commission related to bringing the application for participation in the tender into compliance with the requirements of the tender documentation, consisting in supplementing the application

with missing documents, replacing documents, and bringing documents that are improperly executed into compliance, are not allowed.

In cases of sending requests provided for in this clause, the tender commission has the right to extend the period of consideration of applications for participation in the tender in proportion to the time of receipt of information, but not more than 20 (twenty) business days.

6.27. The tender documentation may provide for the submission of a security of a tender application for participation in the tender as a guarantee that the participant of the tender:

- 1) will not withdraw or change its application for participation in the tender after the deadline for submission of applications;
- 2) if it is determined to be the winner of the tender, it will conclude procurement contract with the Customer within the time limits established by the protocol on the results of the tender, and will provide contract execution security, if the terms of procurement provide for the submission of such security.

6.28. The security of a tender application for participation is made by the potential supplier in the form of a bank guarantee or in the form of cash payment, which is transferred to the Customer's bank account.

6.29. The security of a tender application for participation is transferred in the amount determined by the tender documentation, not exceeding 1 (one) percent of the amount specified for the procurement of this good, work, service in the tender documentation of the Customer.

The amount of the security of a tender application for participation, calculated in tiyns, is rounded up. At the same time, the amount less than fifty tiyns is rounded to zero, and the amount equal to fifty tiyns and above is rounded to one tenge.

6.30. The security of a tender application for participation submitted by a potential supplier is returned to the potential supplier within 10 (ten) business days from the date of occurrence of one of the following cases:

- 1) withdrawal by the potential supplier of its application for participation in the tender before the deadline for submitting applications;
- 2) signing of the protocol on the results of the tender. This case does not apply to the winner of the tender and the potential supplier which took the second place following the results of the tender;
- 3) the entry into force of the procurement contract and the submission by the winner of the tender the contract execution security provided for in the tender documentation;
- 4) the entry into force of the procurement contract and the submission by the potential supplier which took the second place following the results of the tender, determined in sub-clause 2) of clause 6.41 of the Rules, of the contract execution security provided for in the tender documentation;
- 5) the entry into force of the procurement contract (if the tender documentation does not provide the submission of the contract execution security);

6) cancellations/refusal of procurement.

6.31. The tender application security made by the potential supplier is not returned to a potential supplier in occurrence of one of the following cases:

1) the potential supplier, determined as the winner of the tender, declined to sign the procurement contract;

2) the winner of the tender after conclusion the procurement contract did not fulfill or did not fulfill in time the requirement set by the tender documentation on the submission of the contract execution security;

3) the potential supplier which took the second place based on the results of comparison and evaluation, as defined in the case provided for by sub-clause 2) of clause 6.41 of the Rules, declined to sign a procurement contract or after conclusion of a procurement contract did not fulfill or did not fulfill in time the requirement set by the tender documentation on the submission of the contract execution security.

6.32. The potential suppliers are subject to general and special qualification requirements sufficient to fulfill obligations under the procurement contract. It is not allowed to make changes to the general requirements provided for in the standard tender documentation.

6.33. The application for participation in the tender of the potential supplier is subject to rejection in the following cases:

1) the price offer of a potential supplier exceeds the amount allocated for the procurement;

2) the application for participation in the tender does not meet the requirements of the tender documentation;

3) the potential supplier is an affiliate of another potential supplier who has submitted an application for participation in this tender (lot).

When determining affiliation, it is necessary to follow subclause 2) clause 2.1 of the Rules and provisions of the Acting Law of the AIFC and the applicable law;

4) the price offer of a potential supplier was recognized by the tender commission as dumping;

5) in the cases provided for in clause 3.13 of the Rules.

Rejection of applications for participation in the tender on other grounds is not allowed.

6.34. It is not allowed to reject the application for participation in the tender of the potential supplier on the following formal grounds:

1) the presence of an error, typo, typo in the application for participation in the tender (with the exception of the proposed price (discounts), technical specifications, a document confirming the submission of the application for participation in the tender);

2) not specifying information (about bank details and other information) in the forms of submitted documents (with the exception of the proposed price (discounts), technical specifications, the submission of the application for participation in the tender),

which does not affect the evaluation and comparison of applications for participation in the tender.

Non-compliance with the technical specification of a potential supplier is allowed when the technical and qualitative characteristics offered by it exceed the characteristics of goods, works, services declared by the Customer. This information shall be reflected in the protocol on the results and/or in the expert opinion (in cases of involvement of the expert(s)).

6.35. If applications for participation in the tender of several potential suppliers with equal conditions are recognized by the tender commission as meeting the requirements of the tender documentation, the winner (or the potential supplier which took the second place according to the results of comparison and evaluation) is recognized as a potential supplier whose application for participation in the tender was received earlier than other potential suppliers.

6.36. The price offer is recognized as dumping in the following cases:

1) the price offer for consulting (consulting) services is recognized as dumping if it is more than 70 (seventy) percent lower than the arithmetic average price of all submitted price offers that do not exceed the amount provided for procurement in the procurement plan excluding VAT;

2) the price offer for services not specified in sub-clause 1) of this clause, including complex services, is recognized as dumping if it is more than 20 (twenty) percent lower than the arithmetic average price of all submitted price offers that do not exceed the amount provided for procurement in the procurement plan excluding VAT;

3) the price offer for goods is recognized as dumping if it is more than 15 (fifteen) percent lower than the amount stipulated for the purchase in the procurement plan excluding VAT.

The provisions of this clause shall apply to the total/final price offered by the potential supplier, as well as to the total/final price offered by the potential supplier if alternative conditions are accepted by the tender commission.

The requirements of sub-clause 1) – 3) of this clause do not apply to procurement by means of a tender with the use of bidding to lower the price.

6.37. The procurement by the tender method are recognized by the tender commission as failed in the following cases:

1) absence of submitted applications for participation in the tender;

2) representations of less than 2 (two) applications for participation in the tender (except for cases when the tender is declared invalid in accordance with clause 6.38 of the Rules);

3) rejection of all applications for participation in the tender;

4) if, following the results of consideration of applications for participation in the tender, there is one application recognized as relevant (except in cases of recognition of the tender as completed in accordance with clause 6.38 of the Rules);

5) if the winner of the tender and the potential supplier which took the second place following the results of the tender evaded the conclusion of the procurement contract or from the expiration of the deadline for submitting applications for participation in the tender until the conclusion of the procurement contract were included in the List(s)/Register(s) specified in clause 3.13 of the Rules;

6) failure of the winner and the potential supplier, which took the second place, to provide the contract execution security;

7) if the winner of the tender since the expiration of the deadline for submitting applications for participation in the tender and until the conclusion of the procurement contract based on the results of the tender has been included in the List(s)/Register(s) specified in clause 3.13 of the Rules, and the potential supplier which took the second place following the results of the tender, evaded the conclusion of the procurement contract or did not provide the contract execution security;

8) if the winner of the procurement did not provide the original of the application to the Customer or did not provide it within the established time limits provided for in the tender documentation, as well as in case of its inconsistency with electronic documents on the ETP.

6.38. If there is one application for participation in the tender, recognized as meeting the requirements of the tender documentation, the tender commission has the right to determine the procurement as completed.

In this case, the potential supplier who submitted an application for participation in the tender that meets the requirements of the tender documentation is recognized as the winner of the procurement.

6.39. If the procurement by the tender method is declared invalid, the tender commission has the right to make one of the following decisions:

- 1) to re-conduct the procurement by means of a tender;
- 2) to change the terms of procurement and re-conducting the procurement by means of a tender;
- 3) to conduct the procurement by means of a single source based on the terms of a tender.

The decision provided for in sub-clause 1), 2) of this clause is made by the Customer within 10 (ten) business days from the day following the day of approval of the procurement results.

6.40. The tender commission determines as the winner of the tender the potential supplier which took the second place according to the results of the tender, at the price and on the terms proposed by him in the application for participation in the tender, within 5 (five) business days from the date of occurrence of one of the following cases:

- 1) the winner of the tender has not submitted the contract execution security within 10 (ten) business days from the date of conclusion of the procurement contract.

At the same time, the Customer unilaterally terminates the concluded procurement contract and withholds the security of the application for participation in the tender.

The exception is the cases of full and proper fulfillment by the supplier of its obligations under the procurement contract before the expiration of the deadline for submission of the contract execution security;

2) the winner of the tender did not submit a signed procurement contract to the Customer within the time limits set by the protocol on the results of the tender. At the same time, the procurement contract with a potential supplier which took the second place following the results of the tender shall be concluded at a price not exceeding the price offered by him in the application for participation in the tender;

3) if, at the stage of execution of the contract, the procurement contract was terminated due to the fault of the supplier. In this case, the procurement contract with a potential supplier which took the second place following the results of the tender is concluded at a price not exceeding the price offered by him in the bid for participation in the tender, taking into account the cost of obligations fulfilled by the supplier and paid by the Customer;

4) if the winner of the tender since the expiration of the deadline for submitting applications for participation in the tender and until the conclusion of the contract based on the results of the tender has been included in the List(s)/Register(s) specified in clause 3.13 of the Rules;

In the cases provided for by this clause, after the potential supplier which took the second place following the results of the tender is recognized as the winner of the tender, the Customer shall carry out the procedure for concluding the procurement contract with the potential supplier which took the second place within the time limits provided for in clause 10.3 of the Rules.

In case of refusal to sign a procurement contract or failure to submit a signed procurement contract by the supplier which took the second place following the results of the tender, procurement must be carried out again.

6.41. The decision of the tender commission on determining the winner of the tender of a potential supplier which took the second place following the results of the tender is formalized by a protocol on determining the winner of the tender of a potential supplier which took the second place following the results of the tender, which must contain the amount and terms of the procurement contract.

In this case, the potential supplier which took the second place following the results of the tender is notified of its recognition as the winner, and the relevant information is published on the ETP.

6.42. The requirement to provide the Customer with the contract execution security/advance payment (prepayment) security does not apply to the Fund and organizations of the Fund.

6.43. In case of detection of violations affecting the results of tender (lot) in an ongoing/conducted tender (lot), the Customer and (or) tender commission are obliged to cancel the tender (lot) or its results before the conclusion of the procurement contract.

6.44. If any violation in the tender documentation affecting the results of the tender

(lot), the Customer is obliged to cancel the tender (lot) before the opening date of the tender applications, bring the tender documentation into compliance and re-announce the tender (lot).

6.45. Cancellation of a tender (lot) is not permitted to eliminate violations in the tender documentation affecting the results of the tender (lot), after the date and time of opening of tender applications.

6.46. The Customer within 2 (two) business days from the date of taking a decision to cancel the tender (lot) or its results is obliged to notify the persons who participated in the procurement and place an appropriate announcement on the ETP containing a reference to the violations committed.

Section 7. Procurement by two-stage tender, including with the use of bidding to lower the price

7.1. The tenders may be conducted using two-stage procedures in cases when:

- 1) it is difficult to formulate the technical characteristics and specification of the goods, works, services being procured;
- 2) there is a need to get acquainted with the possible ways to satisfy the Customer's requirements and choose the most appropriate one;
- 3) it is viable to form at the first stage a list of tender participants from whom the goods, works, services will be procured at the second stage of the tender.

7.2. The procurement by means of a two-stage tender shall provide for holding the following consequent procedures:

- 1) the following procedures shall be carried out at the first stage:
 - adoption of a decision by the Customer in accordance with established order to conduct the procurement of goods, works, services by implementing the two-stage tender method, approval of the tender documentation, the composition of the tender commission and its secretary;
 - publication of the announcement regarding the conduction of procurement by means of a two-stage tender on the ETP;
 - submission the bids by the potential suppliers for participation in the first-stage of a two-stage tender without quotations;
 - review by the commission applications the bid(s) of the potential supplier(s) for participation in the first- stage of a two-stage tender; selection of the potential supplier(s) based on the technical characteristics and specifications of the goods, works, services being procured, ways of satisfying the Client's requirements; formation of the list of participants of the second stage of the tender; execution of the protocol of the results of the first stage of a two-stage tender, and notification of the potential supplier(s) participated in the first stage about its results;
- 2) during the second stage the following procedures are conducted:

if necessary, the Customer makes changes to the tender documentation and/or technical specification (terms of reference), for the purpose of clarification;

sending by the Customer to the participant(s) of the second stage of the tender of the amended tender documentation and/or technical specification (terms of reference) and an invitation to submit quotation;

submission of a price offer by the potential supplier and acceptance of the amended tender documentation and/or technical specification (terms of reference), if such changes were made by the Customer;

consideration by the tender commission of the quotations of the participant of the second stage of the tender;

determination of the winner of the procurement and the potential supplier which took the second place according to the results of the two-stage tender;

publication of the protocol of two-stage tender results on the ETP;

conclusion by the Customer of the procurement contract with the winner based on the results of a two-stage tender.

7.3. The application for participation in a two-stage tender is secured by a potential supplier at the second stage.

7.4. The winner of the second stage shall be announced the potential supplier that has submitted the lowest quotation.

7.5. Unless otherwise provided for in the Rules, the procedures for procurement by means of a tender shall be used during the two-stage tender.

Section 8. Procurement through request for quotations, including with the use of bidding to lower the price

8.1. The procurement through request for quotations shall be allowed in case of procurement of goods, works, services if their total cost for the current financial year does not exceed 20 000 000 (twenty million) tenge, VAT excluding.

In procurement of goods, works, services having complex technical characteristics and specifications the Customer shall have the right to choose the tender method.

8.2. Procurement procedure through request for quotations shall imply the following consecutive actions:

1) publishing an announcement on the ETP. In the case of the procurement with the use of bidding to lower the price, the announcement indicates information about the size of the step to lower the price, the range of which should be in the range from 1 to 5%;

2) registration of the quotations of potential suppliers is carried out automatically on the ETP;

3) opening of the price quotations is carried out automatically on the ETP after the expiration of the deadline for the provision of price quotations;

- 4) consideration of price quotations to determine the potential supplier for compliance with the requirements of the announcement;
- 5) approval of the results of procurement through request for price quotations;
- 6) publication on the ETP of the decision on the approval of the procurement results;
- 7) conclusion by the Customer of a procurement contract with the winner based on the results of the procurement by the method of requesting price quotations.

8.3. The procurement announcement through request for price quotations is published at least 5 (five) business days before the deadline for submitting of price quotations.

In the case of repeated procurement after the initial procurement are declared invalid, an announcement of the procurement through request for price quotations is formed and published on the ETP at least 3 (three) calendar days before the deadline for submitting of quotations.

8.4. The published procurement announcement through request for quotations, including the technical specification for the procurement of goods, works, services (if available) is available for viewing to all interested parties.

8.5. Each potential supplier provides only one quotation containing the information and documents required in the announcement (except in cases of biddings to lower the price).

8.6. The potential supplier's bid shall be considered as an expression of its consent to deliver the goods, perform works and provide services in compliance with the conditions specified in the announcement.

8.7. The quotations submitted by the potential suppliers are automatically registered on the ETP.

8.8. Refusal to accept quotations on the ETP is made in the following cases:

- 1) submission by the potential supplier of quotation expressed in tenge, exceeding the amount allocated for the procurement;
- 2) submission of quotation by potential supplier after deadline for the provision of quotations;
- 3) submission of more than one quotation by a potential supplier (with the exception of the use of bidding for lower in prices).

8.9. The received quotations are not available for viewing to the Customer until the deadline for submitting of price quotations of potential suppliers.

8.10. The potential suppliers have the right to withdraw and amend submitted quotations before the deadline for submitting of quotations.

8.11. The price quotations are opened by the ETP after the deadline for submitting of quotations.

8.12. If the quotation of a potential supplier is expressed in a different currency, the exchange rate of the National Bank of the Republic of Kazakhstan as of the date of

quotations opening is applied to bring the quotations to a single currency for the purpose of comparing them.

8.13. If no quotations have been received before the deadline for submitting of quotations, the ETP generates and publishes a decision on approval of the procurement results.

8.14. Within 3 (three) business days after the deadline for submission of quotations by the potential suppliers, the Customer shall determine the winner that has proposed the lowest quotation, and the potential supplier that has submitted the next lowest quotation after the winner.

8.15. The potential supplier's quotation shall be rejected in the following cases:

- 1) the potential supplier's quotation exceeds the amount allocated for procurement;
- 2) the documents, information provided as a part of the quotation do not meet the requirements of the announcement;
- 3) if the potential supplier is an affiliate of another potential supplier who submitted quotation for this procurement (lot);

When determining affiliation, it is necessary to follow subclause 2) clause 2.1 of the Rules and the provisions of the Acting Law of the AIFC and the applicable law.

- 4) the potential supplier has submitted more than 1 (one) quotation;
- 5) in cases provided for in clause 3.13 of the Rules.

8.16. Rejection of quotations on other grounds is not allowed.

8.17. The Customer shall declare the procurement by request for quotations as invalid in the following cases:

- 1) no quotations have been submitted;
- 2) submission of less than two price quotations (except for cases of recognition of the procurement as valid in accordance with clause 8.18 of the Rules);
- 3) rejection of all quotations;
- 4) if, following the results of the consideration of quotations, there is one quotation recognized as appropriate (except for cases when procurement is recognized as valid in accordance with clause 8.18 of the Rules);
- 5) if the winner of the procurement evaded to conclude the procurement contract;
- 6) if the winner of the procurement from the moment of opening the quotations and until the conclusion of the procurement contract based on the results of the procurement, was included in the List(s)/Register(s) specified in clause 3.13 of the Rules.

8.18. If there is one quotation recognized as meeting the requirements of the procurement announcement, the Customer has the right to recognize the procurement as valid.

In this case, the potential supplier who submitted the quotation meeting the requirements of the procurement announcement is recognized as the winner of the procurement.

8.19. The Customer shall publish the decision on approval of procurement results of the procurement through request for quotations on the ETP.

8.20. If procurements through request of price quotations are recognized invalid, the Customer will have the right to:

- 1) re-conduct the procurement through request for quotations;
- 2) change procurement terms and re-conduct through request for quotations;
- 3) carry out the procurement using a single source method.

The procurement provided for in sub-clause 1) and 2) of this clause must be announced by the Customer on the ETP within 5 (five) business days from the day following the day of approval of the procurement results.

8.21. If any violation is defined affecting the results of the procurement through request for quotations (lot) in the ongoing/conducted procurement, the Customer is obliged to cancel the procurement (lot) or its results before the conclusion of the procurement contract.

8.22. If any violation is defined in the procurement announcement through request for quotations affecting the results of the procurement in the ongoing procurement, the Customer is obliged to cancel the procurement (lot) before the deadline for submitting of quotations, bring the announcement into compliance with the requirements and re-conduct the procurement (lot).

8.23. It is not allowed to cancel the procurement (lot) in order to eliminate violations in the announcement affecting the results of the ongoing procurement (lot) after the deadline for the submission of quotations.

8.24. The Customer, within 2 (two) business days from the date of the decision to cancel the procurement (lot) or their results, is obliged to notify the persons participated in the procurement and publishes an appropriate announcement on the ETP.

Section 9. Single source procurement

9.1. Single source procurement is carried out in cases where procurements made by the methods provided for in sub-clauses 1), 2) of clause 5.1 of the Rules are declared invalid except for the cases provided for in clauses 6.38 and 8.18 of the Rules, by sending an invitation to a potential supplier in the manner provided for by the internal documents of the Customer. At the same time, single source procurement is carried out on the terms of the tender documentation/procurement announcement through requesting quotations.

The Customer has the right to realize the procurement using a single source method on paper.

9.2. Organization and conduct of the single source procurement as well as the decision of the tender commission/the Customer is carried out no later than 15 (fifteen) business days from the date of publication of the procurement results of tender/request for quotations.

9.3. Subject to the provisions of clause 12.4 of these Rules, single source procurement must be confirmed by the Compliance Officer of the Customer, in the manner prescribed by internal act of the Customer.

9.4. The secretary of the tender commission/employee of the procurement structural division draws up a protocol/decision on single source procurement, submits it for signing by the tender commission or for approval by an authorized person, publishes it on the ETP no later than 2 (two) business days from the date of its signing/approval.

9.5. It is not allowed to procure goods, works, services using a single source procurement method from a potential supplier specified in clause 3.13 of the Rules.

Section 10. Conclusion and execution of procurement contract

10.1. The provisions of this section apply to cases of conclusion and execution of the procurement contract by a tender (two-stage tender), request for quotations and single source methods.

10.2. The procurement contract shall be sign in accordance with the terms and conditions of the draft procurement contracts which are a part of the tender documentation, announcement of procurement through request of quotations.

The procurement contract concluded by a single source procurement method must meet the conditions of the procurement declared invalid.

10.3. The Customer, within 5 (five) business days (in the case of concluding a procurement contract with a potential supplier - non-resident of the Republic of Kazakhstan - 7 (seven) business days) from the date of signing of the procurement results shall sign and send a draft procurement contract to the winner.

The draft procurement contract shall be signed by the potential supplier within 10 (ten) business days (in the case of concluding a procurement contract with potential supplier - non-resident of the Republic of Kazakhstan –14 (fourteen) business days) after the Customer has provided the potential supplier with the signed draft procurement contract.

10.4. The procurement contract can be signed on paper in cases of concluding a procurement contract with a potential supplier - non-resident of the Republic of Kazakhstan.

10.5. A long-term contract for the procurement of goods, works and services may be concluded for a period of no more than 5 (five) years.

10.6. The draft procurement contract for the tender documentation must contain the supplier's obligation to provide the contract execution security in the amount of 3 (three) percent of the value of the procurement contract, which is paid within 10 (ten) business days from the date of conclusion of the procurement contract.

The Customer shall be authorized to stipulate the requirement to provide the contract execution security for the procurement contract through request for quotations. The amount of such contract execution security is determined by the Customer at its own discretion.

The contract execution security is made by the supplier as a guarantee that he will timely, fully and properly fulfill his obligations under the procurement contract concluded

with him.

10.7. The contract execution security is submitted by the supplier in the form of a bank guarantee or in the form of cash payment, which is transferred to the Customer's bank account.

10.8. In case of conclusion of a procurement contract with a validity period of more than one financial year, the amount of contract execution security for the current financial year is calculated based on the annual amount of the procurement contract provided for in the corresponding financial year.

In the event of an increase in the amount of the procurement contract, including with a validity period of more than one financial year, the supplier pays the amount of contract execution security calculated on the annual amount of the procurement contract provided for in the corresponding financial year.

10.9. The Customer has the right to provide for in the draft procurement contract a prepayment/advance payment with provision of the security in the amount of the prepayment/advance payment without security.

10.10. If the procurement contract provides advance payment (prepayment), the winner of the tender shall within 10 (ten) business days from the date of conclusion of the procurement contract, provide the advance payment (prepayment) security.

10.11. The Customer pays the advance payment (prepayment) within 10 (ten) business days from the date when the winner of the tender provides the advance payment (prepayment) security determined by the Customer.

10.12. If the long-term contract requires provision of an advance payment (prepayment) and (or) the contract execution security by the winner of the tender, the winner of the tender shall within 10 (ten) business days from the date of conclusion of the long-term procurement contract, provide the advance payment (prepayment) security and the contract execution security.

10.13. The contract execution security of the long-term procurement contract for procurement of works shall be provided for the entire period of the long-term procurement contract.

10.14. The contract execution security of the long-term procurement contract for procurement of goods and services shall be provided for the corresponding year or for the entire period of the long-term procurement contract in compliance with the terms of the procurement contract.

10.15. The term of the advance payment (prepayment) security must be until the full repayment of the advance payment (prepayment) under the long-term procurement contract for the corresponding year. For the next financial year, the winner of the tender provides the advance payment (prepayment) security within 10 (ten) business days from the expiration date of the previous financial year.

10.16. The Customer shall pay the advance payment (prepayment) within 10 (ten) business days from the date of provision of the advance payment (prepayment) security by the winner of the tender.

10.17. If the advance payment (prepayment) security is not provided within the terms specified in clause 10.10 and 10.12 of this Rules, payment under the procurement contract (long-term contract) is made by the Customer without advance payment within the terms specified by the terms of the concluded procurement contract (long-term contract).

10.18. If the winner of the tender has not submitted the contract execution security within 10 (ten) business days from the date of conclusion of the procurement contract, the Customer unilaterally terminates the concluded procurement contract, withholds the security of the application submitted by the potential supplier and the tender commission determines the potential supplier which took the second place following the results of the tender as the winner of the tender.

10.19. As an exception shall be considered the case of full and proper performance by the supplier of its obligations under the procurement contract before the expiration of the period for providing the contract execution security.

10.20. Information about a supplier who has not provided the contract execution security is sent to the list of unreliable potential suppliers (suppliers) of the Customer.

10.21. The Customer returns the contract execution security to the supplier within 10 (ten) business days from the date of full and proper fulfillment of its obligations under the procurement contract for the corresponding year (if the long-term procurement contract provides the submission of the contract execution security for the corresponding year).

10.22. If the supplier has not performed the prescribed actions within the time limits set out in clauses 10.3, 10.6 of the Rules, then such supplier is recognized as having evaded the conclusion of the procurement contract.

10.23. If the potential supplier (supplier) has been declared to be evading the conclusion of the procurement contract, the Customer:

- 1) withholds the security of the tender provided by the supplier;
- 2) includes the supplier in the list of unreliable potential suppliers (suppliers) of the Customer;
- 3) conclude the procurement contract with the potential supplier which took the second place (in the case of presence of such supplier).

10.24. If, based on the results of the procedures carried out, one winner is determined for two or more lots, then the Customer has the right to conclude one procurement contract combining the terms of all such lots. At the conclusion of such procurement contract, all the conditions determined by the results of procurement within each lot must remain unchanged.

10.25. It is not allowed to make changes and/or additions to the essential terms of the draft procurement contract, which may change the content of the terms of the procurement.

The procurement contract shall not be amended to affect the conditions that were the basis for choosing a supplier, such as the subject of the contract, the amount of the

contract, quality, delivery time of goods, performance of works, provision of services, except for the cases provided for in clause 10.26 of the Rules.

10.26. Amendments to the procurement contract are made by mutual agreement of the parties, taking into account the provisions of the Rules and the Acting Law of the AIFC or applicable law in the following cases:

1) in terms of reducing the price of goods, works, services, and, accordingly, the amount of the procurement contract, if during the execution of the procurement contract, the prices of goods, works, services similar to those purchased have changed downward;

2) in terms of reducing or increasing the amount of the procurement contract by an amount and volume not exceeding those originally planned in the procurement plan, related to a decrease or a reasonable increase in the volume of purchased goods, works, services as well as in terms of a corresponding change in the terms of the procurement contract, provided that the price per unit of goods, work, services remains unchanged, specified in the concluded procurement contract. Such modification of the concluded procurement contract is allowed within the limits of the amounts and volumes provided for the purchase of these goods, works, services in the procurement plan for the year determined for the procurement. The amount and volume by which the amount of the procurement contract is increased shall not exceed the initial amount of the procurement contract;

3) in terms of increasing or decreasing the amount of the procurement contract associated with an increase or decrease in the need for the volume of purchased goods, works, services, as well as in terms of the corresponding changes in the terms of execution of the procurement contract, provided that the unit price, the volume of purchased goods, works, services, including for subsequent financial years, remain unchanged in accordance with the budget and the decision of the executive body of the Customer, but not more than 3 (three) years;

4) in terms of reducing or increasing the amount of the procurement contract for the performance of works with a completion date in the next (subsequent) year(s) caused by changes in legislation in tax, customs and other areas, as well as in terms of a corresponding change in the terms of execution of the contract in case of changes in financing by year, subject to appropriate changes in design and estimate documentation that has passed state examination or examination by an accredited organization;

5) if the supplier, in the process of executing the procurement contract, offered, subject to the immutability of the price per unit of goods, the volume of purchased works, services, the best quality and/or technical characteristics and (or) terms and/or conditions of delivery of the goods that are the subject of the procurement contract;

6) in terms of reducing or increasing the amount and/or changing other terms of the procurement contract related to changes in prices, tariffs, fees and payments established the Acting Law of the AIFC or the applicable law, as well as caused by the need for the Customer and (or) supplier to fulfill mandatory requirements provided for by the Acting Law of the AIFC or the applicable law. Such amendment of the concluded procurement

contract is allowed within the limits of the amounts provided for the purchase of these goods, works, services in the procurement plan;

7) in terms of changes in the price per unit of goods for which state regulation of prices is established within the limits of the price set by the state body exercising leadership in the areas of natural monopolies and regulated markets. Amendments and supplements to the procurement contract are introduced in the form of an additional written agreement to the contract, which is an integral part of the procurement contract.

10.27. The termination of the procurement contract is carried out in compliance with the procedure provided for by the legislation of the Acting Law of the AIFC or the applicable law and the procurement contract.

The unilateral refusal to execute the procurement contract is allowed only in the following cases:

- 1) in violation by the supplier of its obligations;
- 2) due to the reasoned inexpediency of procurement of goods, works, services;
- 3) identification by the Customer during the execution of the procurement contract of the provision by a potential supplier of false information and (or) false information about the absence of a conflict of interest. In this case, the Customer has the right to demand compensation from the supplier for losses according to the terms of the procurement contract;

- 4) in case of violation by one of the parties to the procurement contract of anti-corruption obligations stipulated by the terms of the contract;

- 5) in other cases, provided for in the Rules or provided for by the Acting Law of the AIFC or the applicable law.

10.28. Repudiation of the procurement contract due to the reasoned inexpediency of purchasing goods, works, services is allowed in the event of a reduction in the Customer's expenses related to an emergency or other negative phenomena in the economy, or in the absence of a production need for the Customer.

The procurement of such goods, works, and services in the current year is not allowed.

10.29. Repudiation of the procurement contract due to the reasoned inexpediency of procurement of goods, works, services is allowed on condition that the supplier is actually compensated the incurred expenses.

10.30. If there is a need to purchase goods, works, services of daily and/or weekly needs in order to ensure uninterrupted operation, the Customer has the right to extend the validity of the procurement contract for the period until the conclusion of a new procurement contract.

- 1) This clause applies under the following conditions: if such prolongation is made within the first month after expiration of procurement contract, concluded in previous financial year, and

- 2) if goods, works, services are in the list, approved by Management Board of the Customer, and

3) if such procurements are conducted in the volume which is not exceeding the need for such goods, works, services for the period up to 3 (three) months.

10.31. The procurement contract shall be executed in compliance with the Acting Law of the AIFC or the applicable law, the Rules and the internal acts of the Customer, which regulates the preparation, conclusion and execution of the contracts.

10.32. In case of non-fulfillment or improper fulfillment by the suppliers of its obligations under the procurement contract, the Customer has right to withhold the provided contract execution security.

10.33. The procedures for including of potential suppliers (suppliers) in list of unreliable potential suppliers (suppliers) of the Customer shall be determined according to the internal act of the Customer, which is placed on the Customer's Internet resource.

10.34. In case of non-fulfillment of the terms of the procurement contract by the supplier, the Customer is obliged to organize the claim settlement work in accordance with the terms of the procurement contract and in compliance with the requirements of the Acting Law of AIFC or the applicable law.

Section 11. Responsibility for violation of the Rules

11.1. The Chief Executive Officer of the Customer, the tender committee, the expert(s), individuals organizing and holding the procurement procedures, as well as other individuals participating in the process of procurement of goods, works, services shall bear personal responsibility for violations of the Rules in accordance with the Acting Law of the AIFC and (or) legislation of the Republic of Kazakhstan.

11.2. The procedures for bringing to responsibility of the participants for violating the Rules are determined in accordance with the Acting Law of the AIFC and (or) legislation of the Republic of Kazakhstan, the Charter of the Customer, and other internal acts of the Customer.

Section 12. Final provisions

12.1. In case of detection of violations in the procurement, the Customer/tender commission is obliged to cancel the results before the conclusion of the procurement contract, notify all potential suppliers who participated in the procurement of the decision by publishing the relevant protocol on the ETP, where published information about conducting these procurements without compensation of any losses to potential suppliers.

12.2. Potential suppliers shall have the right to appeal the actions (omissions) and decisions of the Customer, tender committee, expert(s) in the manner prescribed by legislation, if their actions (omissions) and decisions infringe the rights and lawful interests of the potential supplier.

12.3. The decision of the Customer to refuse to make procurement is not subject to appeal.

12.4. The Compliance Officer of the Customer monitors the procurement of goods, works and services of the Customer, in accordance with the internal acts of the Customer, in order to prevent violations of the requirements of the Rules, the rights of potential suppliers and ensure fair competition, as well as in order to establish the reliability of the Supplier, prevent conflicts of interest during procurement and eliminate the risks of corruption offenses.

12.5. To maintain a high level of trust to the Customer and the Fund, as well as the prevention and suppression of corruption offenses, the Customer has an initiative information line (Hotline) for consideration of appeals on ongoing procurement that are related to corruption.

12.6. Control over the implementation of Rules is carried out by the Chief Executive Officer of the Customer or other authorized person by him.

Section 13. Transitional provisions

13.1. These Rules come into force from the date of approval by the Council of the Customer and shall be reviewed regularly to ensure compliance with the Acting Law of the AIFC and (or) legislation of the Republic of Kazakhstan, the Charter of the Customer and other internal acts of the Customer.

13.2. Management of concluded procurement contracts, procurement procedures initiated (announced) before the entry into force of these Rules, carried out in accordance with the applicable regulations of Procurement procedure of Samruk-Kazyna JSC and organizations at least fifty percent of voting shares (equity interest) of which are directly or indirectly owned by Samruk-Kazyna JSC on the right of property or trust management, approved by the decision of the Board of Directors of Samruk-Kazyna JSC dated March 3, 2022 No.193, without using the Procurement web portal of the Fund.

13.3. These Rules are drawn up in English and Russian, in case of discrepancies, the English version shall prevail.