**The Law of the Republic of Kazakhstan "On Commodity Exchanges"**

**On Commodity Exchanges**

***Non-official translation***

The Law of the Republic of Kazakhstan dated 4 May, 2009 No. 155-IV

Unofficial translation

 This Law regulates social relations arising in the process of commodity exchanges and exchange trade, establishes the procedure for regulation and state control over the activities of commodity exchanges in order to ensure their open and effective operation, to protect the rights of participants of exchange trade and fair competition between them.

 **Chapter 1. GENERAL PROVISIONS**

 **Article 1. Basic definitions, used in this law**

 The following basic definitions are used in this Law:

 1) two-sided transaction – an exchange transaction, concluded by prior bilateral agreement of a buyer and a seller of exchange commodity;

 1-1) a stockbroker (hereinafter - the broker) - a legal entity, carrying out the activity on the commodity exchange on the basis of a license, issued by the authorized body in the field of regulation of trading activities, in accordance with the legislative acts of the Republic of Kazakhstan, and created in the legal form of a joint stock company or a limited liability partnership and making transactions with exchange-traded commodity on behalf of, at the expense and in the interests of a client;

 2) a stock dealer (hereinafter - the dealer) - a legal entity, carrying out the activity on the commodity exchange on the basis of a license, issued by the authorized body in the field of regulation of trading activities, in accordance with the legislative acts of the Republic of Kazakhstan, created in the legal form of a joint stock company or a limited liability partnership and making transactions with exchange-traded commodity in their own interests and at their own expense, and on behalf of a client;

 3) exchange trading – an entrepreneurial activity for the implementation of the exchange of goods, carried out on a commodity exchange through a tendering process, including electronic, registration and transaction processing;

 4) trading rules – a document, establishing order to conduct the exchange trading for each commodity exchange, developed on the basis of model rules of exchange trade, and approved by the Government of the Republic of Kazakhstan;

 5) stock trading - a process, conducted under the rules of exchange trade, aimed at making transactions on exchange commodities;

 6) participants in exchange trade - clients, brokers and dealers, interacting on the commodity exchange under the rules of exchange trading;

 7) exchange commodity – commodity, that are not withdrawn from commerce or limited in commerce, including fixed-term contract, admitted by the commodity exchange to exchange trade, except for real estate and objects of intellectual property;

 8) quotation of exchange commodities – the demand price and (or) the offer price, announced on the exchange commodities at the a commodity exchange at a certain time;

 9) an order - a document, that introduced to a broker and (or) a dealer by a client, with indication of performance of certain action at the commodity exchange for specific exchange commodities;

 9-1) guarantee fund – a cash fund, generated by the exchange at their own expense in order to ensure fulfillment of transactions concluded at the exchange;

 9-2) classical trade mode – trading mode, under which two-sided transactions for a negotiated price of the exchange commodity are concluded between buyers and sellers that know each other;

 10) client – an individual or a legal entity, using the services of a broker and (or) a dealer for transactions with an exchange commodity;

 11) clearing – an offsetting of mutual claims and obligations between the participants in exchange trading on transactions, concluded at the commodity exchange;

 11-1) cross- trade – an exchange transaction, under which the broker is acting on behalf of two different clients or executing an order for him(her)self, acts as the seller and the buyer;

 11-2 ) mode of dual counter auction - trading mode, under which the exchange transactions are concluded anonymous due to competition of buyers and sellers, and the price of a commodity is established at the level of supply and demand;

 12) a fixed-term contract - a contract for unconditional or conditional sale and purchase of the underlying asset with delayed execution, it includes futures, options;

 13)is excluded by the Law of the Republic of Kazakhstan dated 10.07.2012 No. 36-V (shall be enforced upon expiry of ten calendar days after its first official publication);

 14) option transaction – an exchange transaction, the object of which is the option;

 14-1) an insurance fund – a cash fund, generated by the exchange and (or) its clearing center at the expense of mandatory contributions of members of the exchange in order to ensure fulfillment of transactions, concluded at the exchange;

 15) the authorized body in the field of regulation of trading activities (hereinafter - the authorized body) – the central executive body, exercising the state regulation and coordination in the field of trading activities;

 16) spot goods - goods that are in stock, for immediate delivery or delivery in the future;

 16-1) mode of standard auction – trading mode, under which the exchange transactions are concluded during the auction at the lowering or raising the best price for a buyer (seller) - initiator of the auction;

 17) member of a commodity exchange - a broker and (or) a dealer, that in accordance with the legislation of the Republic of Kazakhstan has the right to conduct transactions in exchange-traded commodity in the manner, prescribed by internal documents of commodity exchange;

 18) trading system of a commodity exchange - a complex of material and technical means, electronic trading system, internal documents of a commodity exchange and other necessary assets and procedures, with the use of which, trading with the conclusion of transactions in exchange commodities between participants in exchange, is carried out;

 19) internal documents of a commodity exchange – documents, that regulate the conditions and order of activity of participants at the commodity exchange, work of a commodity exchange, its bodies, departments, services, procedure and amount of their payment;

 19-1) electronic trading system of a commodity exchange - a set of computational tools, software, databases, telecommunications and other equipment of a commodity exchange, required for the electronic exchange trading and providing automation of the process to enter into exchange transactions and clearing, as well as collecting, storing, processing and disclosure of information;

 20) futures contract – an exchange transaction, the object of which is the futures;

 21) electronic exchange trading - the process of exchange trade, involving authorized traders of stockbrokers (stock dealers), that conclude exchange transactions on the basis of electronic filings in the electronic trading system.

 Footnote. Article 1, as amended by the Laws of the Republic of Kazakhstan dated 10.07.2012 No. 36-V (shall be enforced upon expiry of ten calendar days after its first official publication), dated 06.03.2013 No. 81-V (shall be enforced upon expiry of ten calendar days after its first official publication).

 **Article 2. Legislation of the Republic of Kazakhstan on commodity exchanges**

 1. Legislation of the Republic of Kazakhstan on commodity exchanges based on the Constitution of the Republic of Kazakhstan and consists of the Civil Code of the Republic of Kazakhstan, this Law and other regulatory legal acts of the Republic of Kazakhstan.

 2. If an international treaty, ratified by the Republic of Kazakhstan establishes the rules other than those contained in this Law, the rules of the international treaty shall apply.

 **Chapter 2. STATE REGULATION OF COMMODITY EXCHANGES**

 **Article 3. Competence of the Government of the Republic of Kazakhstan in the field of commodity exchanges**

 The Government of the Republic of Kazakhstan shall:

 1) develop the main directions of the state policy in the field of commodity exchanges;

 2)is excluded by the Law of the Republic of Kazakhstan dated 03.07.2013 No. 124-V (shall be enforced upon expiry of ten calendar days after its first official publication);

 3) approve the model rules of stock trading;

 4) approve the qualification requirements of commodity exchanges, stock brokers and dealers;

 5) on the proposal of the authorized body, approve the list of exchange commodities and the minimum size of the parties that are realized through the commodity exchanges, make amendments and (or) additions to it;

 6) create conditions for the development of international exchange trading on a commodity exchange;

 6-1) approve the daily electronic reporting forms of commodity exchanges, the rules of their presentation;

 6-2) approve the rules for formation and use, the size of the guarantee and insurance funds;

 6-3) approve the mandatory requirements for the electronic trading system of commodity exchanges;

 7) perform other functions, assigned to it by the Constitution, Laws of the Republic of Kazakhstan and the acts of the President of the Republic of Kazakhstan.

 Footnote. Article 3, as amended by the Laws of the Republic of Kazakhstan dated 05.07.2011 No. 452-IV (shall be enforced from 13.10.2011); dated 15.07.2011 No. 461-IV (shall be enforced from 30.01.2012); dated 10.07.2012 No. 36-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 03.07.2013 No. 124 -V (shall be enforced upon expiry of ten calendar days after its first official publication).

 **Article 4. The competence of the authorized body**

 The authorized body shall:

 1)is excluded by the Law of the Republic of Kazakhstan dated 03.07.2013 No. 124-V (shall be enforced upon expiry of ten calendar days after its first official publication);

 2) develop, approve regulatory legal acts in the field of regulation of commodity exchanges;

 3)is excluded by the Law of the Republic of Kazakhstan dated 13.01.2014 No. 159-V (shall be enforced upon expiry of ten calendar days after its first official publication);

 3-1) develop and approve the forms of mandatory departmental reports, checklists, risk assessment criteria, semi-annual audit plans in accordance with the Law of the Republic of Kazakhstan “On State Control and Supervision in the Republic of Kazakhstan”;

 3-2) develop mandatory requirements for the electronic trading system of commodity exchanges;

 3-3) develop the daily electronic reporting forms of commodity exchanges, the rules of their presentation;

 3-4) develop the rules for the formation and use, the size of guarantee and insurance funds;

 3-5) develop qualification requirements for the operation of commodity exchanges, stock brokers and dealers;

 4)is excluded by the Law of the Republic of Kazakhstan dated 13.01.2014 No.159-V (shall be enforced upon expiry of ten calendar days after its first official publication);

 5) analyze and monitor the activity of commodity exchanges;

 6) publish the information on the activities of commodity exchanges and stock trading, with the exception of information, constituting commercial or any other legally protected secret of the Republic of Kazakhstan;

 7) carry out international cooperation in the field of commodity exchanges;

 8)is excluded by the Law of the Republic of Kazakhstan dated 17.07.2009 No.188-IV (the order of enforcement see Article 2);

 9)is excluded by the Law of the Republic of Kazakhstan dated 13.01.2014 No.159-V (shall be enforced upon expiry of ten calendar days after its first official publication);

 10) be responsible for licensing activities in the field of commodity exchanges;

 11) exercise other powers, stipulated in this Law and other Laws of the Republic of Kazakhstan, acts of the President of the Republic of Kazakhstan and the Government of the Republic of Kazakhstan.

 Footnote. Article 4, as amended by the Law of the Republic of Kazakhstan dated 17.07.2009 No. 188-IV (the order of enforcement see Art. 2); dated 19.03.2010 No. 258-IV; dated 06.01.2011 No. 378-IV (shall be enforced upon expiry of ten calendar days after its first official publication); dated 05.07.2011 No. 452-IV (shall be enforced from 13.10.2011); dated 10.07.2012 No. 36-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 03.07.2013 No. 124-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 13.01.2014 No. 159-V (shall be enforced upon expiry of ten calendar days after its first official publication).

 **Article 4-1. Powers to obtain information**

 In order to ensure quality and timely fulfillment of functions, assigned to the authorized body, and to implement the requirements of this Law, the authorized body may obtain the information necessary to carry out their control functions from individuals and legal entities, and state bodies free of charge, and the information obtained cannot be disclosed.

 Footnote. Chapter 2 is supplemented by Article 4-1 in accordance with the Law of the Republic of Kazakhstan dated 10.07.2012 No. 36-V (shall enforced upon expiry of ten calendar days after its first official publication).

 **Article 4-2. Sales of goods, included in the list of exchange commodities**

 Not less than fifteen percent of the total exchange turnover of goods of a participant of the exchange trade that included in the list of exchange cmmodities is carried out in the dual counter auction.

 Footnote. Chapter 2 is supplemented by Article 4-2 in accordance with the Law of the Republic of Kazakhstan dated 10.07.2012 No. 36-V (shall be enforced upon expiry of ten calendar days after its first official publication).

 **Article 5. Licensing of activities in the field of commodity exchanges**

 Licensing of activities in the field of commodity exchanges is carried out in accordance with the legislation of the Republic of Kazakhstan on licensing.Chapter 3. ESTABLISNMENT OF COMMODITY EXCHANGE

 **Article 6. Commodity exchange**

 1. The commodity exchange is a legal entity, established in the legal form of a joint stock company, providing organizational and technical support for trade through their direct carrying out with the use of a trading system of the commodity exchange.

 Commodity exchange provides for tendering under the established rules of exchange trade.

 Commodity Exchange operates under a license, issued by the authorized body.

 2. Designated name of the commodity exchange shall contain the words “commodity exchange”.

 3. Formation of the charter capital of a commodity exchange is carried out in accordance with the legislation of the Republic of Kazakhstan on joint stock companies.

 **Article 7. Charter of commodity exchange**

 1. Charter of commodity exchange is approved in accordance with the legislation of the Republic of Kazakhstan on joint stock companies.

 2. Charter of commodity exchange in addition to the information, specified in the legislation of the Republic of Kazakhstan, shall contain indication of specialization of the commodity exchange.

 **Article 8. Dispute resolution in the commodity exchange**

 1. To resolve disputes, relating to the conclusion of exchange transactions, the commodity exchange creates institutional exchange arbitrage within thirty calendar days after the state registration in the judicial bodies.

 2. Activity of exchange arbitrage is governed by the legislation of the Republic of Kazakhstan on arbitration courts.

 **Article 9. Classification of commodity exchanges**

 Commodity exchanges can be divided for the following types according to the specialization:

 1) universal, receiving various kinds of goods to trading;

 2) specialized, serving the circulation of particular type of product.

 **Article 10. Model rules for exchange trade**

 1. Model rules for exchange trading determine the order of the activities of members of a commodity exchange in exchange transactions with exchange commodities.

 2. Model rules for exchange trading shall include:

 1) the conditions and procedure for admission to the membership of the commodity exchange, suspension and termination of the membership;

 2) the procedure for exchange trading, including the specific aspects of address transactions and cross-trades;

 3) the procedure for the payments settlement on transactions with commodities, concluded in exchange trades;

 4) the conditions and procedures for suspension and resumption of trading on the commodity exchange;

 5) the procedure for the formation and organization of the activity of exchange arbitrage, as well as dispute resolution mechanisms, related to the conclusion of exchange transactions with exchange commodities;

 6) the procedure for adoption (approval) of the documents on exchange trading;

 7) the procedure for accounting and registration of transactions on the commodity exchange;

 8) the procedure for submitting reports by commodity exchange to the authorized body, as well as posting the information about holding a tender on the Internet site of the commodity exchange;

 9) the procedure for the public and other procurement through the commodity exchange;

 10) the procedure for posting the information about holding a tender on the Internet site of the commodity exchange.

 Footnote. Article 10, as amended by the Law of the Republic of Kazakhstan dated 10.07.2012 No. 36-V (shall be enforced upon expiry of ten calendar days after its first official publication).

 **Article 11. Members of the commodity exchange**

 1. The number of members of the commodity exchange shall not be less than seven.

 2. Membership to the commodity exchange gives the right to participate on the exchange trade in accordance with this Law.

 3. Legal entities, affiliated with the commodity exchange may not be members of the commodity exchange.

 Footnote. Article 11, as amended by the Law of the Republic of Kazakhstan dated 10.07.2012 No. 36-V (shall be enforced upon expiry of ten calendar days after its first official publication).

 **Article 12. Employees of a commodity exchange**

 1. Employees of a commodity exchange are individuals that are in an employment relationship with the commodity exchange and directly perform work under an employment contract. Employee of a commodity exchange is prohibited to be simultaneously in labour relations with the members of the commodity exchange.

 2. Employees of a commodity exchange are prohibited from participating in the exchange transactions, as well as use of commercial information for their own benefit.

 Footnote. Article 12, as amended by the Law of the Republic of Kazakhstan dated 10.07.2012 No. 36-V (shall be enforced upon expiry of ten calendar days after its first official publication).

 **Chapter 4. ACTIVITIES OF COMMODITY EXCHANGE**

 **Article 13. Activities of commodity exchange**

 1. The primary activity of commodity exchange is organization and conducting of exchange trading.

 2. Commodity exchange performs the following functions:

 1) organization and conducting of exchange trading;

 2) registration and execution of transactions, made on a commodity exchange, including transactions with spot goods;

 3) organization and payments settlement of exchange transactions;

 4) fixing the exchange price for goods as a result of trading on a commodity exchange;

 5) development and adoption of the rules of exchange trading on the basis of model rules of exchange trading;

 6) organization of expertise for quality of the exchange commodity, sold through exchange trading, at the request of the participant of exchange trade;

 7) providing organizational, consulting, information and methodological services, associated with exchange trading;

 8) providing analytical studies of the exchange commodity market;

 9) issue of printed materials, related to the information on exchange activities;

 10) organization of training courses on training and advanced training of participants in the exchange commodity market;

 11) operation of trading system of a commodity exchange;

 12) development of international exchange trading.

 3. Commodity exchange is prohibited from engaging in trading and other activities that not directly associated with the organization of trading.

 4. Commodity exchange is entitled to conclude agreements on their own behalf with foreigners and legal entities, established under the legislation of another state within the rights, granted by this Law and other legislative acts of the Republic of Kazakhstan.

 Footnote. Article 13, as amended by the Law of the Republic of Kazakhstan dated 10.07.2012 No. 36-V (shall be enforced upon expiry of ten calendar days after its first official publication).

 **Article 13-1. Public procurement through commodity exchange**

 1. Public procurement through commodity exchange is carried out according to the procedure provided for by model rules of exchange trading.

 2. Public procurement through commodity exchange is carried out in dual counter auction.

 3. Services to implement public procurement through commodity exchanges are provided for the customer on a reimbursable basis within the funds, provided in the budget of the customer for the relevant year.

 4. Public procurement through commodity exchange is carried out only by means of electronic exchange trading.

 Footnote. Chapter 4 is supplemented by Article 13-1 in accordance with the Law of the Republic of Kazakhstan dated 10.07.2012 No. 36-V (shall be enforced upon expiry of ten calendar days after its first official publication).

 **Article 14. Revenues of commodity exchange**

 1. Revenues of commodity exchange are generated by the membership and annual contributions of members of commodity exchange, payments for the use of exchange property, registration and execution of exchange transactions and from other income, not prohibited by the legislation.

 2. Commodity exchange shall be entitled to establish:

 1) the size and order of making guarantee contributions of members of commodity exchange;

 2) the amount of payments for participation in the trade in accordance with the rules of exchange trade;

 3) the minimum and maximum limits of price levels on a particular exchange good within a single trading day based on the prices established as a result of previous trades, for the suspension of trading in order to prevent speculative actions.

 3. Commodity exchange is prohibited from establishing the amount of remuneration, charged by brokers and dealers for mediation in exchange transactions.

 4. Amount of payments, charged from members of the commodity exchange, are governed by the rules of exchange trading and should be available to any participant of exchange trading.

 **Article 15. Exchange transaction**

 1. Exchange transaction is a transaction, involving property, that admitted to trading on the exchange, and which is concluded on the exchange by participants of trades in accordance with the legislation of the Republic of Kazakhstan on commodity exchanges and the rules of exchange trading.

 2. Transactions, concluded on commodity exchange, but inconsistent with the requirements, provided for in paragraph 1 of this Article, shall not be exchange transactions.

 3. Transactions with the goods, included in the list of exchange commodities, and concluded outside of commodity exchanges, shall be recognized as invalid under the suit of interested parties, the authorized body or prosecutor.

 4. Exchange transactions cannot be performed on behalf of and at the expense of a commodity exchange.

 **Article 15-1. Modes of exchange trades**

 Exchange trades are carried out in the following modes of trade:

 1) classical trade;

 2) dual counter auction;

 3) standard auction.

 Footnote. Chapter 4 is supplemented by Article 15-1 in accordance with the Law of the Republic of Kazakhstan dated 10.07.2012 No. 36-V (shall be enforced upon expiry of ten calendar days after its first official publication).

 **Article 16. Types of exchange transactions**

 The following transactions are made in a commodity exchange:

 1) transactions with the mutual transfer of rights and obligations in respect of spot goods, including transactions related to the international business transactions;

 2) futures transactions;

 3) option transactions;

 4) transactions with the mutual transfer of rights and obligations in respect of warehouse documents.

 **Article 16-1. Funds of commodity exchange to ensure the execution of exchange transactions**

 In order to ensure the execution of transactions, concluded at the exchange, the commodity exchange creates the warranty and insurance funds.

 Footnote. Chapter 4 is supplemented by Article 16-1 in accordance with the Law of the Republic of Kazakhstan dated 10.07.2012 No. 36-V (shall be enforced upon expiry of ten calendar days after its first official publication).

 **Article 17. Guarantees in exchange trading in the conclusion of futures and option transactions**

 1. Commodity exchange in order to enforce the execution of futures and option transactions shall organize the settlement services through clearing centers.

 2. Only brokers and (or) dealers have the right to conclude futures and option transactions at the commodity exchange.

 3. Futures and option transactions are made at the commodity exchange only with a special set of software tools that provides the automated management of trades, conduct clearing and dynamics of quotation change.

 4. Clearing centers can be created independently from the commodity exchange organization, and as a specially organized structural unit – clearing center in the composition of the commodity exchange.

 5. Clearing centers for its activities shall:

 1) establish the kinds, size and procedure for collecting contributions, guaranteeing the execution of futures and option transactions and compensation for damage, resulting from non-execution or improper execution of obligations under these transactions, as well as identify other financial obligations of participants in these transactions;

 2) take measures to ensure the futures and option transactions;

 3) offset of mutual claims and obligations of the parties, involved in the calculations, carried out as a result of transactions with goods;

 4) define the requirements and (or) the obligations of the parties in futures and option transactions, organize calculations on them.

 6. Clearing centers can serve as a central counterparty – and shall be the buyer to every seller and the seller to every buyer on exchange transactions.

 Footnote. Article 17, as amended by the Law of the Republic of Kazakhstan dated 10.07.2012 No.36-V (shall be enforced upon expiry of ten calendar days after its first official publication).

 **Article 18. Exchange price**

 1. The exchange price of goods is formed as a result of quotations of exchange commodities.

 2. Commodity exchanges are required to publish quotations for exchange commodities daily in the media.

 **Chapter 5. BROKER AND DEALER ACTIVITIES. COMMERCIAL CONFIDENTIALITY AT COMMODITY EXCHANGE**

 **Article 19. The order of activities of broker and dealer**

 1. Broker and dealer activities at the commodity exchange are carried out on the basis of a license, issued by the authorized body.

 2. Brokers and dealers are required to comply with the requirements, established by this Law and other legislative acts of the Republic of Kazakhstan, the regulatory legal acts of the authorized body, the internal documents of commodity exchange.

 3. Relations between brokers and dealers, and their customers arise out of a contract for the provision of brokerage and dealer services, to which the norms of the civil legislation of the Republic of Kazakhstan shall apply.

 **Article 20. Conclusion of transactions by broker and dealer**

 1. Conclusion of exchange transactions is carried out by broker in accordance with the order of the client, by dealer in accordance with the order of the client, and in their own interests and at their own expense. Types of the client orders, their contents and forms are established by the internal documents of the commodity exchange.

 2. Execution of the order of the client is provided by broker and dealer under the conditions of the transaction, referred to in this order. If in the conclusion of transaction it is necessary to change the conditions of the transaction, a broker and a dealer is obliged to coordinate their actions with the client.

 In case of conflict of interests, a broker and a dealer is required to conclude transaction based on the priority of the client’s interests above their own interests.

 **Article 21. Relations between brokers and dealers, and their clients at the commodity exchange**

 Commodity exchange within its authority regulates the relations between brokers and dealers, and their clients, applies measures against the violators of exchange trading.

 **Article 22. Requirements to the internal documents of brokers and dealers and record keeping of the concluded exchange transactions**

 1. Internal documents of the commodity exchange for brokers and dealers must contain the conditions to ensure protection of information, constituting a commercial secret at the commodity exchange, that do not allow their use in the interests of participants of exchange trade, their representatives or third parties.

 2. Brokers and dealers are required to keep records of the concluded exchange transactions separately for each client and store information about these transactions within five years from the date of the transaction.

 **Article 23. Commercial secret at the commodity exchange**

 1. Commercial secret shall include:

 1) information on the registered participants of exchange trade;

 2) information about transactions, concluded at the commodity exchange.

 2. Brokers and dealers are not entitled to admit actions (inaction) that may entail a violation of the natural pricing and destabilization of goods market.

 3. A person that has the information, constituting a commercial secret shall be a person that, by reason of his (her) official position has access to the information.

 **Article 24. Presentation of information on the activities of commodity exchanges, constituting commercial secrets**

 1. The information, constituting a commercial secret at the commodity exchange, shall not be disclosed, except as set forth in paragraphs 2 and 3 of this Article.

 2. The information, constituting a commercial secret may be represented to participant of exchange trade in respect of his (her) rights or his (her) representative on the basis of a power of attorney, executed in accordance with the legislation of the Republic of Kazakhstan.

 3. The information, constituting a commercial secret at the commodity exchange, shall be submitted to:

 1) the bodies of inquiry and preliminary investigation: on the criminal cases under their production with the sanction of a prosecutor;

 2) the courts: on the cases under their proceedings on the basis of decisions, resolutions;

 3) the prosecutor: in execution of the order on examination within his (her) competence on the materials under his (her) consideration;

 4) the bodies of enforcement proceedings and private enforcement agents: on the cases of executive proceedings under their consideration on the basis of a resolution of enforcement agent, stamped by the body of enforcement proceedings or by the seal of private enforcement agent and sanctioned by the court;

 5) the authorized body: on the request within its competence;

 6) the authorized body for financial monitoring: for the purpose and in the manner, prescribed by the Law of the Republic of Kazakhstan “On counteraction to legalization (laundering) of criminally-obtained income, and the financing of terrorism”.

 Footnote. Article 24, as amended by the Laws of the Republic of Kazakhstan dated 28.08.2009 No. 192-IV (shall be enforced from 08.03.2010 ); dated 21.06.2012 No. 19-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 15.01.2014 No. 164-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 10.06.2014 No. 206-V (shall be enforced upon expiry of ten calendar days after its first official publication).

 **Chapter 6. STATE CONTROL IN THE FIELD OF COMMODITY EXCHANGES**

 **Article 25. State control in the field of commodity exchanges**

 1. State control in the field of commodity exchanges is carried out in the form of audits and other forms.

 2. Audits are carried out in accordance with the Law of the Republic of Kazakhstan “On State Control and Supervision in the Republic of Kazakhstan”. Other forms of state control are carried out in accordance with this Law.

 Footnote. Article 25 is in the wording of the Law of the Republic of Kazakhstan dated 17.07.2009 No. 188-IV (the order of enforcement see Article 2); as amended by the Law of the Republic of Kazakhstan dated 06.01.2011 No. 378-IV (shall be enforced upon expiry of ten calendar days after its first official publication).

 **Article 26. The order of audits of the activity of commodity exchanges**

 Footnote. Article 26 is excluded by the Law of the Republic of Kazakhstan dated 17.07.2009 No. 188-IV (the order of enforcement see Article 2).

 **Article 27. Decision of the authorized body on the results of audit of the commodity exchange activity**

 Upon review of the information on the results of audit of the commodity exchange activity, the authorized body shall:

 1) make conclusion on the absence of grounds to institute an administrative offence case;

 2) initiate administrative offence case;

 3) provide instruction to the commodity exchange on elimination of the identified violations of the legislation of the Republic of Kazakhstan on commodity exchanges;

 4) submit the materials to the law enforcement agencies for consideration of initiation of a criminal case;

 5) send materials to other state bodies for consideration and making appropriate actions.

 **Article 28. Improvement notice of the authorized body**

 Improvement notice of the authorized body is executed by commodity exchanges within the period prescribed in the improvement notice, but not later than thirty calendar days from the date of receiving it.

 **Chapter 7. FINAL PROVISIONS**

 **Article 29. Responsibility for violation of the legislation of the Republic of Kazakhstan on commodity exchanges**

 Violation of the legislation of the Republic of Kazakhstan on commodity exchanges entails responsibility in accordance with the Laws of the Republic of Kazakhstan.

 **Article 30. Transitional provisions**

 1. Commodity exchanges, established before the enactment of this Law, are required up to 1 January, 2010 to bring its activities into compliance with this Law.

 2. Failure to comply with the requirement of paragraph 1 of this Article shall be the basis for a presentation to the court a demand for liquidation of a legal entity by the authorized body.

 **Article 31. Procedure for the enactment of this Law**

 1. This Law shall be enforced upon expiry of six months after its first official publication.

 2. The Law of the Republic of Kazakhstan dated April 7, 1995 “On Commodity Exchanges” is recognized as invalid (Bulletin of the Supreme Council of the Republic of Kazakhstan, 1995, No. 3-4, Art. 26; Bulletin of the Parliament of the Republic of Kazakhstan, 1997, No.11, Art. 143; 2003, No. 15, Art. 139; 2004, No. 23, Art. 142).

 *The President*

 *of the Republic of Kazakhstan N. Nazarbayev*