

MN_2020/11/19_170000

On Minimum Capital Requirements for Members and Participants

Date	19/11/2020
-------------	------------

AIX and AIX CSD hereby inform their Members and Participants that AIX and AIX CSD have set the Minimum Capital Requirements in furtherance of MR 2.4.2 of AIX Membership Rules (AIX Business Rules) and 2.2.2 of AIX CSD Business Rules.

Every Member and Participant must at all times meet the following Minimum Capital Requirements:

- Total equity¹ requirement at least 500,000 US dollars;
- Liquid Assets² value at least equal to 25% of the firm's Annual Operating Expenditure³; and
- Liquidity ratio⁴ is not less than 1.4.

Please contact AIX Regulation and Compliance at regulation@aix.kz for additional information.

¹ Total equity = Total Assets – Total Liabilities

² The "Liquid Assets" means:

- (a) cash in hand;
 - (b) money deposited with a regulated bank or deposit-taker;
 - (c) demand deposits with a tenor of 1 year or less with a bank or deposit-taker in (b);
 - (d) time deposits with a tenor of 1 year or less which have an option to redeem the deposit at any time; in such cases, the deposit amount eligible to be included as Liquid Assets must be calculated as net of any costs associated with such early redemption;
 - (e) cash receivable from a regulated clearing house and cash deposits with such clearing houses, other than any fees or contributions to guarantee or reserve funds of such clearing houses; and
- Liquid Assets do not include:
- (a) any investment, asset or deposit which has been pledged as security or collateral for any obligations or liabilities assumed by it or by any other Person; or
 - (b) cash held in Client Money or Insurance Money accounts.

³ The expenses reported in audited annual accounts for the most recent financial year

⁴ Current assets divided by current liabilities