# Market Maker Application Form

To: Mr. Oliver Gueris and Mrs. Zhazira Zhiyenbayeva

AIX COO and AIX Compliance Officer

Astana, Kazakhstan

Date: \_\_\_\_\_\_\_\_\_\_\_

**Subject: Application for registration as Market Maker**

Dear Sir,

We would like to become a market maker of the Astana International Exchange Ltd. (Exchange) in respect of the below Market Instrument(s):

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| AIX Ticker | ISIN | Class of Securities  | Issuer | Trading Currency |
|  |  |  |  |  |
|  |  |  |  |  |

We hereby apply for the said status and undertake to conform to and to abide by the AIFC Regulations and Rules, AIX Business Rules, AIX Market Maker Procedures and Market Maker Agreement and Notifications (or Market Notices) issued by the Exchange from time to time.

Thanking You

Yours sincerely,

*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

*1) Signature with Stamp*

|  |  |
| --- | --- |
| No | Enter the name and position or title of the above signed CEO/Representative of the Applicant  |
| 1 |  |

 **(To be signed by Designated Director/Partner)**

Application for registration as Market Maker with an Astana International Exchange Ltd.

This application must be submitted by all trading members applying for an AIX market maker status and include all the necessary attachments as requested in this form. In addition to this form, you may be required to complete other supplementary forms as applicable to your intended activities.

1. **Declaration:**

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *(full name the Representative)* declare that the information given in this form, the supplements and documents attached, as well as any applicable supporting documents, given in this form is true, correct and not misleading.

I confirm that I have the authority to make this application, to declare as specified above and sign this form for, or on behalf of, the applicant. I also confirm that I have authority to give the consent specified above.

I understand that any personal data provided to AIX can be used to discharge its regulatory functions under the AIFC Data Protection Regulations, and other relevant legislation and may be disclosed to third parties for those purposes.

I confirm that all documents submitted as part of this application, whether physical or electronic, become property of AIX. I further agree that AIX may disclose to Astana Financial Services Authority (AFSA) any information and documents submitted to AIX in connection with this application.

Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature of the Representative

* 1. **Details of the Representative**

|  |  |
| --- | --- |
| Name of the Representative |  |
| Position within the Applicant’s organisation |  |
| Telephone No. |  |
| Mobile No. |  |
| Email |  |

1. **Personnel and Technical resources**

Please attach the Applicant’s personnel and technical details.

 (add rows if necessary)

* 1. **Assigned market makers individuals personal details (described in 2.1)**

|  |  |  |
| --- | --- | --- |
| **Full name** | **Email address** | **Contact number** |
|  |  |  |
|  |  |  |
|  |  |  |

(add rows if necessary)

* 1. **Technical Resources[[1]](#footnote-2)**

Please provide evidence of requirements below.

|  |  |  |
| --- | --- | --- |
| **No.** | **Name** | **Response** |
| 1 | Internet connection with public (white) IP-addressMinimum 512 Kbps per every session |  |
| 2 | Use FIX v5.0 and ITCH connectionsExistence an order management system or FIX v5.0 and ITCH clients |  |
| 2.1\* | Network firewall with IPSec VPN support*Recommended Cisco, Juniper, Fortinet, Palo Alto* |  |
| 2.2\* | Local (private) network IPv4-addresses or range*From ranges for private networks reserved in RFC 1918* |  |
| 2.3\* | Completed ‘AIX Site-to-Site VPN Request Form’*Received confirmation from AIX by e-mail* |  |
| 2.4\* | Created Site-to-Site VPN connection*Configured IKE phases and access lists for IP- addresses or range on network firewall* |  |
| 3 | Existence of an internal IT department or external IT support |  |
| 4 | Presence of a Disaster Recovery site |  |
| 5  | Existence of the AIX order management system certification  |  |
| 6 | Presence of a Business continuity plan |  |
| 7 | Presence of the Internet line redundancy |  |
| 8 | Presence of IT security policy and procedures |  |
| 9 | Presence of an IT security officer |  |

* + 1. **Assigned individuals personal details (IT Department)**

|  |  |  |
| --- | --- | --- |
| **Full name** | **Email address** | **Contact number** |
|  |  |  |
|  |  |  |
|  |  |  |

(add rows if necessary)

# Rights and Obligations of the parties

1. The Market Maker is obliged to pay for the services rendered by AIX in the amount and manner specified in clause 5 of this application.
2. AIX provides the Market Maker with the report on statistics on the fulfilment/non-fulfilment by the Market Maker of the Market Maker Obligations within 5 (five) business days from the end of the calendar month.
3. Subject to the subclause (2) of clause 3 and clause 5 of this application, once AIX provides the Issuer and the Market Maker with the report on statistics on the fulfilment/non-fulfilment by the Market Maker of the Market Maker Obligations, Market Maker makes the relevant payment to AIX within 5 (five) business days from the submitted report date as set out in AIX Market Maker Registration and Supervision Procedures, unless otherwise determined under AIX fees schedule.

# Acceptance of services

1. In confirmation of the services provided by AIX, AIX prepares and sends to the Market Maker an act of services provided for each of the monthly report on a monthly basis.
2. To confirm the fulfilment/non-fulfilment of the Market Maker Obligations, the Market Maker based on the monthly reports of AIX on the basis of the results of each calendar month (the “Reporting Period”) prepares and sends to the Issuer an Act on the fulfilment of the Market Maker Obligations (the “Act”) during the Reporting Period.

# Fees for AIX services

The fee for the services provided by AIX and shall be paid by Market Maker on a monthly basis for each Market Instrument as set out in AIX Market Maker Registration and Supervision Procedures, unless otherwise determined under AIX fees schedule.

Invoices are issued in KZT. Fee is converted into KZT at the exchange rate of USD to KZT established by the National Bank of the Republic of Kazakhstan as at the date of act of services rendered. Fee includes VAT (if any). Amounts due shall be paid within 5 (five) business days from the date of invoices for payment issuance. Overdue invoices shall, at AIX’s discretion, bear interest at the rate as specified in a Notice issued by AIX, but not exceeding 20% p.a.

**Submitting the Application Form**

Once you are satisfied that this form and all other supporting forms and documents necessary for your completed application have been finalized, you can then proceed to arrange an application submission meeting.

We will undertake an initial review of it to ensure that your submission appears to be materially complete and all the necessary attachments are included.

For your submission we may require hardcopies of the application forms, supplemental forms, and purpose-written, attachment documents. If you are submitting published documents (for example, a corporate annual report), they are to be submitted in electronic form only. Firms are advised to retain a copy of this form, any supplements, and all attachments for their records.

# Annex 1

**Market Making Obligations**

During the Market Making Period, the Market Maker must Make Market on a continuous basis as specified in clause 1.2 below of this Annex. Making a Market on a continuous basis means, in relation to a Market Instrument, the provision by the Market Maker of Bid and Offer quotes continuously during the Market Making Period to the Market. It being acknowledged that the Market Maker is not obliged to offer a new or refreshed quote if the corresponding existing Bid or Offer quote remains unmatched. The Market Maker may refresh its Bid or Offer quotes at any time during the Market Making Period provided that these quotes are made in accordance with the Market Maker Obligations.

The Market Maker will ensure each Bid and Offer quote it offers:

• maintains a Maximum Spread;

• is not less than a Minimum Quote Size as specified in clause 1.4 below 1.1 below of this Annex. The Market Instrument in which the Market Maker must Make Market are specified in the table below:

|  |  |  |
| --- | --- | --- |
| **Ticker on AIX** | **Issuer name** | **Effective date** |
|  |  |  |

* 1. **Market Making Period**

The Market Making Period for the Market Instruments is:

* Presence during the opening auction match;
* 90% of the Continuous Trading Session;
* Presence during the closing auction match;

Notwithstanding that, in any case, the Market maker has the discretion not to Make a Market 1 Trading Days (but not in a row) in each calendar month. Market Maker is not required to Make a Market in a given Trading Day after executing trades for a total volume of not less than 5 Minimum Quote Sizes within 1 trading day (including at the Close).

* 1. **Maximum Spread**

The Maximum Spread is \_\_% (). The Market Maker may, at its direction, Make a Market by widening the Maximum Spread up to \_\_% depending on the Instrument.

|  |  |
| --- | --- |
| **Instrument** | **Maximum Spread** |
|   |   |
|   |   |

* 1. **Minimum Quote Size**

For the purposes of clause 7.1, the Minimum Quote Size is equal to \_\_\_\_\_ USD or equivalent KZT amount on each side of the spread based on the official exchange rate set by the National Bank of Republic of Kazakhstan on the last business day of each week. The parties agree that such official exchange rate shall apply to the whole week following that business day.

* 1. **Refresh Period**

Refresh Period is a time window enabling the Market Maker to offer new or refreshed quotes where relevant should the Bid or Offer be matched. The total cumulated Refresh Period is equal to 10% of Continues Trading when the Market Maker is not obliged to quote.

If the Market Maker’s Bid or Offer (or part of the Bid or Offer) is matched with another order in the Trading System and the effect of the matching is that the Market Maker is no longer Making a Market:

* the Market Maker is required to Make a Market again during Refresh Period; and
* prior to the Refresh Period, if the Market Makers do not choose to make a new market, any balance of the Bid or Offer that is not matched must remain in the Trading System and may only be amended for:
* quantity, if the Minimum Quote Size would continue to be met; and
* price, if the Maximum Spread, if applicable, would continue to be met.
	1. **Other Mandatory Market Making parameters**

The Market Maker must satisfy obligations stated the AIX Market Maker Registration and Supervision Procedures.

1. Not required to be completed in case of follow-on application for registration of additional Market Instruments subject to Market Making Arrangement [↑](#footnote-ref-2)