



Dear Clients!

We kindly ask you to read the main changes in currency legislation
from July 01, 2019:

1. The branches (representative offices) of foreign non-financial organizations which are permanent establishments of such foreign non-financial organizations in the Republic of Kazakhstan in accordance with the Tax Code of the Republic of Kazakhstan are classified as residents of the Republic of Kazakhstan, with the exception of branches (representative offices) of foreign non-financial organizations recognized by non-residents of the Republic of Kazakhstan, the list of which is established by the terms of agreements which have concluded on behalf of the Republic of Kazakhstan with foreign organizations, and become established by an act of the Government of the Republic of Kazakhstan.

For these purposes, the settlements between residents and branches (representative offices) of foreign non-financial organizations classified as residents of the Republic of Kazakhstan shall be made only in the national currency (tenge). At the same time, the branches continue to operate under the current terms of contracts concluded until 01.07.2019.

The requirement of repatriation of foreign currency, receipt of the account number to the foreign exchange contract, as well as notification of accounts in the foreign bank to branches of the foreign non-financial organizations does not apply.

For settlements with non-residents, the parent company and other branches in the territory of the RK, branches (representative offices) of foreign non-financial organizations can acquire and transfer foreign currency without restrictions.

2. Introduced the concept of accounting registration and obtaining an account number, instead of registration modes and notification and issuance of registration certificates / certificates of notification.

Reception of the account number is required:

- under contracts for the export of goods, works and services in excess of the equivalent of US \$ 50,000, as well as under contracts that do not provide for the total amount - at an authorized bank;

- under capital flow agreements of more than the equivalent of 500,000 US dollars, under capital flow agreements that do not provide for the total amount, and under agreements for opening accounts abroad by legal entities resident in the territorial branch of the National Bank of the Republic of Kazakhstan

Bank customers need if a valid foreign exchange agreement for the export or import of works, services without an account number for an amount exceeding 50,000 (fifty thousand) US dollars in equivalent is available as of July 1, 2019, or if the foreign exchange agreement for export or import on the date of its conclusion, the contract amount is not indicated, to apply for an account number to an authorized bank no later than 6 (six) months from the date of entry into force of the Rules for the Implementation of Export and Import Currency Control, but before the start of the performance of obligations under such a contract.

Under capital flow agreements, the Bank's clients must register with the bank, it is necessary to contact the territorial branch of the National Bank of the Republic of Kazakhstan for affixing an account number.

Capital transactions – operations related to the transfer of ownership and other rights to currency values exercised between residents of the Republic of Kazakhstan and non-residents of the Republic of Kazakhstan, including:

- financial loans;
- capital participation;
- operations with securities, shares and derivative financial instruments;
- acquisition of ownership of real estate, with the exception of movable things, equated with or attributed by the laws of the Republic of Kazakhstan to real estate;
- acquisition of fully exclusive intellectual property rights;
- transfer of money and other property in fulfillment of the obligations of a participant in a joint activity, as well as in trust management, trust;
- transfer of money and financial instruments to professional participants of the securities market, carrying out currency operations on behalf of clients, to accounts for keeping and keeping money belonging to clients;
- gratuitous transfer of money and other currency values.

! Please note that from July 1, 2019, an authorized bank refuses to make a payment and (or) transfer money in the absence of an account number under the agreements subject to registration.

3. Changes have been made to the order of purchase and (or) sale of non-cash foreign currency in the domestic foreign exchange market of the Republic of Kazakhstan.

When making an application for the purchase of non-cash foreign currency for the national currency in an amount exceeding the equivalent of 100,000 US dollars, the resident legal entity confirms the purpose and amount of the foreign currency being purchased by attaching to the application a copy of the foreign exchange agreement in fulfillment of obligations for which non-cash foreign currency is purchased. If the requirement to obtain an account number applies to a foreign exchange contract, then a copy of the foreign exchange contract with a note on assigning an account number, or a copy of the registration certificate, or a copy of the certificate of notification shall be submitted.

Legal entities-residents of the Republic of Kazakhstan buy non-cash foreign currency in one bank on one business day for national currency for purposes not related to the performance of foreign currency obligations in an amount not exceeding 100,000 US dollars in equivalent. For purposes not related to the performance of obligations in foreign currency include the transfer: *foreign currency to own accounts in foreign banks, gratuitous money transfers in foreign currency, as well as the placement of foreign currency to accounts in authorized banks.*

The purchase and (or) sale of non-cash foreign currency for the further implementation of intra-corporate money transfer is carried out by branches (representative offices) of foreign non-financial organizations (residents and non-residents) on the basis of a document confirming that the transfer is internal.

4. Clients provide information to the authorized bank about the payment and (or) transfer of money in a currency transaction for an amount equal to 50,000 (fifty thousand) US dollars in equivalent and higher in the form according to Appendix 2 to the Rules, including with specification:

Residents:

- country of registration of the sender of money and the beneficiary of the payment document, if these data do not coincide with those specified in the payment document;
- sign of intra-corporate money transfer;

- currency operation code for which the payment and (or) money transfer is carried out;
- information about the sender and (or) recipient of money under a foreign exchange contract, in the event of a discrepancy with the sender of money and the beneficiary of the payment document;
- country of registration of the sender of money and the recipient of money under a foreign exchange contract, in the event of a discrepancy with the sender of money and the beneficiary of the payment document;
- details of the foreign exchange contract and the account number of the foreign exchange contract (if any).

Nonresidents:

- country of registration of the sender of money and the beneficiary of the payment document, if these data do not coincide with those specified in the payment document;
- currency operation transaction code for which the payment and (or) money transfer is made;
- sign of intracorporate money transfer.

Dear Clients!

We also are bringing to your notice that violations of the requirements of currency legislation entail the responsibility provided for by Articles 243, 244, 251, 252, 253 of the Administrative Code of the Republic of Kazakhstan, as well as Article 235 of the Criminal Code of the Republic of Kazakhstan.

Best regards,

Bank RBK JSC