MEMORANDUM OF UNDERSTANDING

between

The National Bank of the Republic of Kazakhstan

and

The KNF - Polish Financial Supervision Authority
(Komisja Nadzoru Finansowego)

The National Bank of the Republic of Kazakhstan and the Polish Financial Supervision Authority - Komisja Nadzoru Finansowego expressing, through this Memorandum of Understanding (hereinafter: "MoU"), their willingness to:

- co-operate with each other on the basis of mutual trust and understanding, in particular through establishing and promoting bilateral ties by sharing information on material developments in the financial markets of their respective jurisdictions, as well as,
- co-operate by sharing views on regulatory and supervisory issues,

have reached the following understanding:

Article I. Definitions

For the purposes of this Memorandum:

1. "Authority" or "Party" shall mean:
   - in the Republic of Kazakhstan - the National Bank of the Republic of Kazakhstan: the central bank of the Republic of Kazakhstan makes the upper (first) tier of the banking system; in accordance with the Law of

the Republic of Kazakhstan *"On the National Bank of Kazakhstan"*, and is a state body which: (i) ensures the formulation and implementation of the state's monetary policy, and the functioning of payment systems, (ii) administers foreign exchange regulation and foreign exchange control, the state regulation, control and supervision of the financial market and financial organizations, (iii) promotes the ensuring of the stability of the financial system, and
(iv) conducts the state statistics.

- in the Republic of Poland – the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego): authority operating under the Act of 21 July 2006 on Financial Market Supervision (subsequently amended) which exercises supervision of the financial market, including banking supervision, supervision of the capital market, supervision of the insurance market, supervision of the pension market, supplementary supervision of financial conglomerates, supervision of electronic money institutions, payment institutions and payment service bureaus, as well as supervision of cooperative savings and credit unions.

2. "The financial market" means a framework of relations concerning the provision and consumption of financial services and also the issue and circulation of financial services over which the Authority performs public supervision, pursuant to relevant legal regulations of their respective jurisdiction.

3. "Legal regulations" shall mean the provisions laid down by acts, ordinances or other sources of law, binding in the Republic of Kazakhstan and / or in the Republic of Poland, including relevant policies and guidelines, which specify in particular the rights and obligations of the Authorities.

4. "Requesting Authority" means the Authority making a request for information and/or assistance from the Requested Authority;

5. "Requested Authority" means the Authority which provides information and/or assistance to the Requesting Authority;

6. "Request" means a request for information and / or assistance, which the Requesting Authority makes to the Requested Authority in conformity with the purposes of this Memorandum;

7. "Response" means information and/or assistance which the Requested Authority delivers to the Requesting Authority in conformity with the purposes of this Memorandum.

Article II. Scope of Cooperation

8. In order to implement this Memorandum, the Parties within their competences may cooperate in the following forms:
   - exchange of information;
   - mutual consultations and expert visits;
   - in other forms agreed by the Parties.

9. The Authorities shall, subject to the legal regulations, cooperate by sharing information on material developments affecting either Kazakh financial market or Polish financial market, as well as views on regulatory and supervisory issues, to an extent allowed by the national legislation;
   The cooperation between the Parties may consist, inter alia, in exchanging information on legal regulations in force on financial market in the Republic of Kazakhstan or in the Republic of Poland, on the approved standards of activity performed by the supervised entities and on the standards of supervision over those entities.

10. All the information exchanged for the purpose of this MoU shall be in English, upon a written request.

11. On written request from either side, the Authority may:
    - organize periodically joint research projects, seminars, conferences, study tours and working meetings on issues interesting to both parties;
    - assist each other in training specialists; and
    - assist each other in the establishment of contacts with financial institutions of the two countries.

12. This Memorandum shall not modify or substitute the existing laws and regulations in the jurisdictions of the Authorities. This Memorandum does not affect any provisions or arrangements under other international treaties in which the Host / Home State participates.

Article III. Requests and Execution

13. The Authority sending or receiving a request should do so by mail, fax or email and also endeavor to acknowledge receipt, as soon as possible by mail, fax or e-mail and, to the extent possible, specify the estimated time period to provide a written response. However, a request may be initiated orally. Unless otherwise agreed upon, such a request shall be confirmed by the Requesting Authority in writing within 10 (ten) working days.

    The particulars of contact of each Party are provided in Annex 1 to this Memorandum.

14. The request shall be made in English and addressed to the contact person authorized by the Requested Party via exchange of letters.
    The requests should specify:
    - general description of the information sought by the Requesting Party;
    - general description of both the matter which is the subject of the request and the purpose for which the information is sought;
    - indication of urgency of the request, or the desired time period for reply.

15. The Requested Authority shall review the request without delay, with the information concerning the urgency taken into consideration and shall notify about the reasons for any delay in the fulfillment of a request pursuant to this MoU.

16. Any request for information or assistance within the framework of this MoU may be denied, wholly or partially, on grounds of legal regulations. In such an event, the requesting Authority shall be notified about the deny, supported by reasons in writing.

17. Where the request cannot be accepted completely, the Requested Party shall consider whether there may be any relevant information or assistance which can be provided within the scope of this Memorandum.

18. If necessary, the Parties support each other in achieving information from other national authorities of their respective countries.

19. Any scheduled meeting(s) and their agenda(s) shall be agreed thirty (30) working days prior to the date of the intended meeting.
The complete list of participants shall be provided by the Authorities not later than twenty (20) working days prior to the date of the intended meeting.

20. The cooperation between the Parties is carried out on a free of charge basis on the principles of equality, openness, mutual assistance and completeness of information.

Article IV. Protection of information

21. All the activities undertaken by the Parties in accordance with this Memorandum shall be carried out only in compliance with the relevant national legislation of the Parties' countries, particularly with disclosure restrictions relating to information under specific legal protection as stipulated by relevant national acts including those restricting disclosure.

22. Any information received from the other Authority will be used exclusively for lawful supervisory purposes.
To the extent permitted by law, each Authority will hold confidential all information obtained and would not disclose such information.

23. In the case where the authority is legally compelled to disclose information received under this MoU, the Authority may notify in advance the Authority from which the information originated about such a compellability, and may cooperate in seeking to preserve the confidentiality of the information to the extent permitted by law.

24. Either Authority may refuse information to be shared if this contradicts its national laws or regulations.

25. Information received by one of the Parties within the framework of this Memorandum may be transferred to the third party only upon a written consent of the Party which provides such information.

26. Information received within the framework of this Memorandum shall not be used to the detriment of the Parties' interests.

Article VI. Ongoing Coordination

27. This MoU does not create any legally binding obligations, confer any rights for either of the Parties or supersede domestic Laws.

28. No amendments or variations to the MoU shall be effective unless made in writing and signed by the both Authorities or their respective representatives, who are duly authorized for the purpose.

29. Each Party shall independently bear its own expenses involved in the implementation of this MoU or as may be mutually agreed by the Parties.

30. All disputes arising from, or in connection with this MoU, shall be settled amicably through mutual consultation between the Authorities in good faith.

31. This MoU shall enter into force on the date on which it is signed by authorized representatives of both Parties. It shall remain valid until terminated by either Party on giving prior written notice, of its intention to terminate this MoU.

32. The Authority desiring to terminate this Memorandum shall give thirty (30) calendar days' advance notice in writing to the other Authority that the understandings set out herein are no longer to have effect.

33. Upon receiving a notice to terminate (as per 32), this Memorandum shall continue to have effect with respect to all non-finalized requests (entered into prior to the date of receipt of such notice) until:
1) all such requests have been satisfactorily dealt with by the Requested Authority, or
2) the Authorities mutually agree (in writing) that such remaining obligations should be withdrawn.

34. The Memorandum is made in two (2) authentic copies in English, Kazakh, and Polish. The Authorities shall hold one (1) copy each, with each text having equal legal force. In case of conflicting interpretation, the English text shall prevail.

ON BEHALF OF AND FOR THE NATIONAL BANK OF THE REPUBLIC OF KAZAKHSTAN

By:

Galimzhan Pirmatov
Deputy Governor

Dated: 23 August 2016

ON BEHALF OF AND FOR THE KNF – POLISH FINANCIAL SUPERVISION AUTHORITY

By:

Andrzej Jakubiak
Chairman

Dated: 23 August 2016

Annex 1

DESIGNATED CONTACT PERSONS:

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