APPROVED BY
the decision of the Board of
Directors of NPJSC "Abylkas Saginov
Karaganda Technical University"
(Minutes No.9, dated 24.11.2021)

Provision
of the work of Property Sale Committee
# of NPJSC "Abylkas Saginov Karaganda Technical University"
on the web portal of the state property register

Karaganda - 2021

1. General provisions

1. This Provision of the work of Property Sale Committee on the web portal of the state property register (hereinafter referred to as Provision) has been developed in accordance with the legislation of the Republic of Kazakhstan, the regulation of carrying out the electronic bidding of sale of the property on the web portal of the state property register of JSC "Information and Recording Center" (hereinafter referred to as Regulation), the Charter of NPJSC "Abylkas Saginov Karaganda Technical University" and determines the procedure of work of the Property Sale Committee of NPJSC "Abylkas Saginov Karaganda Technical University" (hereinafter referred to as Committee) in electronic bidding, in the form of an electronic auction.

2. This Provision uses the following basic notions, used in the legislation of the Republic of Kazakhstan, as well as definitions, abbreviations, specified in this provision:

1) a web portal of the state property register (hereinafter referred to as web portal of the register) is an Internet resource, located on the Internet at the address: www.gosreestr.kz, which provides a single point of access to the electronic database of sellers and the objects of state property, quasi-public sector and non-state property, sold by them (hereinafter referred to as database);

2) a committee is a joint body, which is created, as per a decision of the top leader of NPJSC "Abylkas Saginov Karaganda Technical University", which performs functions in accordance with this provision;

3) a minimum price is a price, below of which, an object cannot be sold;

4) an initial price is a price, determined by a seller, on the base of a valuation report of the independent appraiser;

5) an object of sale is property, which is on the balance sheet of NPJSC "Abylkas Saginov Karaganda Technical University", related to fixed assets, which has become unusable due to physical deterioration and/or obsolescence, including non-compliance with availability norms, established by the regulatory legal acts of the Republic of Kazakhstan and which is offered for bidding by the decision of the corresponding body of NPJSC "Abylkas Saginov Karaganda Technical University", made within its powers in accordance with the Charter of NPJSC "Abylkas Saginov Karaganda Technical University", except for the property, which is not subjected to alienation, according to the Charter of NPJSC "Abylkas Saginov Karaganda Technical University" and legislative acts of the Republic of Kazakhstan;

6) an organizer is JSC "Information and Recording Center", which has concluded a contract with the seller for providing electronic services of the execution of bidding on the web portal of register;

7) a winner is a participant of the auction, who has offered the highest price for the object of sale and has signed a report of the auction results;

8) a buyer is a winner of bidding, who has signed a contract of purchase and sale;

9) a seller is NPJSC "Abylkas Saginov Karaganda Technical University";

10) sale is alienation of the object of sale by means of the web portal of the state property register in electronic bidding, in the form of the electronic auction;

11) a starting price is a price, which the bidding of each object of sale begins with;

12) a current price is a price of the object of sale, which is formed during the auction;

13) bidding is a type of the sale of property;

14) a participant is a natural person or legal entity, registered in accordance with the procedure, which is determined by the regulation to participate in bidding;

15) a sale price is the final price of the object of sale, determined as a result of bidding;

16) an electronic auction (hereinafter referred to as auction) is a form of bidding on the web portal of the register, whereby participants submit their proposals publicly.

3. It is not allowed to sell the property for which, the seller has not registered the right of ownership in the manner prescribed by the legislation of the Republic of Kazakhstan or which an encumbrance has been imposed on, including the property, which is not subjected to alienation in accordance with the Charter of NPJSC "Abylkas Saginov Karaganda Technical University" and the legislative acts of the Republic of Kazakhstan.

4. The seller provides protection and control over the property, which is sold at bidding and is responsible for its integrity and reliability of the information of property until the right of ownership is transferred to the buyer.

2. Property Sale Committee on the web portal of the state property register

5. The functions of the committee are:

1) organizing evaluation of the cost of property, sold at bidding in accordance with the valuation activities' legislation of the Republic of Kazakhstan;

2) preparation for concluding a contract with the organizer to provide the electronic services to users of the register's web portal;

3) preparation for bidding and monitoring a process of the auction fulfillment;

4) providing potential participants with access to the property, sold at bidding;

5) ensuring the reliability of information about the property, offered for bidding;

6) preparation for concluding the contract of purchase and sale with the winner of bidding and monitoring its execution;

7) organization of evaluation fulfillment with the organizer and buyers, related to the procedures of bidding execution and their results;

8) making a decision to remove the object of sale from bidding, but not later than three working days before its fulfillment;

9) carrying out other activities, which are necessary for execution of the sale of property.

6. The committee has no right:

1) to demand from a participant of bidding to provide the information about intentions of buying any object of sale among those objects, which are offered for bidding;

2) to disclose the information about participants of bidding, during an entire period of preparation of bidding and its execution, except for cases, which are determined by the legislative acts of the Republic of Kazakhstan.

7. To organize bidding, the seller forms the committee, the number of members of which is not less than 5 people. The committee includes: an executive director - chairman, members of the committee: a director of the Infrastructure Development Department, a leader of the Procurement and Supply Department, an accountant of the Material Department, a leader of the Legal Department.

3. Preparation for bidding execution

8. Preparation for bidding execution is carried out by the committee in accordance with this provision, as follows:

1) collection of necessary materials of the object of sale;

2) initial, starting and minimum prices of the objects of sale are determined on the base of a cost evaluation report of the object of sale;

3) forms and methods of bidding of each object of sale are determined;

4) timeframes of bidding execution are determined;

5) a notification of bidding execution is published;

6) guarantee fees are accepted;

7) participants are registered;

8) the contract of purchase and sale is prepared.

9. The committee enters the following information of each lot into the database on the web portal of the register before publication of the notification of bidding:

1) information of the object of sale in accordance with the appendix No.l of the regulation;

2) location of the object of sale;

3) information about an owner (balance holder) of the object of sale (a postal address, a telephone number, fax, e-mail);

4) information about evaluation of the object of sale (date of evaluation, estimated cost, a

name of the appraiser);

5) information about the absence of encumbrances (arrests);

6) additional information, according to a decision of the committee.

In addition to the entered information, the committee adds scanned copies of the following documents in the database:

1) the valuation report of the object of scale, drawn up in accordance with evaluation standards, as per the order of the Minister of Finance of the Republic of Kazakhstan, dated May 5, 2018 No.519 "On approval of the evaluation standards" or international evaluation standards;

2) a document, which confirms that the seller has the rights of ownership of the object of sale;

3) photos of the object, which give insight into a technical condition in the quantity of 5 pieces as a minimum.

10. To publish the notification of bidding execution on the web portal of the register, the committee additionally enters the following information of each object of sale in the Kazakh and Russian languages:

1) date and time of bidding;

2) a name of the object of sale;

3) a form and method of bidding;

4) the starting price of the object of sale and the minimum price of the object of sale - if the auction is held to decrease a price;

5) amount of the guarantee fee (without specifying tiyins);

6) bank account details of the organizer for transfer of the guarantee fee;

7) timeframes of receipt of the applications;

8) a phone number and address of the organizer;

9) a phone number and address of the seller;

10) additional information, according to a decision of the seller.

11. A draft of the notification, prepared by the committee, is checked by the organizer for presence of mistakes and compliance with the requirements, determined by the regulation during one working day, before it is published on the web portal of the register.

12. The organizer publishes the notification of bidding execution on the web portal of the register, based on the results of checking the information, entered into the database or refuses its publication to the seller, if the seller has not corrected the mistakes, identified by the organizer.

13. The notification of bidding execution is posted on the web portal of the register not less than fifteen calendar days before bidding execution. If the committee changes the notification of bidding execution, the date of bidding execution is postponed to fifteen calendar days as a minimum.

After publishing the notification of bidding execution, the organizer provides free access to the information of the object of sale for everyone, posted on the web portal of the register, the seller provides free access to the object of sale for everyone.

4. Auction fulfillment

14. The auction is held with two methods of bidding: increase of the price and decrease of the price.

15. When the auction is held to increase the price, the starting price of the object of sale is equal to the initial price, if the auction is held to decrease the price, the starting price is determined by means of multiplying the initial price by a multiplying coefficient, which is equal to 3.

The object of sale is put up for the auction for the first time to increase the price.

Participants of the auction enter the auction room during one hour before the beginning of the auction, using an electronic digital signature and an auction's number. The auction starts at the time, specified in the notification of bidding execution by means of automatically placing the starting price of the object of sale in the auction room.

Bidding is carried out on the web portal from Tuesday to Friday, except for holidays and weekends, determined by the legislation of the Republic of Kazakhstan. The auction is held from

10:00 to 17:00 as per Nur-Sultan time, moreover the auction starts not later than 15:00.

If the winner of the auction is not determined at the end of the auction of increasing the price, at 17:00, then the winner is a participant, who has been the last person, confirmed his desire to purchase the object of sale and the auction of this object of sale is considered to be held.

If the winner of the auction is not determined at the end of the auction of decreasing the price, at 17:00, then the auction of this object of sale is considered to be failed.

If none of participants is registered at the beginning of the auction of the object of sale in the auction room, then the auction of this object of sale is considered to be failed.

16. An interval of the price change is determined as follows:

1) if amount of the starting or current price of the object of sale is up to 20,000-fold amount of the monthly calculation index, an interval of the change is determined in the amount of 10 percent at the auction of increasing the price and in the amount of 5 percent at the auction of decreasing the price;

2) if the amount of the starting or current price of the object of sale is from 20,000-fold to 50,000-fold amount of the monthly calculation index, the interval of the change is determined in the amount of 7 percent at the auction of increasing the price and in the amount of 5 percent at the auction of decreasing the price;

3) if the amount of the starting or current price of the object of sale is from 50,000-fold to 100,000-fold amount of the monthly calculation index, the interval of the change is determined in the amount of 5 percent;

4) if the amount of the starting or current price of the object of sale is from 100,000-fold to 250,000-fold amount of the monthly calculation index, the interval of the change is determined in the amount of 2.5 percent at the auction of increasing the price and in the amount of 5 percent at the auction of decreasing the price;

5) if the amount of the starting or current price of the object of sale is from 250,000-fold to 500,000-fold amount of the monthly calculation index, the interval of the change is determined in the amount of 1 percent at the auction of increasing the price and in the amount of 5 percent at the auction of decreasing the price;

6) if the amount of the starting or current price of the object of sale is from 500,000-fold amount of the monthly calculation index and more, the interval of the change is determined in the amount of 0.5 percent at the auction of increasing the price and in the amount of 5 percent at the auction of decreasing the price.

The auction is held, according to one of two methods, described below.

17. The auction of increasing the price:

1) if none of the participants has confirmed their desire to purchase the object of sale, as per the starting price during twenty minutes from the beginning of the auction in the auction room, then the auction of this object of sale is considered to be failed;

2) if none of the participants confirms their desire to purchase the object of sale by means of increasing the starting price during twenty minutes after confirmation of the starting price in the auction room, then the participant, who has confirmed the starting price, is considered to be the winner and the auction of this object of sale is considered to be held.

18. The auction, where only one participant has participated, is considered to be held, if the participant has confirmed the starting price;

3) if one of the participants confirms his desire to purchase the object of sale by means of confirming the starting or current price during twenty minutes from the moment of confirmation of the starting or current price, this price is increased by the interval, determined by the point No.43 of the regulation.

The auction of increasing the price of the object of sale is held up to a maximum price, offered by one of the participants.

19. The auction of decreasing the price:

1) if none of the participants confirms their desire to purchase the object of sale in the auction during two minutes from the beginning of the auction, then the starting price of the object of sale is

decreased by the interval, which is determined, according to the point No.43 of the regulation;

2) if none of the participants has confirmed their desire to purchase the object of sale during two minutes after decrease of the price, then the last announced price of the object of sale is decreased with a determined interval. The winner of the auction of decreasing the price is considered to be the participant, who has been first to confirm his desire to purchase the object of sale, as per the announced price and the auction of this object of sale is considered to be held;

3) if the price of the object of sale has reached determined minimum amount and none of the participants has confirmed their desire to purchase the object of sale, then the auction is considered to be failed;

4) The auction, where only one participant has participated, is considered to be held, if the participant has confirmed the starting or current price.

5. Results of bidding execution

30. The results of bidding of each sold object are recorded in the report of bidding results, which is signed by the seller and the winner on the web portal of the register, using the electronic digital signature on the day of the auction fulfillment.

31. The report of bidding results is a document, which records the results of the auction or a competition and obligations of the winner and the seller to sign the contract of purchase and sale of the object, as per the sale price;

The contract of purchase and sale is concluded in electronic format on the web portal of the register and signed by the seller and the buyer, using the electronic digital signature within a period of not more than ten calendar days from the date of signing the report of bidding results. In addition, the seller provides a draft of the contract of purchase and sale to the buyer for signing within a period of not more than five calendar days from the date of signing the report of bidding results, except for:

1) the case, when alienation of the object of sale is possible only after obtaining permission from the authorized state body. In such cases, the contract of purchase and sale is signed within the period, agreed by the seller and the winner.

It is allowed to conclude the contract of purchase and sale in a written form, as per a form, agreed by the seller and the buyer.

32. If the participant, who has won at bidding, does not sign the report of bidding results or infringes the point No.72-1 of the regulation, the seller does not pay back the guarantee fee.

6. Final provisions

33. The contract of purchase and sale is concluded between the seller and the buyer with reference to the report of bidding results as a basis for concluding the contract of purchase and sale.

The committee specifies a condition in the contract of purchase and sale that the buyer has the right of ownership of the object of sale after his full payment.

34. After signing the contract of purchase and sale, the winner provides copies of the following documents to the committee with obligatory submission of the original documents for comparison or notarized copies of these documents:

1) for individuals: a passport or an identification document of the natural person;

2) for legal entities: certificates or a certificate of the state registration (reregistration) of a legal entity;

3) a document, which certifies the authority of a representative of the legal entity, as well as the passport or the identification document of the legal entity’s representative.

The original documents are given back during one working hour after comparison.

When signing the contract of purchase and sale, the winner of competition provides the original documents or the notarized copies of the documents, attached to an application to the committee.

35. Payments are made between the seller and the buyer, as per the contract of purchase and

sale, moreover the buyer makes the payments as follows:

1) an advance payment is made in the amount of at least 15% of the sale price of the object within a period of not later than ten working days from the date of signing the contract of purchase and sale. The advance payment is guarantee of the proper fulfillment of obligations by the buyer, as per the contract of purchase and sale. The guarantee fee is counted against the due advance payment;

2) the rest of sum is paid, as agreed by the parties, but not later than thirty calendar days from the date of signing the contract of purchase and sale.

All payments are made between the seller and the buyer by bank transfer through a bank account of the seller, specified in the contract of purchase and sale.

If the final payment is not made on time, it is allowed to cancel the contract of purchase and sale unilaterally. If the contract of purchase and sale is canceled due to a delay of the final payment, the advance payment will not be refunded.

36. Transfer of the object of sale is carried out after the buyer has made the full payment of the sale price, as per the contract of purchase and sale.

A signed transfer and acceptance certificate is a basis for carrying out the state registration of a change of ownership of the sold object.

If the winner does not sign the transfer and acceptance certificate within the prescribed period, the seller signs a certificate of bidding results cancelation, which is formed on the web portal of the register.

37. If the winner does not sign the electronic report of bidding results within timeframes, specified in the regulation or infringes the point No.72-1 of the regulation, then the seller I the organizer signs the certificate of bidding results cancelation, which is formed by the web portal of the register.

If the buyer refuses to sign the contract of purchase and sale within the period, specified in the point No.68 of the regulation or if the buyer does not fulfil or improperly fulfils the obligations, as per the contract of purchase and sale, or does not provide the seller with the documents, specified in the point No.71 of the regulation, the seller does not pay back the guarantee fee and the certificate of bidding results cancelation, which is formed by the web portal of the register, is signed with the electronic digital signature.

38. An installment payment is allowed only in cases, when conditions of the possible installment have been reported to the participants of bidding in advance. Moreover, amount of the initial installment cannot be less than fifteen percent of the sale price and an installment’s period cannot exceed three years.

39. An initial payment is made by the buyer during thirty calendar days from the date of signing the contract of purchase and sale. When paying subsequent sums, interests are accrued to the sums, which are not paid by the seller yet, as per an official refinancing rate of the National Bank of the Republic of Kazakhstan. The subsequent sums must be paid at least once a quarter.

The guarantee of making the payments in time can be a right of the seller to pledge the property, purchased by the buyer, if another method of the guarantee is not specified in the contract of purchase and sale.

40. When selling the object on the installment plan, the transfer is carried out by means of signing the transfer and acceptance certificate of the object of sale after making the initial payment and concluding a pledge contract at the same time, which is subjected to appropriate registration, if another method of the guarantee is not specified in the contract of purchase and sale.

A M E N D M E N T S H E E T

1. Amendment No. 1:

– Approved by the decision of the Board of Directors of NPJSC “Abylkas Saginov Karaganda Technical University” (Minutes No. 3 dated April 27, 2022).