

# First Credit Bureau

# of Kazakhstan

# Operations Manual<sup>1</sup>

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## 2 Terms and Definitions

This Operating Manual has been developed to describe the practical organizational and operational procedures for the routine business operation and to act as a source of reference in a library of approved policy statements, corresponding procedural guidelines, and supporting forms that will direct First Credit Bureau of Kazakhstan (herein referred to as FCB) toward its operational goals.

This Operating Manual was prepared for the FCB. The FCB must carefully review this Operating Manual; there are some areas in this Operating Manual with blank spaces that the FCB must review and fill-in.

### 2.1 Terms and Definitions

A **Policy** is a stated course of action with a defined purpose and scope to guide decision making under a given set of circumstances within the framework of FCB objectives, goals, and management philosophies. Policy direction is a joint responsibility between the Shareholders and the General Director.

A **Procedure** is a series of prescribed steps followed in a definite regular order which ensure adherence to the guidelines set forth in the Policy to which the Procedure applies. Operational procedures, including those outlined in this Operations Manual, are a responsibility of the General Director. Shareholders must set policy but they should NOT become deeply involved in setting the day-to-day operational procedures.

An **Activity** is an action, element or decision representing a prescribed step in the Procedure process. The Operational Manual must capture in detail all activities of individual employees.

A **Task** is a detailed component of an Activity specifying required behavior to complete the activity.

A **Form** is a pre-formatted document containing instructions and place-holders for data entry to monitor progress through a particular Procedure and to ensure proper record keeping. All forms must follow a standard FCB template and should be similar in layout in order to support continuity. A copy of every form used, every template for logging activities, and every other official FCB document should be retained in the Appendix of this manual for future reference.

This Operating Manual was derived in part using the following documentation:

1. Law no. 573-II, dated July 6, 2004, of the Republic of Kazakhstan, 'On Credit Bureaus and the Formation of Credit Histories in the Republic of Kazakhstan'
2. Regulations governing the above law
3. Charter of First Credit Bureau of Kazakhstan dated \_\_\_\_\_
4. An adaptation of the CreditInfo Group (CIG) system for First Credit Bureau, Kazakhstan
5. CIG Credit Bureau System—Front Office Help
6. CIG Help—The CIG Suite
7. CIG Credit Bureau System - Detailed Requirements Analysis - System Requirements and Specification - Version 0.19

## 2.2 Purpose

The Operating Manual was prepared for the following purposes:

- to ensure operational procedures are in place to comply with all regulatory requirements;
- to ensure quality control requirements for all operational procedures;
- to provide a single source of reference for all operational issues;
- to provide a library of all forms, checklists, contracts, and documents used in daily operation of the FCB in a single location as the most recent updated version;
- to fully document how to perform detailed tasks with step-by-step instructions;
- to capture new and improved best practice rules as they become known;
- to address operating limits and process deviations;
- to capture and document troubleshooting guides;
- to provide examples of acceptable procedural formats;
- to produce checklists for identifying missing procedures, gathering procedure information, formatting procedures; and
- to serve as a source of training material for new employees, imparting to them enough information and understanding about the company and their job.

In order to meet the purposes outlined above, the Operating Manual must be as detailed as possible. It must be easy to use and to locate answers to employee questions. The Operating Manual is a **reference document**. As the First Credit Bureau introduces new products and services, it must fully document all detail required to respond to both questions from providers and questions from subjects.

The Operating Manual is a living document and it must be updated on a regular basis or whenever one of the following occurrences takes place:

- a procedure, as currently documented, is not descriptive enough for a new employee to follow the step-by-step instructions for the completion of a task in its entirety with a limited explanation;
- changes to existing products, services, or the daily operation of the Credit Bureau are made;
- new products or services are introduced. The Operating Manual must fully describe the features and benefits of all Credit Bureau products as well as any issues needed to support them;
- procedural weaknesses are identified by internal or external bodies, including regulatory bodies, dealing with incomplete or missing procedures to comply with any regulatory or audit issue raised;
- existing procedures become obsolete and are no longer used; or
- a form, checklist, contract or other document is modified. The Operating Manual must always have in the appendices the most recent (and approved) document version that can be used to produce copies on an as needed basis.

Ideally, the Operating Manual has all information required—with logical and simple instructions and checkoff lists, forms, and descriptive procedures—to enable any new employee to perform any task related to the operation of the Credit Bureau as described in their detailed job descriptions.

The intended audience for this Operating Manual is all employees of the First Credit Bureau of Kazakhstan. It is intended to supplement, not replace, the technical operating manuals

provided by CreditInfo Group. The Operating Manual addresses internal controls and processes for the day-to-day operation of the Credit Bureau.

The CIG Technical Help Manuals will continue to play an important role in detailing technical processes. It is well written and the Operations Manual should follow a similar format where the steps required to perform a specific task are listed as Step 1, Step 2, Step 3, etc.

## **2.3 Approval Process**

In accordance with the Charter, the Shareholders must approve all Operations Procedures. In order to make that process work effectively, a task force should be elected by the Shareholders to sit on a review committee.

The Shareholders must ensure they clearly define their own role as well as that of the General Director. Caution must be taken to ensure the Shareholders do not become overinvolved with the daily operation of the Credit Bureau. The Shareholders should approve all policy direction, strategic plans, and annual operating budgets. The Shareholders should not take on the role assigned to the General Manager of following the day-to-day operational issues.

## 3 Document Control

The most important part of the Operations Manual is the value it has as a source of reference. All employees need to be able to find answers to all questions quickly and easily. The Operations Manual will always be a **Document in Progress**, as it will never be completed.

Each time a question cannot be answered by the Operations Manual, there will be a need to update the manual. Every new process or change to an existing process must be documented. The Operations Manual is the best source of training material available to new FCB staff.

Given the number of changes to the manual and the frequency of them, there is a need for a streamlined process to update the manual. The following procedure describes the update process.

### 3.1 Updating the Operations Manual

1. The General Director is responsible for completeness of Operations Manual.
2. FCB Staff, or General Director, will draft new or changed procedures in accordance with the process for Manual Updates.
3. The General Director will review, edit, approve, and obtain a final copy of the new or replacement page to be inserted into the Manual.
4. A **New Procedure Cover Memo** will be prepared following a strictly controlled process and shall contain the following data:
  - It will be numbered (year and memo number for that year). For example, the number of the first cover memo will be 2005–01, next will be 2005–02, etc.
  - It will be dated and it will contain a brief description of the new procedure.
  - The memo will have the new page(s) of the manual attached to it (with the exact page number of the manual). The Operations manual will then be replaced with the new page also, showing the new revision date to agree with the date of the cover memo.
  - All FCB employees will have their name listed on the cover memo and each will be required to place their initials, in an empty box, beside their name when they have read and understood the new procedure.
  - The cover memo will be kept to one page where possible
5. The cover memo will circulate among all FCB staff until every employee has read **and has initialled** the cover memo.
6. If there are any questions prompting more detailed explanations, or suggestions for changes to the new procedure, the General Director will consider changes, revise, and re-circulate the revised pages under the same number.
7. The cover memo will then be returned to the General Director and it will be filed in a book, in date order, with all employees' initials, and the new page still attached.
8. If at any time an employee declares that he/she was not aware of a change, this book will be used as a matter of reference.
9. Every employee must read every new procedure whether it directly impacts his/her functions or not.
10. Employees will be able to look up a 'recent change' by referring to a log of new/changed procedures.
11. If an employee is on vacation or otherwise away from the office, he/she will be required to review the log book of new procedures immediately upon returning and to initial the book as having read the new procedure.

12. Unlike the Technical Manual, the Operations Manual will not have revision numbers; it will simply have the date of the last change appearing on the footer of the page.

## 3.2 Other Notes to this Operations Manual

The preparation of this Operating Manual followed a methodology of collaboration. It does not, due to a lack of time for its preparation, include all material that a manual should contain. In addition, given that the operation of FCB is new, there were very few existing processes that could be documented. This Operations Manual was taken as far as it could go in the short amount of time allocated. Wherever possible suggestions have been made for expansion of the material or additional material required.

**The General Director must take this Operations Manual to the next level and he must complete all sections identified throughout the Manual as incomplete.**

The General Director must assume the responsibility for completion, adherence, and updating of this Operations Manual.

During the preparation of this Operations Manual, using the multiple sources of information, the terminology being used was found to be inconsistent and confusing. For example, FCB calls its customers *clients* as does the draft legal contract; the Law refers to customers of FCB as *Data Providers* and *Credit Report Recipients*; many international credit bureaus refer to customers as *members* of the Credit Bureau. The CIG Technical Documents refer to customers as *subscribers*.

This Operational Manual refers to customers of the Credit Bureau as **SUBSCRIBERS**, consistent with international best practices. The term **SUBJECTS** is used to identify the individual person or entity for which a credit report is produced.

It is recommended that the draft contract between the Credit Bureau and the customers of the Credit Bureau be modified to be consistent with the *Subscriber* term. There are a number of other changes that might be required in the draft contract, such as a Service Level Agreement or other items identified after reviewing this Operations Manual.

**Material appearing in red or in parentheses either was either readily available during the preparation of this Operations Manual or time did not permit its total inclusion.**

## 4 Code of Conduct

### 4.1 Purpose of the Code

The Credit Bureau's primary objective is to facilitate the exchange of information between credit providers and their customers and, as a consequence, to increase the availability of credit and financial services throughout Kazakhstan.

For the Credit Bureau to succeed in this objective a high level of trust must be maintained between the Credit Bureau, its Subscribers, and the General Public.

Subscribers of the Bureau must be confident that the information they provide to the Bureau about their customers will not be misused.

Individual customers (Subjects) must be confident that their privacy will be protected and that the information they provide to Credit Bureau Subscribers will be used in a responsible manner.

The Bureau and its Subscribers wish to ensure that its operations are transparent, maintaining the confidentiality of the Credit Information reported to the Credit Bureau and respecting the information privacy rights of those individuals whose personal and credit information may be recorded in the Credit Bureau's files.

Subject to any other applicable law, this Code sets out the rules governing the manner in which the Credit Bureau and its Subscribers will conduct its business, the information the Credit Bureau may record, the conditions applying to the use of that information by the Credit Bureau's Subscribers, and the role of the regulating Agency.

These Credit Reporting and Information Privacy Principles comply with internationally accepted standards of information privacy and form a basis for the information management rules contained in this Code.

## 4.2 Definitions and Interpretation

In this Code the following words have the following meaning:

**“The Act”** means Law no. 573–II, dated July 6, 2004, of the Republic of Kazakhstan. This Law sets forth the legal, economic, and organizational basis for the formation of credit histories in the Republic of Kazakhstan. It sets forth the legal status of the parties involved in the formation and use of the credit histories system. It regulates the public relationships resulting from the establishment, operation, and dissolution of the Credit Bureaus, and governs the specifics of state regulation, supervision, and control in this area.

Article 2 provides for The Republic of Kazakhstan’s Legislation on Credit Bureaus and the Formation of Credit Histories. The Republic of Kazakhstan’s Legislation on Credit Bureaus and the Formation of Credit Histories will be based on the Constitution of the Republic of Kazakhstan, and will consist of the Civil Code of the Republic of Kazakhstan, the present Law, and other Kazakhstani regulatory acts.

**“Agency”** means State Bodies that Regulate, Supervise, and Control the activities of the Credit Bureaus, and control the activities of Data Providers and Credit Report Recipients as provided for in Article 4 of the Act.

**“Amendment Notice”** means a written notice from a Subscriber advising the Credit Bureau of an amendment to credit information previously incorrectly reported to the Credit Bureau by that Subscriber.

**“Authorized Body”** means the state body that regulates and supervises financial markets and financial organizations;

**“Authorized Personnel”** means, an employee, agent, or contractor of the Credit Bureau, authorized to access, modify, or delete information held in the Credit Bureau's database; or an employee, agent, or contractor of a Subscriber of the Credit Bureau who has been authorized to report Credit Information to, or obtain Credit Information from, the Credit Bureau, while acting on behalf of the Subscriber.

**“Code” or “Code of Conduct”** means the rules and regulations governing the conduct of the Credit Bureau, as agreed to between the Credit Bureau, its Subscribers, and any Authorized Body that may have responsibility for regulating the operations of the Credit Bureau.

**“Consent of a credit history subject”** means a written permission of the subject of a credit history for his/her information to be submitted to the Credit Bureaus or for delivery of a credit report on him/her to other persons. The consent is formalized in compliance with the requirements as set forth in the provisions of the legislation of the Republic of Kazakhstan.

**“Contingent and possible liabilities”** means uncovered letters of credit, issued or confirmed guarantees, bills, and sureties.

**“Credit”** means a loan sought or obtained by an Individual or Legal Entity from a Credit Provider.

**“Credit Bureau”** means the commercial organization which compiles and maintains credit histories, issues credit reports, and provides other services, herein called the First Credit Bureau of Kazakhstan.

**“Credit Enquiry”** means a record held by the Bureau of a request for a credit report made by a Subscriber of the Bureau.

**“Credit History”** means full information on the subject of a credit history.

**“Credit History Database”** means the Credit Bureau’s information resources based on information systems and processes consistent with the requirements of the legislation of the Republic of Kazakhstan.

**"Credit Information"** means data on credit history subjects in electronic and paper form that is provided by the parties involved in the formation and use of a credit histories system and that is certified by an electronic digital signature, when appropriate.

**"Credit Report"** means the full or partial disclosure of information contained in a credit history.

**"Credit Report Recipient"** means a person eligible to receive a credit report.

**"Credit Risk Appraisal"** means the process and analytical software used in assessing the risk of granting credit to a Legal Entity or Individual.

**"Credit Status"** means the performance (current, overdue, non-performing, etc.) of a Customer's credit information at a particular point in time.

**"Data Provider"** means an individual entrepreneur or a legal entity that provides information to the Credit Bureau. Data Providers will be:

- banks and organizations that provide certain bank services and who have a license to engage in lending transactions;
- an individual entrepreneur or a legal entity that sells goods and provides services on a credit basis, or offers delayed payment, whose systematized characteristics are determined by the Government of the Republic of Kazakhstan;
- State enterprises that register real property rights and transactions; and
- any other persons on the basis of the contracts for data submission and/or delivery of credit reports.

**"Data Provider's activity involving participation in the design and protection of the credit history database"** means the actions taken by the Data Provider to process, store, and transfer the data received from the credit history subjects in compliance with this Law, to Credit Bureaus.

**"Data Submission and/or Credit Report Delivery Agreement"** means the agreement made between a Credit Bureau and a Data Provider under the terms and conditions stipulated by the current Law.

**"Evaluative Information"** means information about the processes or analytical systems used by a Subscriber or the Credit Bureau to assess the risk of granting credit to an Individual or Legal Entity.

**"Formation of Credit Histories"** means Credit Bureau activity (or the aggregate of these activities) on the storage, monitoring, and clarification of information received from Data Providers as outlined in the current law.

**"Fraud Related"** means any suspected or proven criminal activity involving financial or credit fraud, including identity fraud or credit card theft.

**"Individual"** means a natural person.

**"Law Enforcement Body"** means a legally authorised Agency with responsibility for the enforcement of any law.

**"Legal Entity"** means any organization, other than an Individual or Agency, engaged in trade or commerce, whether incorporated or unincorporated.

**"Loan"** means a contract, arrangement, or understanding under which an Individual or Legal Entity is permitted to defer payment of a debt, or to incur a debt and defer its payment.

**"Marketing (Prospect) List"** means any collection of Personal Information about Individuals, used or intended to be used for the purpose of promoting goods or services, including credit services.

**"Notice of Change"** means a written notice sent by the Credit Bureau to a Subscriber concerning a significant change to Personal and or Credit Information contained in a credit report that had previously been obtained by the Subscriber, from the Credit Bureau, no more than twelve months prior to the date of the Notice of Change.

**"Notice of Dispute"** means a written notice sent from the Credit Bureau to a Subscriber or from a Subscriber to the Credit Bureau, advising that an Individual has disputed the accuracy of information contained in a credit report about that Individual.

**"Notice of Resolution"** means a written notice sent from a Subscriber to the Credit Bureau, advising the result of an investigation the Subscriber has made into Subject information previously reported to the Credit Bureau by the Subscriber where the Customer has disputed the accuracy of information reported.

**"Parties involved in the formation and use of the credit history system"** means credit history Subjects, Data Providers, Credit Bureaus, and Credit Report Recipients.

**"Personal Information"** means any information about an individual that may be used to identify that individual.

**"Publicly Available Information"** means information contained in a newspaper, magazine, book, or other publication, record, or register that is generally available to the public.

**"Repository of Public Record"** means any database, recording, or filing system or registry of information that is generally available to public enquiry.

**"Subject"** means an Individual or Legal Entity that has obtained or is applying for credit from a Subscriber and includes a Subscriber's former customers.

**"Subject Information"** means personal or credit information about a Customer or Subject that is held in a record maintained by a Subscriber or the Credit Bureau.

**"Value Added Product"** means any product or service, in addition to credit reporting, that the Credit Bureau may develop, within the limits imposed by this Code, to increase the value of the service it provides to its Subscribers.

**"Written Directive"** means an order given to the Credit Bureau to take the corrective measures necessary for the elimination of any violations that have been identified by a set deadline.

### **4.3 Collection of Personal Information**

The Credit Bureau will not collect personal information about an individual or Subject unless the information is necessary for one or more of its credit reporting or credit risk appraisal functions or activities.

The Credit Bureau will only collect personal information by lawful and fair means and not in an unreasonably intrusive way.

Should the Credit Bureau collect personal information about an individual directly from the individual, the Credit Bureau will ensure that the individual is aware of:

- (a) the identity of the Credit Bureau and how to contact it;
- (b) the fact that he or she is able to gain access to the information;
- (c) the purpose for which the information is collected; and
- (d) the organizations (or the types of organization) to which the Credit Bureau usually discloses information of that kind.

When the Credit Bureau collects personal information about an individual from a Credit Bureau Subscriber, it will require the Subscriber to have informed the individual about:

- (a) the kind of information about the individual that may be reported to the Credit Bureau for the purpose of credit appraisal;
- (b) the types of organizations to which the Credit Bureau usually discloses information of that kind; and
- (c) the identity of the Credit Bureau and the means by which it may be contacted.

### **4.4 Use of Sensitive Information**

The Credit Bureau will not collect sensitive information concerning an Individual's:

- (a) political, social, religious, or ethical opinions, beliefs, or affiliations;
- (b) criminal record, other than a fraud related record;
- (c) medical history;
- (d) physical or mental disability;
- (e) colour, race, and ethnic or national origins; or
- (f) sexual orientation or sexual life.

## 4.5 Use and Disclosure

Where the Credit Bureau holds personal information about an individual that it has obtained for the purpose of credit appraisal it will not use that information for any other purpose unless it believes on reasonable grounds that:

- (a) the source of the information is a publicly available publication;
- (b) the individual has consented to the use or disclosure;
- (c) the Credit Bureau reasonably believes that the use or disclosure is necessary to lessen or prevent:
  - a serious and imminent threat to an individual's life, health, or safety, or
  - a serious threat to public health or public safety; or
- (d) the Credit Bureau has reason to suspect that unlawful activity has been, or may be, engaged in and uses or discloses the personal information as a necessary part of its investigation of the matter or in reporting its concerns to relevant persons or authorities;
- (e) the use or disclosure is required or authorized by or under law; or
- (f) the Credit Bureau reasonably believes that the use or disclosure is necessary for one or more of the following by or on behalf of a law enforcement body:
  - the prevention, detection, investigation, prosecution, or punishment of criminal offenses or breaches of a prescribed law;
  - the protection of the public revenue;
  - the prevention, detection, investigation, or remedying of seriously improper conduct or prescribed conduct; or
  - the preparation for, or conduct of, proceedings before any court or implementation of the orders of a court.

If the Credit Bureau uses or discloses personal information under any of the above clauses, it will make a written note of the use or disclosure.

The Credit Bureau will not disclose information contained in a credit report to any organization, Agency, or Individual unless the Credit Bureau believes on reasonable grounds that the organization, Agency, or Individual has responsibility for ensuring the Credit Bureau's compliance with this Code, or is a Subscriber of the Credit Bureau and will use the information in a manner permitted by this Code.

The Credit Bureau may use, collate, process, modify, edit, reorganize, and combine information held in its database in such manner as it thinks fit so as to generate credit reports for disclosure to its Subscribers.

The Credit Bureau may use Subject Information held by it to develop Value Added Products for its Subscribers such as score cards, fraud detection systems, behavioral predictive models and similar products, provided that such processing or Value Added Products do not result in the disclosure or publication of any personal information about any individual recorded in the Credit Bureau's database.

The Credit Bureau may not use or disclose information received from its Subscribers for the generation or compilation of marketing lists about individuals.

## **4.6 Data Quality**

The Credit Bureau will take reasonable steps to make sure that the personal information it collects, uses, or discloses is accurate, complete, and up-to-date.

## **4.7 Data Security**

The Credit Bureau will take all reasonable steps, including operational guidelines and security systems, to protect the Subject information it holds from misuse and loss and from unauthorized access, modification, or disclosure.

The Credit Bureau shall maintain controls and procedures to safeguard the security of information owned and controlled by the Credit Bureau including, but not limited to, the following:

- (a) computer security programmes, access, and data communication protocols to prevent unauthorized access to the computer system and database, or interception of communications between the Credit Bureau and its Subscribers;
- (b) maintenance of data access logs and audit trails to record all activity in the database and computer systems;
- (c) disciplinary and contractual procedures and penalties to apply in the case of any unauthorized or improper access, modification, or deletion of any information held in the Credit Bureau's database, by any employee, agent, or contractor to the Credit Bureau; and
- (d) conduct of workshops and preparation of training manuals for Authorized Personnel, covering the requirements of this Code.

The Credit Bureau will destroy or permanently de-identify Subject information that is no longer needed from its credit reporting and/or credit scoring functions.

## **4.8 Openness**

The Credit Bureau will maintain a document setting out its data management policies and practices and will make that document available for public enquiry.

The Credit Bureau will make this Code Of Conduct available for public scrutiny.

## **4.9 Information Recorded in a Credit Report**

The Credit Bureau may record information to identify an Individual, including but not limited to:

- (a) the date the information was recorded,
- (b) family and or given name and sex,
- (c) current and previous addresses,
- (d) Tax Payer Number (RNN),
- (e) SIC Number (SIC),
- (f) Passport Number,
- (g) place and date of birth,
- (h) occupation,

- (i) details of any companies of which the individual is a director, and
- (j) details of any businesses that the individual owns or part owns.

The Credit Bureau may record Information to identify a Legal Entity, including but not limited to:

- (a) the date the information was recorded,
- (b) company or business name,
- (c) Entity National Registration ID number,
- (d) date of establishment,
- (e) trading names or brands,
- (f) registered business address,
- (g) trading address,
- (h) full names and addresses of all directors,
- (i) Tax Payer Number (RNN) of all directors, and
- (j) details of other companies in which the directors have an interest.

The Credit Bureau may record information to assess the current status of credit information, including but not limited to:

- (a) the date the information was recorded by the Credit Bureau,
- (b) a credit inquiry from a Subscriber,
- (c) account type, account number,
- (d) date account opened, date of last payment,
- (e) date account closed,
- (f) high credit approved,
- (g) current balance of the account,
- (h) any amount that is past due,
- (i) number of days account past due, and
- (j) the identity of the Subscriber reporting the information.

The Credit Bureau may record Information from a Repository of Public Record including, but not limited to:

- (a) bankruptcy information,
- (b) orders to liquidate or administer a registered company,
- (c) company registration and ownership details, and
- (d) court judgements for recovery of debt.

## 4.10 Access and Correction

When the Credit Bureau holds Credit Information about an Individual and receives a written request from the Individual for access to his or her file, it shall provide the Individual with access to the information, except to the extent that:

- (a) the request for access is frivolous or vexatious;
- (b) denying access is required or authorized by or under law; or
- (c) an enforcement body performing a lawful security function asks the Credit Bureau not to provide access to the information on the basis that providing access would be likely to cause damage to the security of Kazakhstan.

However, where providing access would reveal evaluative information generated within the Credit Bureau in connection with a commercially sensitive decision-making process, the Credit Bureau may give the individual an explanation of the commercially sensitive decision rather than direct access to the information.

Where the Credit Bureau charges for providing access to personal information, those charges:

- (a) will not be excessive; and
- (b) will not apply to lodging a request for access.

The Credit Bureau will not charge a fee for providing access to an Individual, where a Subscriber of the Credit Bureau has refused that Individual credit and the refusal was a result of a Credit Report provided by the Credit Bureau.

When the Credit Bureau has provided an Individual with access to his or her Credit Bureau file and the Individual notifies the Credit Bureau in writing that the accuracy of information contained in the file is disputed, the Credit Bureau shall;

- (a) give the Subscriber that supplied the information a Notice of Dispute requesting confirmation from the Subscriber as to the accuracy of the information; and
- (b) upon receiving a response from the Subscriber, by Notice of Resolution, advise the Individual in writing, what (if any) alterations have been made to the disputed information.

The Credit Bureau will provide reasons for denial of access or a refusal to correct personal information.

## **4.11 Trans-border Data Flows**

The Credit Bureau will not transfer personal information in its possession or control to any organization outside Kazakhstan unless:

- (a) the Credit Bureau reasonably believes that the recipient of the information is subject to a law, binding scheme, or contract that effectively upholds principles for fair handling of the information that are substantially similar to the Credit Bureau's Code Of Conduct, or
- (b) the individual consents to the transfer.

## **4.12 Subscribers of the Credit Bureau**

### **4.12.1 Subscriber Conditions**

- No organization may be a Subscriber of the Credit Bureau unless it is a Data Provider or a Credit Report Recipient as defined in this Code.
- No organization may be a Subscriber of the Credit Bureau unless it has entered into an Agreement with the Credit Bureau.
- A Subscriber of the Credit Bureau must comply with the conditions as specified in this Code and any additional conditions as may be specified in its Agreement with the Credit Bureau.
- Any Subscriber who fails to comply fully with this Code or the Agreement will be liable to a penalty as set out in this code.

### **4.12.2 Provision of Subject Information to the Credit Bureau**

Subject to the terms of the relevant Agreement, every Data Provider shall provide Subject information to the Credit Bureau according to the terms and in the formats and at a frequency specified in the Standard Data Specifications contained as a schedule in the Agreement, or as may subsequently be reasonably required by the Credit Bureau.

Every Data Provider shall take all necessary steps to ensure that information provided to the Credit Bureau is permitted by this Code, accurate, up to date, and complete.

Every Subscriber shall regularly update all Subject Information previously reported to the Credit Bureau in accordance with the terms of its Agreement.

Where a Subscriber has provided Subject information to the Credit Bureau and subsequently becomes aware that the information was inaccurate at the time it was provided, the Subscriber shall give the Credit Bureau an Amendment Notice instructing it to delete the inaccurate information and replace it with the corrected information.

Where a Subscriber receives a Notice of Dispute from the Credit Bureau, it shall complete all necessary investigations into the disputed information and give the Credit Bureau a Notice of Resolution, advising whether the disputed information is to be deleted, corrected, or remain unchanged and provide the Customer concerned with a copy of that Notice.

#### **4.12.3 Use and Disclosure of Credit Bureau Information**

No Subscriber shall seek to obtain Credit Information from the Credit Bureau unless the information is to be used for a purpose permitted by this Code.

Credit Information obtained from the Credit Bureau may not be used for any purpose other than a purpose permitted by this Code.

No Subscriber shall disclose information obtained from the Credit Bureau to any other person or entity, other than the Individual concerned, unless specifically authorized by this Code, or as required by law.

A Subscriber may only use or disclose information from a credit report under the following conditions:

- a) a purpose related to the Credit Risk Appraisal of an existing Customer or a prospective Customer who has applied to the Subscriber for credit;
- b) for the purpose of assessing the Credit Status of an Individual or Legal Entity that is offering to guarantee or provide security in support of a credit facility to an existing customer of the Subscriber, or in support of an application for Credit from a prospective customer;
- a) to assist in the recovery of outstanding debts owed to the Subscriber;
- b) the Customer has consented to the use or disclosure;
- c) the Subscriber reasonably believes that the use or disclosure is necessary to lessen or prevent a serious threat to an Individual's life, health, or safety;
- d) the Subscriber has reason to suspect that unlawful activity has been or is being or may be engaged in, and uses or discloses the personal information as a necessary part of its investigation of the matter; or
- e) the use or disclosure is required or authorized by or under law.

When the Subscriber has used or disclosed personal information, it will make a confidential record of the use on the Individual's credit information file. Such record of use will be retained solely for subsequent disclosure to any organization or Agency that has responsibility for ensuring the Subscriber's compliance with this Code of Conduct.

The Subscriber may retain and use personal information contained in a credit report for the development of internal credit risk appraisal processes.

#### **4.12.4 Protection of Information Received from the Credit Bureau**

Each Subscriber shall have in place operational guidelines and security systems to ensure that credit information received from the Credit Bureau is accurately recorded and is protected against loss, unauthorized access, use, modification, or disclosure.

Each Subscriber shall ensure that it has in place a system capable of confirming that information obtained from the Credit Bureau was obtained and used for a purpose specified in this Code.

Each Subscriber shall have in place internal procedures to prevent unauthorized access to information held by the Credit Bureau by any employee, agent, or contractor of the Subscriber.

Such procedures shall include a log of all access and amendments to information supplied by the Credit Bureau and any subsequent disclosure to third parties.

Each Subscriber shall allocate and regularly review passwords or other unique identifiers issued to Authorized Personnel who may be authorized to obtain access to information held by the Credit Bureau and shall conduct a regular audit, at not less than six monthly intervals, of all access to the Credit Bureau made by its Authorized Personnel and shall immediately advise the Credit Bureau of each and every incident of any unauthorized access and associated disclosure and inform the Credit Bureau of the measures that have been taken to prevent any reoccurrence.

Each Subscriber shall have in place disciplinary and contractual procedures and penalties to be applied in the case of any unauthorized or improper access or use of Credit Bureau information by any employee, agent, or contractor of the Subscriber.

#### **4.12.5 Training of Authorized Personnel**

Persons appointed by a Subscriber to be Authorized Personnel shall be provided with a copy of the relevant sections of this Code, relating to access, use, and disclosure of information held by the Credit Bureau.

## 5 Organizational Structure

### 5.1 Ownership Structure

The First Credit Bureau of Kazakhstan is a private for profit company governed under the laws of the Republic of Kazakhstan. The Charter was signed in \_\_\_\_\_ and the FCB commenced operations in January 2006.

#### 5.1.1 Shareholders

The Shareholders of FCB are [In order of interest held]:

1. CreditInfo
2. ?
3. ?
4. ?
5. ?
6. ?
7. ?

[A request for translation of the entire Charter was made but time did not allow completion - this introduction to the Credit Bureau is intended to convey to new employees what the 'Big Picture' of the operation of the Credit Bureau is. Any items identified in the Charter as to who owns what responsibilities should be briefly describer here. In addition, items such as buying and selling shares should be extracted from the Charter and detailed here.]

Details of an Annual Meeting - when and where it is to be held, what will be on the agenda as standard annual agenda items, who will run the meeting, how it will run, rules of conduct, etc.

Unless parameters are set and roles are clearly defined, annual meetings will run the risk of becoming difficult to hold and/or difficult to make decisions and come to agreements.

It is strongly recommended that the Shareholders consider electing a Board of Directors to represent the Shareholders interests during the time between annual meetings.

The Board should meet on a regular basis with Management of the Credit Bureau (monthly or at least quarterly) and should report back to the Shareholders annually. Conditions for the Board empowerment and calling special meetings should be established.

### 5.2 Management Structure

By way of the Charter, Anvar Ahmedov has been appointed as the General Director to manage day-to-day operations and report to the shareholders of the company. [Note: The original business plan called for a Board of Directors to be composed of representatives from the Shareholders' organizations. As of the writing of this manual, no such body has been created.]

## 6 Introduction

### 6.1 Purpose of a Credit Bureau

The main activity of the First Credit Bureau of Kazakhstan will be to create Credit Histories and deliver credit reports.

The First Credit Bureau of Kazakhstan is an impartial entity that will store all past and present credit transactions for a particular company (legal entity) or person; indicate the manner in which the Subject of the credit profile repaid the obligation to the respective creditors; contain demographic information about the Subject to ensure proper identification; include pertinent information relating to the creditworthiness and ability of an applicant to repay newly established credit, such as public record information or other inquiring parties; and provide an avenue for verification or validation of any information that may be questioned or disputed by the Subject of the credit profile.

The purpose of the Credit Bureau is to amass and maintain, and then make available, pursuant to contracts with Credit Bureau customers (Subscribers), all pertinent credit related information, including demographic data, pertaining to all companies and people in the country of Kazakhstan.

The formation of credit histories and use of Credit Information will take the following principles into account:

- (a) the credit history Subject's consent;
- (b) the equality of all credit history Subjects;
- (c) that information, the credit history database, and the corresponding information system are used in accordance with their intended purpose;
- (d) the confidentiality of information;
- (e) that the protection of the credit history database and the corresponding information system is ensured; and
- (f) that there is no interference in the private life of citizens, and that the rights, liberties, and lawful interests of individuals and legal entities are observed.

### 6.2 Credit Bureau Responsibilities

In accordance with Law no. 573–II, dated July 6, 2004, of the Republic of Kazakhstan 'On Credit Bureaus and the Formation of Credit Histories in the Republic of Kazakhstan', the Credit Bureau will be obliged to:

- (a) form credit histories;
- (b) provide credit reports provided that there is confirmation that the Subject of a credit history has given his/her consent;
- (c) prevent the information contained in the credit histories from being disclosed, with the exception of those situations stipulated in the present Law;
- (d) provide the Subject of a credit history with a corrected version of his/her credit report, subject to the procedure stipulated in the internal regulations of the Credit Bureau, in the event if as a result of the actions or the non-actions of employees of the Credit Bureau, the credit report delivered to the recipient contained information inconsistent with the data submitted to the Credit Bureau by Data Providers;

- (e) to provide the credit history Subject with information on the Data Provider that submitted information that is disputed by the Subject of a credit history, upon his/her request;
- (f) to refuse to provide a credit report if the request for its provision violates legislative requirements of the Republic of Kazakhstan;
- (g) to keep records and submit reports of their activities in accordance with the legislation of the Republic of Kazakhstan;
- (h) to request that a Data Provider corrects and supplements the submitted information that must be reprocessed or specified if there are adequate grounds for this
- (i) to use information resources and systems in accordance with the legislation of the Republic of Kazakhstan;
- (j) to reimburse data providers for the cost of transferring information in the cases as stipulated by the contracts on data submission and/or delivery of credit reports.

### **6.3 Credit Bureau Operational Overview**

The Credit Bureau serves both parties in a credit transaction as a tool to facilitate and accelerate the approval process. The Credit Bureau has been designed to function as a 'repository' of information held by an independent third party enjoying no benefit from any transaction being conducted by the two primary parties.

This will assure accuracy and integrity in the data being furnished to the clients of the Credit Bureau. The Bureau will permit any legal entity with credit-granting potential (bank, merchant, utility company, etc.) and a permissible purpose (in accordance with legislation) the opportunity to become a client with the ability to access available information in exchange for a fee and agreement to provide the credit histories of their existing portfolio, providing they obtain explicit customer authorization in advance of requesting credit profiles.

The following is a brief description of the daily functions of the Credit Bureau:

#### **Data Collection**

The collection of both demographic (personal information such as name, address, age, sex, etc.) and credit data (credit information such as credit balance, payments, etc.) is the most important component in the creation of a database. The entire Credit Bureau concept centres on the collection, storage, and dissemination of credit-related payment history and demographic information. The cornerstone of the data collection process at FCB will be a 'data pump' module described in detail in the CIG reference manual. This module will automatically accept electronic transmissions from Data Providers and update the Credit Bureau database.

The accuracy, integrity, and relevance of the data dictate the value of the core product (the credit profile) offered to the customer base and are the central focus of all of the other office functions.

## **Customer Service**

Credit Administrators will record, validate, process, and handle relations with Subscribers and data Subjects and will administer the data maintenance function. Proper maintenance will help to make possible prompt and efficient service. Customer service applies to existing data information providers, potential customers, and individual Subjects (either companies or individuals of Kazakhstan) of credit profiles. Communication between the credit profile Subjects and the customer service staff of the Credit Bureau is critical to a properly functioning Credit Bureau.

The customer service function includes the following duties:

- (a) answering questions for Subjects of credit profiles,
- (b) instructing Subjects of credit profiles and existing Subscribers about how to proceed in cases of disputed or inaccurate information,
- (c) researching disputes between lenders and Subjects of credit profiles,
- (d) answering questions for existing customers (Subscribers),
- (e) providing elementary technical support for existing Subscribers, and
- (f) amending or supplementing trade line information, when appropriate.

## **Credit Profile Generation**

The credit data contained in the database is also the end product, when properly arranged into a pre-formatted report. The data will be sent back to the Subscribers in a standard, easy-to-read format agreed upon by the management of the Credit Bureau and the technology experts.

There are two distinct steps in the generation of credit profiles. The first is the actual querying function of the database. This function selects the information from the database, pertaining to a specific Subject, and consolidates it into a unique reporting of all pertinent credit data existing in the Subject's file. The primary sorting criteria will be the identification number field, followed by the name field.

The second step of the profile generation process is the actual delivery of the credit profile to the customer. Just as there will be numerous ways in which data must be collected, there will also exist a number of ways to return the final product to the Subscribers of the Credit Bureau. Most reports will be secure electronic transmission.

The Credit Administrators will be responsible for contact with the subscriber base regarding the generation and the delivery of the credit profiles. Since the most predominant method of delivery will be automatic, the Program Technicians will be responsible for overseeing the operation of the connections between the Subscribers and the Credit Bureau. The automatic deliveries should be seamless to the Subscribers, so it is imperative that the connections between the Subscribers and the database are carefully monitored and kept in technologically sound condition.

## **Software and Hardware Maintenance**

Program Technicians (Analysts) will be the backbone of the software system's operational efficiency and SECURITY requirements. They will be cross-trained and possess an intimate knowledge of the database and all other maintenance and transfer modules.

Their duties will include the following:

- (a) technical assistance to all components of the hardware and network equipment of the company,

- (b) technical assistance to all components of the software program used in data manipulation,
- (c) supervision of all uploads and data transfers to and from Subscribers,
- (d) new product development and enhancements of existing Credit Bureau products,
- (e) troubleshooting for inner-office purposes,
- (f) installation and on-site instruction for customers of the Credit Bureau,
- (g) needs assessment and recommendations for potential Subscribers, and
- (h) troubleshooting and customer support for existing Subscribers.

## **6.4 CreditInfo Group Ltd. (CIG)**

CreditInfo Group Ltd. (CIG) supplies the Credit Bureau software. CIG is also a Shareholder in FCB. This Operation Manual refers to the Credit Bureau software as the CIG Suite.

The CreditInfo Group (CIG) was established in March 2003 by the shareholders of Lanstraust hf., to unite the rapidly growing subsidiaries and partnerships that had been established in 2002. CreditInfo Group's shareholders include Kaupthing Bunadarbanki, one of the 10 largest Nordic banks, and two other banks situated in Iceland.

CreditInfo Group Ltd. (CIG) has developed systems and methods that utilize official information and information relating to defaults from its customers, thus forming a decision-making tool for those who lend money, services, or goods.

All of CreditInfo Group core services comply with European Union Directive (95/46/EC) on the handling and transmitting of personal information.

CIG Mission Statement: *"CreditInfo Group and its companies are progressive and leading companies in the area of financial and business information on individuals and legal persons. CreditInfo provides for enlightened business decisions and improved ethics in business. CreditInfo's employees provide the business community with a professional and reliable service".*

CIG's core business is to provide reliable and up-to-date credit information to customers, enabling them to better manage the risk of lending money services or goods / their business risk. Credit reports are the top-of-the-range business information products on companies in the market in which CIG operates.

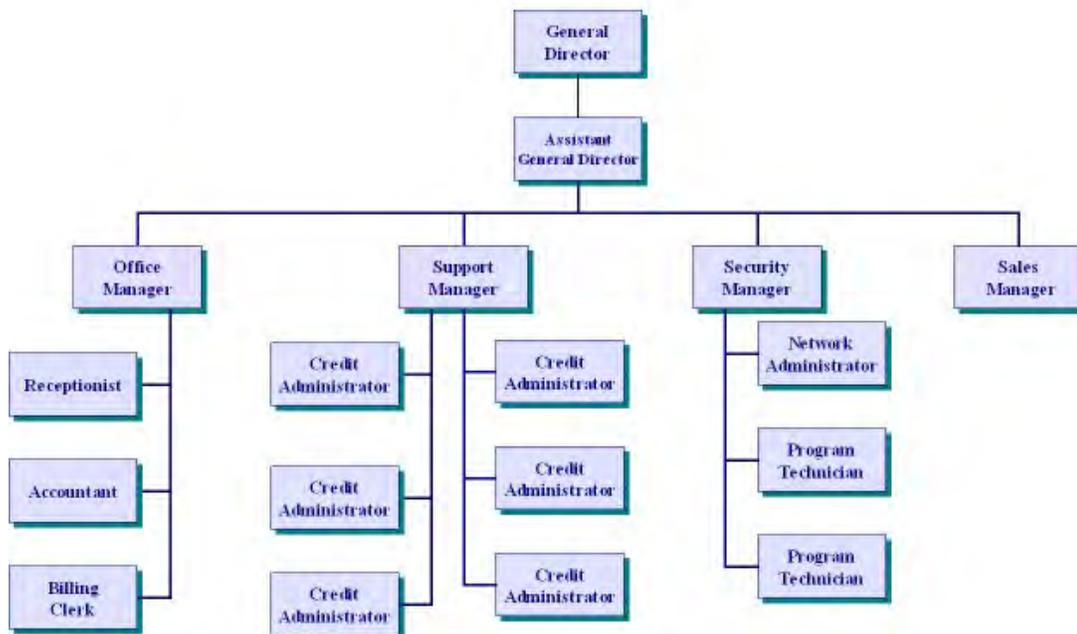
## 6.5 Organizational Chart

The Credit Bureau is a new entity. As such, the growth in volume and staff requirements to meet service level expectations will take time to evolve. The following is a proposed organizational structure to meet the requirements of the Credit Bureau upon start up. The General Director will be required to monitor and amend the organizational structure as the need arises.

The proposal calls for an Assistant General Director to 'share' the duties of the General Director. The second level consists of four Managers, each responsible for a different operational unit of the Credit Bureau. Depending on the final number of Credit Administrators required, there may be a need to appoint 'team leaders' in the Credit Administrator role.

### First Credit Bureau Organization Chart

December 2005



## 6.6 Job Descriptions

### 6.6.1 General Director

The executive body of First Credit Bureau of Kazakhstan is the General Director.

The Shareholders at the Annual General Meeting shall elect the General Director for a maximum term of five years. Only an individual (not necessarily the member party to the Partnership) can be appointed as a General Director.

The primary responsibility of the General Director is to support the decisions made by the Shareholders and to ensure that they are implemented in the daily operation of the FCB. The General Director will prepare the plans and strategies necessary in order to meet the goals and objectives as established by the Shareholders.

The General Director is responsible for the day-to-day operation of FCB in accordance with the laws and regulations governing FCB as well as the Charter of the First Credit Bureau.

**Reports to:** Shareholders

#### **Powers of the General Director:**

- Acting in the name of the Partnership
- Issuance of the Letter of Attorney stipulating the right to represent the Partnership
- The General Manager must submit recommendations to the Shareholders for approval of any issues related to: [There are two specific items identified in the Charter as requiring Shareholder approval]
  1. Software Changes
  2. Location of Premises

#### **Duties and Responsibilities:**

- Accountable to the Shareholders for performance of FCB
- Responsible for a complete understanding and adherence to Law no. 573-II, dated July 6, 2004, of the Republic of Kazakhstan, 'On Credit Bureaus and the Formation of Credit Histories in the Republic of Kazakhstan', as well as any new changes made to this law.
- Responsible for implementation of decisions made by Shareholders
- Responsible for direct communication with individual Shareholders and responding to any questions or concerns from individual Shareholders throughout the year
- Responsible for strategic planning in support of Shareholders' strategic direction
- Responsible for preparation and presentation of a five-year business plan to Shareholders

- Responsible for annual updates to the five-year business plan when changes are required
- Responsible for preparation and presentation of an annual operating budget to Shareholders
- Accountable to Shareholders when the monthly or annual Income Statement (Profit and Loss) varies from the approved Annual Operating Budget
- Responsible for Balance Sheet results and accountable for variances between actual and annual approved Operating Plan
- Responsible for preparation and submission of management reports as identified by Shareholders including but not limited to:
  1. Income statement
  2. Expenses
  3. Sales volumes
  4. New business, new Subscribers
  5. Growth in business
  6. Staff issues
  7. Security issues
  8. Operational issues
  9. Other issues as identified by the Shareholders
- Responsible for product pricing and implementation of pricing strategies to all Subscribers
- Responsible for determining needs of Subscribers and implementing plans and strategies for new products and/or product enhancement
- Responsible for relationship with CIG for software support and maintenance
- Responsible for organizational structure and recruitment of employees
- Responsible for salary administration program
- Establishment of salary management for employees including employee benefits and bonus systems
- Appointment and dismissal of employees as required
- Responsible for all FCB employees' performance
- Responsible for ensuring that all labour relationships are followed in accordance with the current labour legislation.
- Responsible for meeting marketing goals and growth as approved in the Annual Operating Plan
- Responsible for all issues related to physical location of FCB including but not limited to:
  1. Acquisition of furniture
  2. Acquisition of software
  3. Acquisition of computer hardware
  4. Acquisition of leasehold improvements
  5. Changes to communication systems
  6. Entering into support contracts related to premises (monitoring, cleaning, etc.)
- Responsible for establishment and management of FCB banking relationship
- Responsible for third-party (outside professional services) contracts where required

- Ensuring all licensing and governmental requirements are met
- Responsible for maintaining strong customer relationships with all FCB Subscribers
- Responsible for maintenance and updating of FCB Operations Manual
- Preparation for the Annual Shareholders Meeting

**Qualifications:**

[Shareholders should dictate the specific qualifications]

## **6.6.2 Assistant General Director**

The Assistant General Director will be executive hand of the General Director. The Assistant General Director will be responsible for all daily issues and business of the First Credit Bureau.

The Assistant General Director will assume the responsibilities of the General Director in the absence of the General Director.

**Reports to:** General Director

### **Duties and Responsibilities:**

- Acts as second in charge to General Director
- Supports General Director in determining strategies
- Responsible for all Department Managers
- Responsible for event management for any kind of press conferences, seminars, workshops
- Responsible for compliance with all Credit Bureau laws and regulations
- Responsible for legal documents, internal instructions, and guidelines
- Responsible for new Subscriber contracts
- Responsible for Credit Bureau department internal budget control
- Responsible for employee evaluation and salary remuneration recommendations
- Responsible for education practices and PR campaigns related to the Credit Bureau services and products
- Supervisory role for Credit Bureau system, highest decision-maker of the best practices for individual extreme issues related to personal data protection, data Subjects' complaints
- All other duties as assigned by General Director

### **Key Profile Requirements:**

- Requires familiarity with general office accounting
- Requires familiarity with legal issues
- Requires working knowledge of credit reporting
- Requires general knowledge of technological issues

- Experienced in role as senior manager
- Must be organized and good communicator
- Should be fluent in Russian and English
- Academic degree
- Strong negotiation skills
- Clean criminal record

### **6.6.3 Office Manager**

Office Manager will direct and control the Administration processes of the operation on the Credit Bureau. Oversees all accounting functions, banking transactions, and general office duties.

**Reports to:** Assistant General Director

**Duties and Responsibilities:**

- Supports Assistant General Director and General Director in determining strategies
- Oversees immediate clerical and administrative office staff
- Oversees maintenance and necessary upkeep of office
- Responsible for all office correspondence
- Responsible for all administrative rules and regulations of Credit Bureau
- Responsible for all laws pertaining to operation of the Credit Bureau
- Should have familiarity with general office accounting
- Oversees maintenance and necessary upkeep of office
- Responsible for internal audit
- Responsible for organization and preparation of Annual General Meetings
- Responsible for records management procedures—filing and retention of all documents in accordance with laws
- Oversees storage facility and ensures orderly and easily accessible backup records for archived material
- Responsible for archive of all Credit Bureau self-enquiry requests
- Fills in for receptionist in absence
- Responsible for Bank Reconciliation
- All other duties as assigned by Assistant General Director

**Key Profile Requirements:**

- Requires familiarity with general office accounting
- Requires familiarity with legal issues
- Requires working knowledge of credit reporting
- Must be organized and good communicator

- Academic degree
- MS Office
- Strong communicative skills
- Dynamic personality
- Clean criminal record

#### **6.6.4 Security Manager**

The Security Manager is responsible for the technical requirements of the Credit Bureau. In addition to the tight security, the security manager will oversee the entire software and hardware operation.

**Reports to:** Assistant General Director

**Duties and Responsibilities:**

- Supports Assistant General Director and General Director in determining strategies
- Responsible for implementation of new software
- Responsible for software testing
- Responsible for all maintenance, upkeep, updates, and changes to Credit Bureau software program
- Responsible for all other office software in use—accounting, word processing etc
- Responsible for all compliance and ownership requirements pertaining to all software in use
- Responsible for high-level communication with software providers
- Responsible for all client calls pertaining to program malfunction
- Should be involved in creation and implementation of software program
- Responsible for all maintenance, upkeep, updates, and changes to all equipment in use
- Responsible for all communications, network, security, and hardware maintenance and upkeep
- Responsible for all ownership registration requirements pertaining to all hardware in use
- Responsible for design and upkeep of company website

**Key Profile Requirements:**

- At least three years working experience as a system administrator (financial sector preferred)
- Microsoft degree – MCSE 2000/2003
- Requires familiarity with general office accounting
- Requires familiarity with legal issues

- Requires working knowledge of credit reporting
- Requires general knowledge of technological issues
- Experienced in role as senior manager
- Must be organized and good communicator
- Should be fluent in Russian and English
- Academic degree
- Strong negotiation skills
- Driving license
- Clean criminal record

### **6.6.5 Support Manager**

The Support Manager will be responsible for overseeing the customer support area (Subscriber and Subject support) of the Credit Bureau and will be responsible for the Credit Administrators.

**Reports to:** Assistant General Director

**Duties and Responsibilities:**

- Handles and directs all incoming client support calls
- Answers client questions pertaining to the administration of data
- Answers consumer and commercial inquiries into the accuracy of files
- Completes all necessary disclosures, inquiries, and verifications required by law
- Conducts all verifications for any 'enhanced products' offered
- Processes manual data obtained from all non-electronic sources, public records, etc.
- Reviews all information for accuracy and legitimacy

**Key Profile Requirements:**

- Experienced technology 'help desk' leader
- Strong analytical skills
- Requires detailed working knowledge of credit reporting
- Academic degree
- Strong negotiation skills
- MS Office
- Good presentation skills
- Strong communication skills
- Dynamic personality
- Clean criminal record

### **6.6.6 Sales Manager**

Sales Manager will be responsible for domestic sales of Credit Bureau products to new Subscribers and Data Providers. Will act as ambassador to existing clients for sale of new and existing products.

The Sales Manager will also fill the role of 'trainer' and will be responsible for training of new Subscribers. As volume dictates, and new sales activity increases, consideration should be given to adding another person with the title of 'Trainer' to report to the Sales Manager.

**Reports to:** Assistant General Director

#### **Duties and Responsibilities:**

- Supports Assistant General Director and General Director in determining strategies
- Responsible for new client enrolments
- Responsible for new products and services ideas
- Reports on sales activities
- Prepares marketing and sales plans
- Responsible for daily monitoring of newspapers—competition, new prospects on the market
- Responsible for carrying out marketing program
- Responsible for obtaining all necessary contract information required from clients and potential clients
- Responsible for investigating client complaints
- Responsible for membership of the company in various associations and clubs
- Responsible for marketing campaigns and for defining sales and promotion strategies
- Responsible for daily contact with main clients and users

#### **Key Profile Requirements:**

- Experienced sales or marketing in information industry
- Requires working knowledge of credit reporting
- Academic degree
- Strong negotiation skills
- Driving license
- Good presentation skills and dynamic personal skills
- Strong communication skills

### **6.6.7 Accountant**

This person will be responsible for overall accounting activities of First Credit Bureau.

**Reports to:** Office Manager

**Duties and Responsibilities:**

- Responsible for financial reporting preparation
- Responsible for all tax regulation and compliance
- Responsible for all employee regulations and compliance
- Responsible for technical and daily contacts with accounting departments with FCB users
- Responsible for cooperation with financial auditors
- Completion of all day-to-day bookkeeping responsibilities
- Coordinates payroll and appropriate reporting and remitting

**Key Profile Requirements:**

- Experience with general office accounting
- Requires familiarity with legal issues
- Requires general knowledge of credit reporting
- Must be organized and good communicator
- Should be fluent in Russian and English
- Academic degree
- Clean criminal record

### **6.6.8 Billing Clerk**

This person will be responsible for preparation of all invoices to Subscribers, for follow up, and for payment. Billing clerk will also act as backup for receptionist.

**Reports to:** Office Manager

**Duties and Responsibilities:**

- Responsible for preparation of invoices to Subscribers
- Responsible for collection of accounts receivable.
- Assists with tax regulation and compliance

**Key Profile Requirements:**

- Experience with general office accounting
- Requires familiarity with legal issues
- Requires general knowledge of credit reporting
- Must be organized and good communicator
- Should be fluent in Russian and English
- Academic degree
- Clean criminal record

### **6.6.9 Receptionist**

This person will be the first point of contact for telephone calls and company e-mails.

**Reports to:** Office Manager

**Duties and Responsibilities:**

- Directs all incoming telephone calls
- Performs any necessary typing, mailing, or other necessary manual activities
- Sets up appointments for General Director or Sales Manager
- Keeps calendar of General Director and Assistant General Director
- Acts as office liaison and tracks the whereabouts of outside employees
- Responsible to support event management
- Translation skills
- Responsible for collecting the purchase requirements of other employees
- Directs and assigns company driver
- Greets and accommodates all visitors

**Key Profile Requirements:**

- Pleasant personality, outgoing and excellent communicator
- Requires general knowledge of credit reporting
- Must be organized and good communicator
- Should be fluent in Russian and English
- Academic degree
- Clean criminal record

## **6.6.10 Credit Administrator**

The Credit Administrators will be the primary point of contact for all Subscribers and Subjects.

**Reports to:** Support Manager

### **Duties and Responsibilities:**

- Answers questions for Subjects of credit profiles
- Instructs Subjects of credit profiles and existing Subscribers about how to proceed in cases of disputed or inaccurate information
- Researches disputes between lenders and Subjects of credit profiles
- Answers questions for existing customers (Subscribers)
- Provides elementary technical support for existing Subscribers
- Amends or supplements trade line information, when appropriate.
- Answers consumer and commercial inquiries into the accuracy of files
- Processes data obtained from all manual sources
- Reviews all information for accuracy and legitimacy
- Completes all necessary disclosures, inquiries, and verifications required by law
- Conducts all verifications for any enhanced products offered
- Controls functions, regular and irregular control of users: especially data quality of updates, accuracy of data, enquiry competence, legal responsibilities of users, etc.
- Responsible for data testing when assigned
- Responsible for reporting and statistics preparation in cooperation with program person
- Responsible for performing post audits of proper borrower authorization on existing clients
- Basic understanding of the software itself—potential back-up person for program technician

### **Key Profile Requirements:**

- Pleasant personality, organized person who is outgoing and is an excellent communicator
- Requires outstanding knowledge of credit reporting
- Clean criminal record

### **6.6.11 Program Technician**

The Program Technicians are the backbone of the technical support area of the Credit Bureau. They are responsible for monitoring the activity of the data pump, for ensuring accuracy of data being uploaded to the Credit Bureau. They support all technical needs from internal Credit Bureau staff as well as support the Credit Administrators in resolving issues related to software problems and technical issues.

**Reports to:** Security Manager

#### **Duties and Responsibilities:**

- Responsible for all maintenance, upkeep, updates, and changes to Credit Bureau software program
- Responsible for all office software in use
- Responsible for all compliance and ownership requirements pertaining to all software in use
- Responsible for first level communication with software providers
- Responsible for all technical (hardware and software) trouble shooting
- Responsible for all client calls pertaining to program malfunction
- Involved in creation and implementation of software program
- Responsible for all maintenance, upkeep, updates, and changes to all equipment in use
- Responsible for all communications, network, security, and hardware maintenance and upkeep
- Responsible for all ownership registration requirements pertaining to all hardware in use
- Fulfills the role of back-up administrator of the system
- Responsible for design and upkeep of company website

#### **Key Profile Requirements:**

- Young dynamic person, flexible, accurate, reliable
- Academic degree in computer science or engineering
- Expert in Microsoft technologies (MCAD preferred)
- At least two years working experience with C#, .NET and Microsoft SQL 2000
- Clean criminal record, communicative via phone and in face-to-face meetings, driving license

## 6.7 New Employee Requirements

All employees of First Credit Bureau must be carefully screened and pass rigid security requirements and checks. [needed expansion here as to what specific background checks will be performed and by who]

Employees will be required to sign Employment Contracts. [Sample needed - needs to emphasize all legal requirements]

This Operations Manual is not intended to be a Human Resources Manual but it needs to emphasize the need of all employees of FCB to respect the confidentiality of Credit Reports.

This section of the Operating Manual may or may not include key Human Resources material. The Management of HR should address some of the following:

- Probationary Period for New Employees
- Equal Employment Opportunity
- Employee Background Check
- Criminal Records
- New Employee Orientation
- Personnel Records and Administration
- Change of Personal Data
- Employment of Relatives
- Attendance and Punctuality
- Work Schedule
- Absence and Lateness
- Unscheduled Absence
- Meal and Break Periods
- Harassment Policy
- Confidential Information and Nondisclosure
- Dress Code
- Use of Equipment
- Smoking Policy
- Employment Termination/Resignation
- Exit Interview
- Base Compensation
- Timekeeping Procedures
- Overtime Pay
- Payroll and Pay-days
- Performance and Salary Reviews
- Benefits Summaries and Eligibility
- Pre-tax Deductions for Expenses
- Vacation Time
- Sick Leave

## 7 Administration

### 7.1 New Subscriber Procedure

In order to establish a long and lasting strong relationship with a new Credit Bureau Subscriber, it is important to clearly identify the roles and responsibilities of all parties. Credit Bureau staff need to know exactly what specific steps are needed before a new customer can begin using the benefits of the Credit Bureau.

A well-defined and organized methodology is mandatory to ensure every process is addressed properly. The reputation of FCB as a highly professional company that carries with it a high level of credibility will be strengthened by avoiding any problems with Subscribers during this important phase of the new relationship.

In order to document the new subscriber process, the following steps are required in the following order. Like the rest of the Operation Manual, this section must be updated each time a new process is added or changed to the new subscriber requirements.

#### 7.1.1 The Steps for Signing a New Subscriber

The General Director (or Sales Manager) will establish the initial relationship with a new prospective Credit Bureau customer via a system of regular sales calls.

All prospects must meet the legal requirements as defined by the law for being a Data Provider OR for being a Credit Report Recipient. (Refer to the CODE of this Operations Manual for legal definitions of entities allowed to receive credit reports.)

After the sales presentation, complete with a product description, has been made and when the prospect is ready to proceed, a standard SUBSCRIBER contract must be drafted. See Appendix for 'Standard Subscriber Contract'. This document is currently titled *AGREEMENT CONCERNING PROVISION OF INFORMATION AND CREDIT REPORTS GENERATION*.

Products required by the Subscriber (see 'Product Description' procedure) and prices for products (see 'Pricing Procedure') must be agreed upon and included as part of the contract. The prospect should be given a marketing package explaining each product, with samples of each type of report, and a brief explanation of the products and services of the Credit Bureau.

Pricing must be in accordance with FCB 'Pricing Procedure'. Special pricing deals and discounts are not permitted outside of the procedure, which permits volume discounts only. All Subscribers pay the same.

The information sheet must be completed providing all information required to FCB—the name, address, contact persons, phone numbers, etc. Ideally, the information sheet is part of the contract. Subscribers are the financial entity of the system. See Appendix for 'New Subscriber Information Data' form. This form will be used by FCB staff to make the data entry into the FCB database.

Subscribers will be required to identify each department and each employee who will obtain a credit report. All Subscribers have one or more departments. All agreements and every Subscriber employee who will be authorized to obtain a credit report belongs to a specific subscriber department. Departments are used to identify billing centres as each department

can be sent an individual invoice if required. New Subscribers should set up all individual loan processing centres (or branches) as a departments. The new Subscriber should complete a separate form for each different department they select. Each form should have adequate space to enable each individual user to be identified. The completeness of this form will enable smooth data input for new users without the need to go back and forth for additional or missed user/department information.

The prospect will be required to produce to FCB a copy of the 'Credit Consent Form' used in the normal course of business. FCB will retain a copy of this document in its files.

In accordance with the law, new Subscribers must provide the Credit Bureau with the following documents:

1. An application for registration at the Credit Bureau; (the Credit Bureau Subscriber Agreement - should include a paragraph 'Application for Registration')
2. Notarized copies of any licenses that have been issued by the authorized body and that grant the right to engage in an activity requiring a license (for organizations engaged in licensed activities);
3. A copy of their Certificate of State Registration as a legal entity (or as an individual entrepreneur);
4. The full names and titles of the persons who are entitled to send inquiries to the Credit Bureau. The said information will be certified by electronic digital signature of these persons if necessary.

Further, the prospects will be required to confirm that they have read and understand the legal requirements as stated in 'Data Provider's Rights and Obligations' and/or 'Credit Report Recipient's Rights and Obligations' as described in Law no. 573-II under Articles 19, 20, 21, and 22.

FCB will perform a due diligence to confirm the internal policies and procedures of the prospect address:

1. A confidentiality policy
2. A password policy
3. A data security policy

The Assistant General Director (or other qualified lawyer) will review all contracts to confirm compliance with all legal requirements before the document is signed.

All contracts will be signed by the General Director after he has thoroughly reviewed that every requirement, as specified in both the contract as well as this procedure, has been met.

The prospect will be required to meet the FCB requirements for secured communication lines as specified in the technical requirements of the CIG Help Manual.

Project Manager', one from the new Subscriber and one from FCB, will be appointed and will prepare a project implementation plan in accordance with the FCB procedure 'Project Implementation Plan' for new Subscribers.

If the prospect will be a Data Provider, they will be required to meet with the Technical Program specialist at FCB to review the requirements of data submissions.

Test submissions will be prepared and validated in accordance with FCB 'Data Submission Testing' procedures.

FCB will assign a trainer. The trainer will organize and arrange for training at the Subscriber location.

A new Subscriber will be entered into the FCB Administration database only after the General Director has provided the Support Manager with a New Subscriber Information Sheet and has signed off on it.

Only the Support Manager will be authorized to enter new Subscribers into the FCB database. The Support Manager may delegate this function to a Credit Administrator, but must assume complete responsibility for accuracy. See 'CIG Back Office Help Manual' for instructions on entering new Subscribers.

The Support Manager must confirm that the agreements are in place for billing purposes, or must have them added to conform with the Subscriber Contract pricing arrangements.

Each new Subscriber must assign a single point of contact for support issues. The FCB Support Manager will meet with the Subscriber Support Delegate and discuss the FCB 'Subscriber Support Procedure' and provide the Subscriber Support Delegate with a copy.

The Accountant will set up the new Subscriber in the accounting software program as a new Account Receivable Customer.

A file will be created for each new Subscriber. A copy of the contract, other documentation collected, and all miscellaneous correspondence will be retained in the file.

The Subscriber will be required to provide the FCB Project Manager, or Support Manager, with a hard copy of all departments (or branches) that will receive credit reports. The list will be prepared on the 'Subscriber Department Listing' form. (See Appendix)

The Subscriber will be required to provide the FCB Project Manager, or Support Manager, with a hard copy of all USERS that will receive credit reports. The list will be prepared on the 'Subscriber Information Data' form. (See Appendix)

The Credit Administrators are authorized to input new departments and new users into the FCB database. See 'CIG Back Office Help Manual' for instructions on entering new departments and new users.

Departments and Users will be entered into the FCB database by Credit Administrators only after the FCB Support Manager has signed off on the listing.

Users passwords will be automatically assigned by the CIG software.

After a user has been entered into the FCB database, the initial user password must be transmitted by phone call to either the Subscriber Contact Delegate, the Head of the Department, the individual Subscriber user, or other person(s) as have been authorized by the Subscriber. Passwords are not to be sent by e-mail, fax, or otherwise put in writing in accordance with FCB 'Password Procedure'.

After the new Subscriber is setup, all FCB staff need to be informed about the new Subscriber and any special support instructions that may be needed during the new Subscriber's introduction period.

Every Subscriber user MUST change his/her password upon signing on to the FCB Credit Bureau software system the first time.

Only the Support Manager can enter or update Subscriber data. Credit Administrators are authorized to update departments and users. The CIG audit system will generate a weekly report on changes made to departments and users, which must be reviewed and initialled by the Support Manager. This weekly report is to be retained for ten years.

## 8 Subject / Subscriber Dispute Resolution

### 8.1 Dispute Procedure Overview

The First Credit Bureau of Kazakhstan must conduct its business in an impartial manner at all times. The most important commodity of the Credit Bureau, besides its data content, is its reputation for fairness and integrity. The ultimate success of the Credit Bureau is the amount and accuracy of both credit and demographic information that is contained in its database. A credit bureau does not pass judgement relative to any information housed in its database. It does not make any decisions relative to credit applications. It does provide the opportunity for individuals to view their personal credit files and to provide those individuals the vehicle by which they may challenge any information in their files that they believe to be inaccurate.

Communication between the credit profile Subjects and the customer service staff of the Credit Bureau is critical. An integral part of the day-to-day operational functions of the Credit Bureau is the customer relations component. Customer relations applies to individual Subjects (either legal entities or individuals) of credit profiles. The customer relations function would include the following duties:

- answering questions for Subjects of credit profiles,
- instructing Subjects of credit profiles and existing customers about how to proceed in cases of disputed or inaccurate information,
- researching disputes between lenders and Subjects of credit profiles, and
- amending or supplementing trade line information, when appropriate.

***In case of dispute, the Credit Bureau will verify the accuracy/inaccuracy of the information with the source of the data.***

### 8.2 Compliance

In order to comply with the Law, Chapter 7, 'Final Provisions', Article 31, 'The specifics of dispute resolution', the FCB will implement the following procedure to uphold compliance.

The compliance function will be an internally controlled operation. The General Director of the Credit Bureau will regulate the function. A regular schedule and program will be established, on a quarterly basis, to check that:

- Subjects (Customers) have permissible purposes to inquire into credit files,
- Subjects have authorized signatures to inquire into credit files
- authorized users (Subscribers) of automated technology are properly licensed,
- Credit Bureau staff are following proper procedures in investigating, correcting, and amending credit profiles, and
- borrower inquiries or disputes are being handled appropriately.

### 8.3 Steps Required to Address a Subject Dispute

The Credit Bureau staff must conduct an independent reasonable investigation to ensure the validity of the dispute. The following describes the process to be followed:

1. All applications for the investigation of disputed credit information must be made by the Subject of the credit history (the applicant).
2. FCB is obliged to consider an application and take action within fifteen working days from the date the application is received.
3. The applicant should complete a **Notice of Dispute** in accordance with the form approved, or provide all information listed below and submit to FCB in writing. All employees of FCB may accept such notices.
4. The Notice of Dispute will contain the following information: **[Need to make a blank template for this form]**
  - full name (first name, patronymic and last name),
  - place of residence,
  - details of the identification document of an individual ,
  - name and the details of location of a legal entity,
  - specific information in question and contain a claim to be provided with accurate information.
  - contact information as to where the FCB staff can best contact the applicant,
  - signature of application or his/her authorized delegate. The applicant may attach the copies of the documents he/she is referring to.
5. The Credit Bureau staff must assist all applicants with the completion of the Notice of Dispute if requested by the applicant.
6. Immediately upon receipt of the Notice of Dispute, the Credit Bureau staff will log the document in the Notice of Dispute Log (see sample in Appendix) with the date and time the notice was received. **[Need blank template of a dispute log - log is for purpose of recording disputes received as well as recording the outcome of the dispute within the 15 days allowed]**
7. The FCB employee will copy the Notice of Dispute and provide the applicant with a receipt of the notice. (See sample in Appendix)
8. The notice is photocopied and the original is retained in the log book, filed by date received.
9. The copy of the notice is handed to the CREDIT ADMINISTRATOR who assumes responsibility for the investigation and resolution of the dispute.
10. The CREDIT ADMINISTRATOR will first check with the FCB Program Technician (or person responsible for loading the monthly data to the Credit Bureau database) to ensure there was no error made by the FCB in loading the data.
11. All internal investigation must be completed within five (5) working days from the date the dispute was received.
12. If the dispute is not resolved within that time, an authorized person at the source of the credit information (the Subscriber) is to be contacted by phone, fax, or e-mail and is to be provided with a copy of the Notice of Dispute. (In the case of initial phone contact, it must be followed up in writing)
13. The Subscriber has six (6) working days to investigate and report back on the dispute.
14. The response from the Subscriber must be one of the following:

- The information is correct and no change to the FCB database is required. In this case, the Subscriber will be required to provide details to the FCB to accept the outcome of the dispute.
  - The information is not correct, at which time the Subscriber will provide new information by way of a **Notice of Amendment**.
15. If the information received by a Credit Bureau is distorted as the result of operator errors of the Data Provider or the Credit Bureau, as well as the result of other actions or non-actions of their employees, then the Data Provider will submit an accurate information to the Credit Bureau, and the Credit Bureau will deliver a corrected credit report to the Credit Report Recipient and reimburse to him/her all related expenses that have been incurred by him/her.
  16. The Credit Administrator will receive the Notice of Amendment from the Subscriber and will immediately update the data in the Credit Bureau database and will record the dispute as closed in the Dispute Log Book.
  17. If the Subscriber does not respond to the Credit Bureau within six (6) working days, the Credit Bureau will deem the information to be inaccurate and will immediately remove the data from the Credit Bureau database and advise the Subject and the Subscriber.
  18. During the period of time in which the investigation into a Notice of Dispute is handled, any subsequent request for a credit report will clearly denote that the accuracy of data being disputed is currently under review.
  19. If the information in question is consistent with the data of the Credit Bureau and the data of the Data Provider, the Data Provider and/or the Credit Bureau will send the applicant a written refusal to satisfy his/her request in the application and will specify the sources the questioned information was received from.
  20. In the event that the Applicant whose application has been refused makes an additional application, he/she will be responsible for the costs incurred by submission and consideration of the application, and delivery of a motivated answer.
  21. If there is disagreement on how the costs should be distributed, the disputes will be considered in accordance with judicial procedure.

## 9 Customer Support

The key to the success of the Credit Bureau will be effectiveness of the front line in troubleshooting and supporting Subscribers as well as Subjects (*the Support Desk*). The Credit Administrators are the first line of support for all questions, problems, and other issues.

FCB Credit Administrators must be well trained and have excellent customer service skills. Credit Administrators must be very knowledgeable in the use and operation of the FRONT END CIG Suite and must also have a strong understanding of the BACK END. In addition, they require an outstanding knowledge in the use and terminology related to the extension of credit. They need to be knowledgeable lenders as well as software support specialists.

### Support Desk Best Practices Goals

- Average First Call Resolution rate: 65%
- Average Length of first level support calls: 5 minutes
- Average length of first-level support call prior to escalation to second level: 8.5 minutes.
- Average of Helpdesk problems resolved by phone: 69%

Questions to the Support Desk will come from two sources:

1. Subscribers
2. Subjects

### 9.1 Opening a Problem Ticket

The goal should be a resolution during the initial call to the Credit Administrator.

All problems solved or questions answered during the initial call do not require any further action.

Problems not solved during the initial call by the FCB employee taking the call will need to be 'escalated' to other resources for resolution. Tracking these items is important to ensure that every problem receives a prompt response. They will be required to be opened up as 'tickets'.

A ticket is a mechanism used in an organization to track the detection, reporting, and resolution of some type of problem or question. A ticket is a means by which an incident or request is conveyed to the help desk. The 'ticket' is submitted to the help desk, where it waits for a solution by the user. A ticket can be submitted by someone inside the company, by a customer, or by the program itself.

***FCB will open a ticket whenever a problem (or a question) was not able to be resolved during the initial call requiring further investigation or redirection of the problem to a different resource.***

There are numerous support desk software programs used to open, log, and track tickets.

In the absence of a specialized software program, FCB will utilize an MS Excel spreadsheet to record ticket details. The location of the .xls file will be [inset root, path and filename]

Columns to be included are:

- a number assigned to every new ticket,
- date ticket opened,
- Credit Administrator who logged ticket,
- Subscriber name,
- Subscriber USER name and contact phone number,
- Subject name, if applicable,
- brief description of the problem, and
- name of FCB that was assigned the problem.

### **Ticket Tracking**

Ticket tracking is a technique to manage inquiries. It ensures that at any time during the processing of the inquiry, the responsibilities are clearly assigned. This is done by assigning the ticket to a specific person to perform a specific task and repeating this as long as the problem is not solved. Most help desk ticket tracking systems have features to prioritize and schedule tickets as they come in.

The Support Desk should be able to do the following:

- complete help desk audit trail of what actions were taken and by whom,
- manage support contracts by expiry date and/or number of new jobs,
- escalation of help desk job priority,
- transfer of jobs between operators,
- set target completion dates to ensure that problems are dealt with in time,
- track hours and cost spent,
- categorize and prioritize jobs,
- maintain customer, contact, and asset/inventory details and track down those 'problem machines', and
- help desk knowledge base makes it easy to find answers.

All help desk software offers ticket retrieval, tracking, and resolving. This is a key component to the help desk as it helps you see ticket turnaround time and outstanding tickets. Once a help desk ticket is submitted, it goes into the company's database and waits to be resolved. Once all the work is done on the ticket and the problem is resolved, it becomes a closed ticket.

The Credit Administrator is responsible for resolution of the problem and is the owner of the problem until it is resolved. If the problem is passed along to a Program Technician, or another FCB staff member, the Credit Administrator must follow up for a reply. If no reply is given within a reasonable period of time, the Credit Administrator must report the lack of response to the Support Manager, who in turn will contact the Security Manager for follow up.

When a problem is resolved, the Credit Administrator will report back to the Subscriber.

Problems resolved will be recorded in the problem log as 'closed'.

Closed problems (tickets) will be moved and archived.

The Support Manager will review closed problems in order to identify trends requiring further action including changes to the Operations Manual, changes to the User's Manuals, or changes to the FCB Training Manual.

The Credit Administrator will report monthly to the Support Manager on all problems not resolved.

## 9.2 Subscriber Support

Many Data Providers and Credit Report Recipients will not have a complete understanding of the credit reporting process or how to read and understand credit reports. As such, Credit Administrators must all have an exceptional knowledge of how to read and interpret a credit report. Strong ongoing training will be required.

The following are the types of questions from Subscribers and how to respond. As new questions arise, this document should be updated to describe the problem/issue and how to address it in future:

The Credit Bureau does not support the following user problems. In these cases, the User needs to be directed to report the problem to the Subscriber's internal technology department for resolution, or escalation.

**Unable to connect to the Credit Bureau.** Client Support Staff needs to firstly confirm the Credit Bureau is up and running by trying to login into the FCB from an Internet browser. If successful, check that the user has correctly entered (or the bookmarked) the correct www address. Next have the user attempt to go to a known website that is functioning. If the user is not able to access any website, the problem has been identified as an internal Subscriber problem and the User should report it to their internal IT department.

**Printing Problems.** This issue should be re-directed to the Subscriber's internal IT department for escalation. If the problem still exists, the IT person(s) at the Subscriber's location must call in to discuss the problem. Client Support will then re-direct this issue to FCB Program Technicians for escalation.

**User has been locked out of system because of too many failed password attempts.** The User must be instructed to report this problem to the Subscriber's department contact person. The Subscriber's contact person will then request the Client Support to reset the User and advise the Subscriber contact person. Users cannot request a reset directly.

**Other -** [Add to this as new problems arise]

## 9.3 CIG Suite Reference Material

The Operations Manual is not intended to replace the CIG Help Manual, but to supplement it and to complement it. In some cases, a quick reference to materials contained in the CIG Help can be noted in the following section for quick reference.

### 9.3.1 Identification Rules

In order to match a Subject reported from a Subscriber to an existing Subject already in the Credit Bureau database, the following rules apply:

**[not clear what the numbers are nor why some are in parentheses and some are not]**

#### **Identification Rule—Individuals**

Each Individual record must have four identification records with four different IdentificationType IDs:

- RNN – 1
- Patent Number – 4 (mandatory only if classification id = 2 - Individual Private Entrepreneur)
- One and only one of these identifications: Passport (6) or Identity card (7) or Permanent residence permit (8) or Without a document (9)

Each Individual record should have one address record with this address type IDs:

- Permanent residence – 1

#### **Identification Rule—Companies**

Each Company record must have 4 identification records with 4 different identification type IDs:

- RNN – 1
- RegistrationNumber - 11
- OKPO – 10

Each Company record must have 2 address records with 2 different address type IDs:

- Registration place – 4
- Factual place – 5

## **9.4 Subject Support**

As Subjects become educated and become more familiar with the credit reporting process, they will generate support calls to the FCB Support Desk. Credit Administrators must be patient with Subjects and take the time required to help the Subject understand the reporting process as well as the Subject's rights in accordance with the law.

The following are the types of questions that may arise and the process to be followed in responding to each. As new questions arise, this procedure must be updated to address how each new situation should be handled. This document will then grow into a 'frequently asked questions' (FAQ) web page on the Credit Bureau website.

### **9.4.1 Subject Requests for Copy of Credit Report**

1. All requests for credit reports from individuals must be made in writing.
2. The same form used for Dispute Resolution can be used.
3. The same information must be provided to the Credit Bureau.
4. Proper identification must be produced.
5. Reports will be sent to Subject by mail only, by way of registered mail.
6. Subject must have a valid reason for requesting the report. Valid reasons include being declined for credit. Curiosity is not a valid reason.
7. Only one report per year will be provided to a Subject.
8. The first report is free.
9. Subsequent requests for reports, provided there is a valid reason, will be provided to the Subject at a cost posted on the price list of reports.

## 10 Data Acquisition Procedure (Uploading Data)

The collection of both demographic (personal information such as name, address, age, sex, etc.) and credit data (credit information such as credit balance, payments, etc.) is the most important component in the Credit Bureau database. The entire credit bureau concept centres on the collection, storage, and dissemination of credit-related payment history and demographic information. The cornerstone of the data collection process at FCB will be a 'data pump' module described in detail in the CIG Technical Reference Manual. This module will automatically accept electronic transmissions from Data Providers and update the Credit Bureau database.

The accuracy, integrity, and relevance of the data dictate the value of the core product (the credit profile) offered to the customer base and are the central focus of all of the other office functions.

The Security Manager has responsibility for the data uploading process.

### 10.1 Responsibility of Data Provider

#### Data Pump

Inserting new or changed data from Data Providers is imported or 'pumped' into the Credit Bureau database using the CIG software system module called a '**data pump**'. The process utilizes web services. The data pump function has two options:

1. Upload function
2. UploadZippedData function

For both functions it is necessary to prepare an XML document containing all the elements that should be imported. The responsibility for mapping data from the Subscriber database to the Credit Bureau database is that of the Subscriber. See CIG Technical Document for Banks for complete description and further details regarding the XML preparation. The XML has to conform to specific schemas.

Before sending the XML through the Upload or UploadZippedData it should be validated by the Subscriber against the XML schema to make sure that the XML is in fact structured correctly.

The following path should be followed when inserting data:

1. Create valid XML and zip it.
2. Call the UploadZippedData function and send in the zipped data.
3. Check the response to see if there is some invalid data.
  - a. If invalid data: Fix data and send again (step 1).
  - b. If only valid data: Continue to step 4.
4. The data goes into processing during the night.
5. The next day, call the GetBatchStatus function using the batch ID that was returned in step 3. Results of what was inserted and what was not will be reported. If the batch ID is 4 the batch has been imported to the live database.

## 10.2 Responsibility of Credit Bureau

The Security Manager will maintain a log of ALL Data Providers as follows:

Subscriber Name	Scheduled Date of Data Upload	Date Data Received	Date Data Validated

1. There will be a MASTER LOG that includes the name of EVERY Data Provider. As new providers are added, the Master Log will be updated.
2. On the first day of every month, the Security Manager will print a copy of the Master Log.
3. Every morning the CIG Suite will be checked for the status of new data upload transmissions received from Data Providers during the night.
4. In the case of a file received that is zipped, the following action is required
  - [needs to be described in detail]
5. The number of records will be logged.

Subscriber Name	Records Inserted	Records Updated	Records Rejected

6. An analysis of the new records inserted as well as number of records changed needs validation against the total number of records from each Subscriber that were already in the database BEFORE the uploaded records were added.
7. For example, the total number of updated records cannot exceed the number of records in the database as of the previous month's end.

8. A review of the records rejected is required to determine the reasons for rejects. If the number is high, contact with the Subscriber is required to resolve error ratios.
9. The Subscriber should be followed for correction and re-submission of the rejected records.
10. The Credit Bureau staff will need to 'test' a sample of the new and updated records.
11. Testing scripts should be pre-prepared in accordance with the 'Testing Procedure' and staff needs to physically inspect the output of these test records to confirm the output appears as was expected.
12. A process needs to be put in place to determine the records 'paid off' during the month.
13. The Program Technician should run a SQL Query to compare balance reported in the upload to the balance reported the previous month.
14. The most common source of problem is the Subscriber using the wrong import file. Human error causes an old file to be loaded instead of a new file. The results of the balance test will validate that the Subscriber used the correct import file.
15. As new errors are found, this procedure MUST be updated to implement a NEW testing process to avoid future occurrences of the same errors.

### **10.2.1 Manual Updates from a Data Upload Batch**

Each batch submitted by a Data Provider is automatically checked for data integrity by the CIG Suite. If all data Subjects can be uniquely identified and if each record contains sufficient data, a batch record is considered valid it is added to the database. Otherwise it is sent back, as a part of the system's answer, with an error code that identifies what was wrong with the record and how it could be fixed.

Semi-automatic inserts/updates will be implemented where a Credit Administrator of FCB will manually try to sort out records that were not entered into the system due to some data collision. An example of a collision would be: a name of an individual did not completely match any name stored in the database even if though the address did. The employee would then reject, accept, or update records while fitting data manually. A semi-automatic update will, in some part, replace the automatic update.

## 11 Testing Procedures

The accuracy of the Credit Bureau database is critical. Great care must be taken to confirm that the data being entered into the database is correct. In order to accomplish this, extensive testing processes are required. The following outlines the testing methodology to be used.

1. All new files submitted must come from the Data Provider with summary information including but not restricted to the following: **[these next four items are not really separate numbers; suggest they be made bullets below no. 1, with subsequent renumbering beginning with current no. 6]**
2. The total number of unique Subjects
3. The total number of records (loans) for all Subjects
4. The total number of new records
5. The total number of updates
6. After the data have been loaded to the test server, the CIG Suite will generate summary reports. These must be compared to the above numbers expected and any differences need to be addressed before updating the live database.
7. Depending on the size of the data file, a random number of '**scripts**' must be created by the Data Subscriber and validated by the Credit Bureau staff.
8. A **script** is a manually prepared blank form with ALL Subject demographic data as well as all data for the individual credit (loan transaction).
9. After the file is loaded to the test server, the Credit Bureau staff will select a random number of entries to validate.
10. They will print and provide the Data Subscriber with a list of Data Subscriber account numbers.
11. The Data Subscriber will be required to provide the Credit Bureau with all information needed to complete a 'test script'.
12. The Data Provider can either fill in a blank form, or can do screen captures, and screen prints of all Subject information.
13. Upon receipt of a test script, the Credit Administrators will directly access the Subject information in the Credit Bureau database and print complete advanced credit reports for each Subject. Then great care must be taken to confirm the data on the credit report matches the data expected from the test script. Where it does, the information will be highlighted as confirmed. Upon completion, the Credit Administrator will sign the test script and file it.
14. Test scripts can be re-used for future and subsequent testing.
15. A second important validation process is checking for 'fragmentation'. Fragmentation occurs when there exists multiple records for same Subjects in the Credit Bureau database. Where two Subjects appear to be the same person or entity, the Credit Administrators will need to validate whether the Subjects are in fact the exact same or whether they are in fact different. In the case of the same, the two files are consolidated into one file. (See CIG Help Manual for how to combine files.)
16. Other standard testing steps include:
17. **[add more here as new errors are discovered - in every case where an error occurs, a new testing procedure and expansion of the test script is mandatory to validate against the same error reoccurring]**

## 12 Products and Services

This section describes the products, services, and pricing options for the Credit Bureau in Kazakhstan. The FCB is being launched with the pre-defined CIG credit reports.

### 12.1 Credit Reports

The credit report will be the core product offered by the Credit Bureau to the **Subscribers**. This product is simply a report, furnished to clients, divulging any or all of the pertinent demographic and credit data contained in the main database, for the purpose of helping creditors to determine the creditworthiness of a particular applicant for credit.

By default the CIG system ships with three pre-defined credit reports that build on a 'detail level' hierarchy. The reports will have different content and different price rates. FCB will commence operations with versions of the following reports:

1. **Basic report** – Basic identification data on the data Subject, summary statistics on existing credits; negative debt information that is considered public.
2. **Standard report** – Same as basic report. With the addition of a historical 12-month payment profile and information on already terminated credits (debt that has been paid).
3. **Advanced report** – Same as standard report. Shows also debt records where the report Subject is a co-debtor or a guarantor along with ties to other parties involved with the debt record (if they exist).

FCB will offer one specific report that builds on historical information from identification documents:

4. **ID Historical report** – This report will contain historical information as well as most updated ones on identification documents, which data Subjects used in their contacts with Subscribers.

Reports for individual Subjects are different from reports for companies (legal entities). The following chart is a summary of all Credit Bureau products currently available:

### 12.1.1 Types of Reports - Products

	<u>Product</u>	<u>Description</u>
1	Credit Report – Basic, Individuals	Identification data, summary statistics on existing credits, Negative debt information for individual Subjects
2	Credit Report – Basic, Companies	Identification data, summary statistics on existing credits, Negative debt information for legal entities or companies
3	Credit Report – Standard, Individuals	Basic + addition of a historical 12-month payment profile and information on already terminated credits
4	Credit Report – Standard, Companies	Same as above for companies
5	Credit Report – Advanced, Individuals	Standard + debt records where the report Subject is a co-debtor or a guarantor along with ties to other parties involved with the debt record (if they exist).
6	Credit Report – Advanced, Companies	Same as above for companies
7	Credit Report – Documents	Historical information as well as most updated ones on identification documents, which data Subjects used in their contacts with Subscribers.
8	Credit Report – Subject Data Information	
9	Agreement Report	
10	Credit Report – Company Subject Data Information	
11	Credit Report – Individual Subject Data Information	

## 12.1.2 General Information Included in Reports

The following is a summary of the data available for each credit report—basic, standard, and advanced.

<u>DATA</u>	<u>BASIC</u>	<u>STANDARD</u>	<u>ADVANCED</u>
REPORT SUBJECT	X	X	X
SUBJECT, FAMILY, AND WORK DETAILS			X
PERMANENT ADDRESS – CURRENT AND HISTORICAL	X	X	X
IDENTIFICATION DOCUMENTS – HISTORY		X	X
CLASSIFICATION OF A BORROWER	X	X	X
NEGATIVE DATA – CURRENT AND HISTORICAL	X	X	X
SUMMARY INFORMATION – DEBTOR AND CO-DEBTOR	X	X	X
SUMMARY INFORMATION – GUARANTOR		X	X
DETAILED INFORMATION – EXISTING CONTRACTS		X	X
DETAILED INFORMATION – TERMINATED CONTRACTS		X	X
DETAILED INFORMATION – EXISTING APPLICATIONS			X
INTERCONNECTED SUBJECTS			X

## 12.1.3 Specific Information Included in Reports

The following is the specific data available for each report, by data category. It includes a description of exactly what is in each field of the report and what the valid fields are. Further clarification or explanation of the field is provided where needed (otherwise self explanatory).

All FCB staff is required to know what every element of a credit report consists of, or they must know how to look the information up in these tables. Those employees who need a more detailed explanation as to what a specific field means should use the following tables. This table should be updated on a regular basis with additional text added to further explain each item whenever required.

A sample copy of each credit report follows this section. The samples are for Individuals—Basic, Standard and Advanced. **Samples for Companies need to be added.**

## 12.1.4 Report Subject

### Individual Subject Data

<u>REPORT SUBJECT</u>	<u>Description, or Valid Options</u>
FI Unique Number	A number unique to the Subscriber, member, or client
RNN	Tax Registration Number
SIC	
Date of Birth	Format - .dd.mm.yyyy
Gender	
Education	0 = Basic
	1 = Secondary
	2 = Secondary - Special
	3 = Higher education
Marital Status	1 = Unmarried
	2 = Married
	3 = Divorced
	4 = Widow(er)
Present Surname	Last name only
Name	First name
Father's Name	Fathers full name
Birth Name	
Place of Birth (City)	
Place of Birth (Region)	
Country of Birth (Code)	See appendix for valid country codes

### Company/Legal Entity Data

	<u>Description</u>
Name of the company	
Trade name of the company	
Abbreviation of the trade name	
Legal form	1 = State Enterprise 2 = Full (Liability) Partnership 3 = Partnership in Commendum 4 = Limited Liability Partnership 5 = Additional Liability Partnership 6 = Joint Stock Company

	<p>7 = Production Cooperative</p> <p>8 = Institution</p> <p>9 = State Institution</p> <p>10 = Public Association</p> <p>11 = Non-Profit Joint Stock Company</p> <p>12 = Consumer Cooperative</p> <p>13 = Social Fund</p> <p>14 = Religious Association</p> <p>15 = Farm</p> <p>16 = Other forms stipulated by legislative acts</p>
Ownership type	<p>0 = Public Sector Ownership</p> <p>1 = Private Sector Ownership</p>
Nationality	See country table in the appendix
Employee Count	<p>0 = Less than 5</p> <p>1 = 5 to 20</p> <p>2 = 21 to 50</p> <p>3 = 51 to 100</p> <p>4 = 101 to 250</p> <p>5 = 251 to 500</p> <p>6 = 500 to 1,000</p> <p>7 = 1,000 to 3000</p> <p>8 = Over 3,000</p>
Economic Activity	<p>0 = Wholesale trade</p> <p>1 = Agriculture</p> <p>2 = Retail Trade</p> <p>3 = Education</p> <p>4 = Public Service</p> <p>5 = House-Keeping</p> <p>6 = Scientific, Technical and Professional activity</p> <p>7 = Mining Industry/Fuel and Energy Sector</p> <p>8 = Business Management and Entrepreneurship</p> <p>9 = Industry and Machine Building</p> <p>10 = Arts, Entertainment, Leisure Activities</p> <p>11 = Finance and Insurance</p> <p>12 = Health Care and Social Aid</p> <p>13 = Student</p> <p>14 = Pensioner</p> <p>15 = Construction</p> <p>16 = Community Services (Public Utility)</p>

E-mail	E-mail of the company
Company status.	1= Existing 2 = Closed down 3 = Temporarily Closed Down

### 12.1.5 Subject, Family, and Work Details

<b>SUBJECT, FAMILY, AND WORK DETAILS</b>	
Number of children	1 = Under 18 2 = Over 18
Number of dependents	Includes children above + all other dependants
Employee's Salary (net)	Net MONTHLY Salary
	0 = Less than 3,000 Tenge per month
	1 = 3,000 – 12,000 Tenge per month
	2 = 12,000 – 25,000 Tenge per month
	3 = 25,000 – 40,000 Tenge per month
	4 = 40,000 – 70,000 Tenge per month
	5 = 70,000 – 100,000 Tenge per month
	6 = 100,000 – 150,000 Tenge per month
	7 = 150,000 – 200,000 Tenge per month
	8 = 200,000 – 250,000 Tenge per month
	9 = 250,000 – 300,000 Tenge per month
	10 = 300,000 – 400,000 Tenge per month
	11 = 400,000 – 500,000 Tenge per month
	12 = Over 500,000 Tenge per month
Telephone	
Fax	
E-Mail	
Street + Number	
City	
ZIP Code	
Region	
Country	
Cellular Phone	

### 12.1.6 Permanent Address—Current and Historical

<b><u>PERMANENT ADDRESS—CURRENT AND HISTORICAL</u></b>	
<u>Current</u>	
Street + Number	Current address
City	
Date of registration	
ZIP Code	
Region	
<u>Historical</u>	Previous addresses
Street + Number	
City	
Date of registration	
ZIP Code	
Region	

### 12.1.7 Identification Documents—History

<b><u>IDENTIFICATION DOCUMENTS—HISTORY</u></b>	
<b>Primary and Secondary Documents</b>	
Document name	
Date of identification document issuance	
Location of the document's issuance	
Record Date	
Identification document number	
Expiration date of identification document	

### 12.1.8 Classification of a Borrower

<b>CLASSIFICATION OF A BORROWER</b>	
Borrower classification	1 = Natural Person
	2 = Individual Private Entrepreneur
Resident	1 = Resident
	2 = Non-Resident
Citizenship	See Country Table in Appendix
Foreigner's citizenship	See Country Table in Appendix
Patent	n/a
Subject's Position	0 = Full-time Employment
	1 = Part-time Employment
Subject's Employment	0 = Public Employee
	1 = Employed in the Services Industry / Sales Person
	2 = Employed in Production/ Worker
	3 = Enterprise Owner
	4 = Employee
	5 = Top manager
	6 = State Authority's Employee
	7 = Other
Economic Activity Group	0 = Wholesale trade
	1 = Agriculture
	2 = Retail Trade
	3 = Education
	4 = Public Service
	5 = House-Keeping
	6 = Scientific, Technical and Professional activity
	7 = Mining Industry/Fuel and Energy Sector
	8 = Business Management and Entrepreneurship
	9 = Industry and Machine Building
	10 = Arts, Entertainment, Leisure Activities
	11 = Finance and Insurance
	12 = Healthcare and Social Aid
	13 = Student
	14 = Pensioner
	15 = Construction
	16 = Community Services (Public Utility)
	17 = Unemployed

	18 = Other
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### 12.1.9 Negative Data—Current and Historical

<b><u>NEGATIVE DATA—CURRENT AND HISTORICAL</u></b>	
<u>Current and Historical Data</u>	
Negative status of the client	1 = Customer untraceable or Died
	2 = Assets frozen or Seized
	3 = Supervisory/Crisis Administration
	4 = Bankruptcy Petition by Bank
	5 = Court Action by Bank
	6 = Court-Declared Bankruptcy
	7 = Liquidation
	8 = Fraud
	9 = Unauthorized Debit Balance on Current Account (not related to current operations)
	10 = Untrustworthy Information Presented by Client
	11 = No Negative Information Related to the Subject
Negative status of the contract	1 = Assignment of Credit to Third Party (with discount)
	2 = Unauthorized Debit Balance on Current Account
	3 = Loan Transferred to Losses, 100% non liquid, on balance sheet account
	4 = Loan Written Off to Off-Balance Sheet Account
	5 = Credit Reassigned to a New Borrower
	6 = Blocked
	7 = Increased Risk
	8 = Cancelled Due to Delayed Payments
	9 = Contract Status Is Not Negative
Date of registration	

**12.1.10 Summary Information—Debtor and Co-debtor**

**12.1.11 Summary Information—Guarantor**

[not really clear what the right-hand column is/what should be done with it. If these are simply definitions of the items on the left, better to include in those boxes]

<b>SUMMARY INFORMATION—DEBTOR AND CO-DEBTOR / or GUARANTOR</b>	
<u>Number of existing contracts</u>	Contracts that are still open and active
- Installment Credits	Loans with payment schedules
- Credit Cards, Revolving Credits	Credit with a maximum limit and payment amounts based on balance
- Non-Installment Credits	Loans with no fixed repayment terms
<u>Number of terminated contracts</u>	Contracts that are now paid in full
- Installment Credits	
- Credit Cards, Revolving Credits	
- Non-Installment Credits	
<u>Number of rejected applications</u>	
- Installment Credits	
- Credit Cards, Revolving Credits	
- Non-Installment Credits	
<u>Total outstanding debt</u>	
- Installment Credits	
- Credit Cards, Revolving Credits	
- Non-Installment Credits	
<u>Total debt overdue</u>	
- Installment Credits	
- Credit Cards, Revolving Credits	
- Non-Installment Credits	
<u>Number of inquiries (12M)</u>	Number of times Subject file has been reported on during past 12 months
- 1st quarter	
- 2nd quarter	
- 3rd quarter	

**12.1.12 Detailed Information—Existing Contracts**

**12.1.13 Detailed Information—Terminated Contracts**

<b><u>DETAILED INFORMATION</u></b>	
Code of contract	Used to link details to creditor <b>[means??]</b>
Purpose of Credit	1 = Replenishment of Current Assets 2 = Acquisition of Fixed Assets/Capital Investment 3 = Consumer Mortgage Loan 4 = Commercial Mortgage Loan 5 = Purchase of Car 6 = Other Consumer Purposes
Contract status	1 = Assignment of Credit to Third Party (with discount) 2 = Unauthorized Debit Balance on Current Account 3 = Loan Transferred to Losses, 100% non liquid, on balance sheet account 4 = Loan Written Off to Off-Balance Sheet Account 5 = Credit Reassigned to a New Borrower 6 = Blocked 7 = Increased Risk 8 = Cancelled Due to Delayed Payments 9 = Contract Status Is Not Negative
Type of guarantee	1 = Non-secured 2 = Personal/Commercial Real Property 3 = Vehicles 4 = Equipment 5 = Pledge of Right of Demand 6 = Collateralised by Securities and Precious Metals 7 = Goods 8 = Collateral to be Provided in Future 9 = Real Property under Construction 10 = Deposit 11 = Other Property 12 = Guarantee/Bail of a Physical Person 13 = Guarantee/Bail of a Legal Entity 14 = Other Types of Guarantee
Value of guarantee	
Classification of the contract	NOT USED

Total Amount	
Number of installments	
Periodicity of payments	1 = Fortnightly Installments -15 days 2 = Monthly Installments - 30 days 3 = Bimonthly Installments - 60 days 4 = Quarterly Installments - 90 days 5 = Four-Month Installments - 120 days 6 = Five-Month Installments - 150 days 7 = Six-Month Installments - 180 days 8 = Annual Instalments-360 days 9 = At the final day of the period of contract 10 = Irregular Installments
Method of payments	1 = Banking Account Direct Debiting 2 = Issuance or Endorsement of Bills of Exchange 3 = Cash 4 = Direct Remittance 5 = Receivables with Payment Order (incl. those executed without acceptance) 6 = Other
Monthly installment amount	
Link to pledger	
Last Update	
Type of funding	1 = Overdraft 2 = Loan 3 = Factoring 4 = Forfeiting 5 = Leasing 6 = Discounted Bill of Exchange 7 = Letter of Credit 8 = Guarantee 9 = Credit Cards 10 = Contingent Liabilities
Currency Code	
Date of application	
Date of Credit Start	
End of Contract	
Factual full credit repayment date	Date credit was paid in full
Nr. Of outstanding installments	Number of payments until credit is paid in full
Outstanding Amount	Balance owing as of last update

Nr. Of Overdue installments	Number of Payments due but not made
Overdue Amount	Amount of past due payments
Link to co-debtor	
Link to guarantor #1	
Subject's Role	1 = Borrower 2 = Co-Debtor with joint liability 3 = Guarantor - Obligatory 4 = Pledger Obligatory 5 = Assigned 6 = Statutory Deputy Obligatory 7 = Employer 8 = Partner/Owner/Shareholder Obligatory 9 = Wife/Husband 10 = Other affiliated persons
Yearly historical calendar of payments	Number of payments made each month

#### 12.1.14 Detailed Information—Existing Applications

<b><u>DETAILED INFORMATION—EXISTING APPLICATIONS</u></b>	
Code of contract	
Purpose of Credit	
Total Amount (Limit)	
Financial Institution (Creditor)	
Type of funding	
Currency Code	
Date of application	
Subject Role	
<b><u>INTERCONNECTED SUBJECTS</u></b>	
Type of link	

## 12.2 Product Pricing

FCB strategy for pricing is to treat all Subscribers equally, both Data Providers as well as Credit Report Recipients.

Normally Data Providers will have a lower price than those Credit Report Recipients who do not supply data or who supply it in hard copy requiring manual entry.

Discounting is done on a volume basis where the larger the volume, the lower the price. All Shareholders must be treated equally and no special pricing can be extended to one Shareholder unless all Shareholders receive the same opportunity. This excludes the volume-based discounts that some Shareholders may reach while others have lower volumes.

Pricing is structured and tiered based upon volume.

The following is the pricing matrix for the products available.

<u>Product</u>	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>
Credit Report – Basic, Individuals			
Credit Report – Basic, Companies			
Credit Report – Standard, Individuals			
Credit Report – Standard, Companies			
Credit Report – Advanced, Individuals			
Credit Report – Advanced, Companies			
Credit Report – Documents			
Credit Report – Subject Data Information			
Agreement Report			
Credit Report – Company Subject Data Information			
Credit Report – Individual Subject Data Information			

## **12.3 Potential Future Product Expansion**

The following potential new products were identified during the Business Plan stage. In order to keep them in focus, they are being added to the Operating Manual as potential new products for a future date as the FCB database matures and FCB earns a reputation of providing added value for retail credit products.

### **Service Credit Bureau for the National Bank of Kazakhstan**

Private banks and non-banks in Kazakhstan are required to report, on a monthly basis, all loans to individuals where the balance is more than \$6,667 USD (1 million T.) and all small business loans, regardless of the balance outstanding. This information is transferred, by electronic interface to the NBK, with software developed by NBK. Prior to the commencement of this database in 1996, all information was maintained in 'hard copy' format. Each month the above noted enterprises are to report information when a loan transaction is completed and reported on existing accounts if there has been a change in those enterprises financial circumstances over the previous thirty-day period. It is estimated approximately 25,000 to 30,000 accounts are updated each month.

The Service Bureau could assume responsibility for the operation of the current database of consumer and business loans housed at the NBK, handle information transfer from Kazakhstan Banks to be placed in the NBK database, prepare reports, and satisfy other needs as identified by the NBK relative to this database.

The Credit Bureau would gain a complete understanding of all functions performed by the NBK database and simulate and improve these at the Credit Bureau. This would include acceptance of information, follow up for missing or incomplete information, and creation of reports.

This product is at the discretion of the National Bank of Kazakhstan. The service is for the purpose of keeping the Credit Bureau generating operating income in the formation stages.

### **Real Estate/Automobile Lien Searches**

Every attempt should be made to develop a real estate/automobile lien search service for creditors as soon as possible because of its high demand potential.

The Credit Bureau would conduct lien searches of real estate and automobiles on behalf of second-tier banks and other lending institutions that may wish to encumber an asset/automobile as security on a consumer loan. The Credit Bureau would develop a relationship with the Real Estate Center and Traffic Police Department that would allow a review of their databases of registered property and automobile liens to determine whether individuals, pledging real estate or automobiles as security for consumer loans, have any recorded liens against these same assets.

When a consumer applies for a loan with a bank, and pledges his apartment or automobile as security, he will sign a form authorizing the Credit Bureau to verify the status of his apartment or automobile with the Ministry of Justice/Traffic Police Department (the Traffic Police

Department currently requires consumer authorization in order to check for automobile liens). The form would be sent by the bank to the Credit Bureau to allow it to follow whatever procedure the Real Estate Center or Traffic Police Department sets. The results would show that either the real estate or automobile is free and clear of any liens or there is a lien and the name of the bank (or other lender) that holds the lien. This information would then be returned to the requesting party. The process should be completed within several hours. Other information about the real estate or vehicle could be included as well.

### **Enhanced Credit Profile**

Certain loans, especially mortgages, require much greater investigative procedures on the part of lenders. For an additional cost, the Credit Bureau staff would be able to produce and return to the client a credit profile that contains the following value-added features:

- verified current residence information,
- verified employment information,
- verified salary,
- all current balances updated, and
- mortgage liens checked.

When a bank is considering lending a higher than usual amount to a consumer or commercial entity, it would be desirable to obtain more than the information furnished in the standard credit profile. The Credit Bureau would service requests for updated and enhanced information for high-dollar and specialized loans, such as mortgages. The mortgage market in Kazakhstan is currently experiencing considerable growth. It is anticipated that new mortgage products will be developed, adding demand for Credit Bureau services.

A variety of custom-created formats could be used. A special form would be submitted to the Credit Bureau containing an applicant's express authority to conduct such an investigation, and a report that contains the normal credit profile would be returned with additional sections containing specific information pertaining to salary, employment, residence, etc. The completed report would be delivered to the client upon completion. The estimated time for this type of product varies, dependent upon the requested party's response time. The general turnaround time should average between three and five days.

### **Risk-Based Scoring Model**

An increasingly popular tool in the credit card, mortgage, and banking industries is 'risk-based scoring'. This is the process whereby a numeric score is assigned to a credit profile indicating the likelihood of the applicant defaulting on a new loan. A custom-designed computer matrix generates the score. The existing data in a credit profile is run through the computer matrix, giving different weights to elements in that file (e.g., ratio of balances to high credit; number of times late within the past 12 months; number of existing revolving balances; etc.). The score that is produced, based upon a pre-set scale, factors in loan history, current activity, recent trends, and borrowing patterns of the particular applicant.

**Insurance** - [this product is currently under development for the next release]

## 13 Accounting Procedures

### 13.1 Accounting Software

[Need name of accounting software used, and brief notes regarding version, backup of data, access, users, passwords, etc]

### 13.2 General Ledger Chart of Accounts

The following is a list of the Chart of Accounts and a brief note as to the description and use of each account.

[Insert Chart of Account table - description of account, what it is used for]

### 13.3 Record Safekeeping

All printed material containing credit report information on Subjects must be retained by FCB in special holding containers. This material is to be shredded and disposed in a way that no one can access or re-construct the original document. [describe exactly who and how shredding will occur]

### 13.4 Record Retention

In accordance with the Law, records are to be retained for ten years.

[Needs description, list of records, retention period, storage procedures and destruction processes]

The Credit Bureau will keep a record of requests for the issuance of credit reports and a record of all credit reports provided.

### 13.5 Monthly Billing Reports

Describe here the monthly reports are generated by the CIG System that are produced and retained.

For example, the Law requires that the Credit Bureau keep a record of requests for the issuance of credit reports and a record of all credit reports provided. In order to comply, the following procedure is required:

Each month, a person responsible (Credit Administrator or Program Analyst) must print the report showing every request received as well as every report provided—by month, by Subscriber, by department, by day of month—showing Subject data and Subscriber user data.

This will be done in duplicate with one copy handed over to the Billing Clerk for the purpose of preparing and submitting a monthly invoice to the Subscriber. The Subscriber should be provided with a copy of the report list, generated by department and showing the user who obtained the report.

FCB will then retain the copy in order to comply with Law

## **13.6 Invoicing and Accounts Receivable**

Describe process for monthly billing to subscribers

### **13.6.1 Past Due Invoices**

The policy of FCB is to permit a maximum period of non-payment for products and services of not more than 90 days.

When a Subscriber account is past due by 60 days or more, a call to the primary contact at the Subscriber is to be made. Results of that conversation are to be recorded.

Payment must be followed and received within 90 days.

If payment is still outstanding, the General Director will contact Subscriber and determine if the Subscriber's privileges for reports are to be suspended or not, pending receipt of payment.

## **13.7 Payment of Expenses**

The procedure for payment of expenses is listed here.

1. All invoices for expenses will be received by the receptionist.
2. Each invoice will be stamped with the day received.
3. The Office Manager will then review each invoice, make a copy of it, and forward the original invoice to the appropriate individual or department for approval.
4. The individual will confirm receipt of the goods and/or approval of the expense by way of signing the original copy of the invoice.
5. The invoice will be returned to the Office Manager, who will then match it to the photocopy made.
6. Follow up for invoices not returned will be made by the Office Manager by reviewing the photocopies on a monthly basis.
7. The Office Manager will then submit both copies to the Accountant for payment.
8. The Accountant will prepare a request for payment (see sample below)
9. The request for payment will be forwarded to the General Director for final approval.
10. After the General Director approves, the Accountant will proceed with payment by the following method...[explain]

### **13.7.1 Travel and Entertainment Expense Accounts**

The policy for FCB travel and entertainment expense is .....[complete]

Monthly expense reports must be prepared by the employee and processed in the same way as all other invoices as described above.

All expenses related to meals and entertainment must be submitted on an expense report. Expenses are paid monthly, unless otherwise approved by the General Director.

## **13.8 Management Reports**

[describe]

Financial Statements

Balance Sheet: Assets

Balance Sheet: Liabilities And Stockholders' Equity

Income Statement: Revenues

Income Statement: Expenses

Budget Vs. Actual Report

Financial Ratio Analysis

Weekly Financial Report

Cash Flow Report

## **13.9 Bank Account Reconciliation**

The person who issues payment of invoices is not permitted to perform the bank reconciliation. It needs to be a different party. Bank reconciliation must be completed monthly. The final bank reconciliation must be reviewed and approved by the Office Manager and/or General Director.

[describe rest of bank rec procedure - who, and how]

## **13.10 Purchasing and Vendor Selection**

Every purchase requires a purchase order per the following FCB form [need one]

Purchases under ?? may be made by all Department Heads or Managers.

Purchases over ?? require the approval of the Assistant General Director

Purchases over ?? require the approval of the General Director

Purchases over ?? require a tender process [described as follows]

The following purchases are not permitted unless the approval of the Shareholders is obtained: [detail]

## 14 Security

The purpose of this policy is to establish procedures for maintaining an end user computing environment within FCB that is controlled, consistent, and secure and that will enhance the productivity of end users while protecting the confidentiality of both Subscribers and Subjects.

FCB has implemented basic security policies and controls that govern end user computing operations, and management has the authority to evaluate the risks associated with end user computing.

FCB will engage an external consultant to conduct an independent third party security audit on the operations of FCB on an annual basis. Results of this audit will be reported to the Shareholders and will be made available to other FCB Subscribers.

The security policy is subject to regular revisions. The revisions are carried out minimally in two-year intervals or more frequently, if necessary, usually based on the evaluation of information security condition. The first revision of security policy will be carried out within one year from starting FCB activities.

For the Credit Bureau to succeed in this objective, a high level of trust must be maintained between the Credit Bureau, its Subscribers, and the general public. Subscribers of the Bureau must be confident that the information they provide to the Credit Bureau about their customers will not be misused. Individual customers (Subjects) must be confident that their privacy will be protected and that the information they provide to Credit Bureau Subscribers will be used in a responsible manner.

The Credit Bureau and its Subscribers wish to ensure that its operations are transparent, maintaining the confidentiality of the credit information reported to the Credit Bureau and respecting the information privacy rights of those individuals whose personal and credit information may be recorded in the Credit Bureau's files.

The IT Security Manager is responsible for maintenance of this security policy. These security measures hold up to high security standards and minimize risk.

This security policy defines the basic principles for ensuring **confidentiality, integrity, and availability of information** at FCB.

The security procedure will address the following areas of security:

- (1) Physical Security, and
- (2) Logical Security.

## **14.1 Technical Environment**

The Technical environment is a complete description of the FCB technical infrastructure.

This section of the manual will consume many pages as it needs to be a complete shopping list of what would be required to be purchased if the entire Credit Bureau infrastructure, all hardware and all software, were to be destroyed.

It must be specific in the descriptions of hardware.

### **14.1.1 Network Diagram**

### **14.1.2 Listing of Hardware**

### **14.1.3 Listing of Software**

[All hardware and software needs to be documented.]

## 14.2 Physical Security

### 14.2.1 Support Room Access

The physical location of the FCB staff and their workstations is known as the Support Room.

All new employees are required to be screened for security and must pass minimum standards before being hired by FCB. The Support Room access is controlled by an electronic device. Electronic keys (cards) will be issued to all new employees. See detail below regarding the issuance of electronic and mechanical keys.

Temporary passes (electronic keys / cards) for non employees may be issued by the Security Manager or the General Director. All keys are to be logged in the KEY CONTROL log or register.

Employees of FCB initiating a visit of an individual from outside of the Company are responsibility for such visitors.

Any unauthorized persons shall be prohibited from entering the supporting room.

### 14.2.2 Server Room Access

The physical location of the computer known as the primary database server, holding all key information, is in a secured and controlled area known as the SERVER ROOM. Other primary computer equipment will also be held in the Server Room. Refer to Technical Network Infrastructure Diagram for complete listing of all equipment held in the Server Room.

Access in to the Server Room of the 'First Credit Bureau' is strictly limited and is regulated by the following procedure.

The Security Manager has the overall ultimate responsibility for the security of the Server Room.

The following FCB employees have been approved by the General Director and the Security Manager to have controlled access of the Server Room. The following is an example of the SERVER ROOM - AUTHORIZED EMPLOYEES log:

Employee Name	Employee Position	Date

Access to the server room is for the following purposes:

- (1) installation / support / maintenance of computer hardware, and
- (2) cleaning of the Server Room.

All keys, both mechanical and electronic, are to be logged in the KEY REGISTER log. No duplicate keys will be made. In the case of a lost key, the Security Manager is to be notified immediately. Sample of KEY REGISTER log:

Key Number and Key Type	Employee Name	Date Assigned	Signature

All access to the server room must be scheduled and must be done under the supervision of either the Security Manager or the General Director. In the case of an emergency access, no scheduling is required. In a case where the Security Manager and the General Director are not available, two employees on the approved list above, are required before access can be obtained.

All access to the server room will be logged in a SERVER ROOM ACCESS LOG:

Date	Employee Name or Contractor Name	Purpose	Approval

The mechanical lock of the Server Room shall be unlocked by the Security Manager. No person, other than those listed as approved employees, are permitted into the Server Room. Persons not on the approved list, such as contractors or external consultants, are required to obtain the approval of the Security Manager or General Director prior to entry into the server room. The Security Manager or General Director is to remain with anyone in the Server Room until his or her task is completed.

The Security Manager must then update the register—Server Room Access Log.

All keys for the Server Room and the electronic access card shall be kept by the Security Manager and may not be passed to anyone.

The Security Manager shall seal the door into the Server Room and thereafter the alarm must be switched on.

### 14.2.3 Server Room Physical Security

#### Requirements to Secure the Server Room

- (1) The door is a steel double pane door.
- (2) The door is locked with a mechanical device and keys are controlled by only the Security Manager.

- (3) The door is locked with an electronic device and access cards are controlled by the Security Manager.
- (4) Where possible, the Server Room is not on an outside wall. If need dictates an outside wall, any windows will be sealed and reinforced with iron bars or permanently closed in.
- (5) The Server Room is to be permanently alarmed and monitored by an external third-party alarm monitoring company twenty-four hours X 365 days per year.
- (6) The room should be equipped with an automated fire extinguisher system, and system is to be tested annually.
- (7) Room is monitored by a Video Monitoring System.
- (8) Room temperature is controlled with air conditioner and room monitored for temperature at all times. The temperature of the room must be maintained at 68° to 75°F (20° to 24°C)
- (9) Relative humidity in the Server Room is controlled. Relative humidity levels between 45% and 55% will be maintained.
- (10) Inspection of the equipment is to be done at least weekly by the Security Manager to confirm that the cooling fans are working on the computer power supplies and CPUs and the hard drives are not making any unusual noises.
- (11) Preventative hardware maintenance contracts will be entered into annually.

The alarm monitoring company is [insert name, address and phone number of company that monitors equipment] and the persons listed below are to be contacted in the case of any alarm.

Security Manager - [Name] [Phone]

General Director - [Name] [Phone]

Other [?]

### **Other Contact Information**

This section of the operating procedure is used as a reference and must contain the contact information for all external service and support companies, or individuals including the following:

Mechanical Locks - [describe make of locks, special notes and provide the name, address and phone number of the company to call in the case of a mechanical lock service]

Electronic Locks - same as above

Air Conditioning - same as above

Video Monitoring - same as above

Fire Prevention - same as above

Other - same as above for ANY other service call that may be required to address a problem in the server room.

### **Video Observation System**

[Insert operating procedures for Video Observation System]

#### **14.2.4 Computer Equipment Security**

Firewalls must be fully deployed with secure processes for administering those firewalls. Firewalls must protect website from inappropriate and unauthorized access.

Use and regularly update anti-virus software.

Regularly test security systems and processes.

#### **14.2.5 Tape Backup Procedure**

The backup strategy is considered an integral part of the database operations. Automated backup procedures have been established to insure that all of the Credit Bureau's databases are backed up each day. A DLT (Digital Linear Tape) device is used for backup, as this media has significantly higher capacity and reliability.

As the Credit Bureau system matures, it will become important to be able to access data from different time periods. These archives will be used as data sources for the development and testing of new products. They can also be used to provide 'what-if' analysis on portfolios for both existing and potential new clients.

The following describes the procedure to be followed for the backup of FCB data.

All backups will be made to [describe media used, capacity, manufacturer, etc]. [Describe tape backup hardware and tape backup software used].

Instructions for tape back-up:

- (1) time of day,
- (2) person responsible,
- (3) processes that need to be completed before the backup starts,
- (4) the location of tapes, and
- (5) the software used - [provide step by step instructions]

When the completed, any FCB employee should be able to follow these instructions and prepare a backup - otherwise - expand the procedure and further explain the steps.

Full system backups are to be made monthly on the 5<sup>th</sup> of every month.

Incremental backups are to be made daily at 3 a.m. each day.

Two copies of backup tapes are to be made.

One is retained at FCB and the other is stored off site.

All tapes are to be labeled with the date and backup type.

[Describe exactly where and how tapes will be sent]

Tape backups are to be tested on a quarterly basis

Tapes are to be retained for ten years.

## 14.2.6 Electronic Disaster Recovery Plan (EDRP)

[This requires a complete and a detailed procedure outside the scope of the Operation Manual]

Risk, the possibility of damage or loss, is described mostly in dependencies of threat and vulnerability, or impact and probability.

There are six concepts in risk analysis:

- (1) assets,
- (2) vulnerabilities,
- (3) threats,
- (4) impacts,
- (5) likelihood, and
- (6) safeguards

Risk analysis involves the identification and assessment of the levels of risks calculated from the known values of assets and the levels of threats to, and vulnerabilities of, those assets.

Risk management involves the identification, selection and adoption of countermeasures justified by the identified risks to assets and the reduction of those risks to acceptable levels.

The disaster recovery plan will need to balance the need to continue to provide service in the event of a disruption, including power disruption, with the cost associated. Continuous availability despite system failures, data failures, and disasters, human errors, and planned maintenance require risk mitigation.

## 14.3 Logical Security

### 14.3.1 Network and Connectivity

All web Services will only be accessible over Secure Socket Layer connections (SSL).

Client computers with web browsers and internet access are needed to use the web interface of FCB. A 56.6 KB modem is set as a minimum requirement for regular system users.

Servers are recommended as devices to connect to the XML web wervices. Data uploading through the Data Pump requires a minimum of a 512 KB from sender, 1 MB at receiving end (FCB). Minimum requirements for reports over XML web services: 56.6 KB modem at receiving end, 1 MB at sender (FCB).

FCB must maintain a log of all-important information regarding connectivity to each Subscriber. This log must be kept current at all times and it is to be used as a reference when addressing connectivity problems.

Every Subscriber is responsible for the users to whom they grant access.

A sample of the SERVER ADDRESS LOG is as follows:

Subscriber	Contact Person	Server Address	Other Information

### 14.3.2 Software Security Measures Implemented

The following list indicates the security measures implemented.

- Secure Socket Layer
  - Each instance is set up to run over a SSL connection.
  - SSL connections are tied to security handling and restrictions that only allow specified domains/computers to interact with the content running over SSL.
  - Front Office, Back Office, and Web Services are split up to run on separate SSL connections.
- FCB Password Policies
  - A password must be at least 8 characters long and must contain at least one lower-case character, one upper-case character, and one numerical character.
- Domain Root Certificates
  - Domain Root Certificates are used to limit access to the instances.
- 128-Bit Connection String Encryption

- All connection strings are encrypted separately with a 128-bit encryption mechanism that is 'domain centric', i.e., it uses the unique identification number of the computer that runs the instance to encrypt it.
- This renders a copy of a connection string useless if it is moved to another machine.
- 128 Password Hash and Salt Methods Using SHA1.
  - Passwords are unbreakable—even from code.

### **14.3.3 FCB Password Policy**

The following password policy applies to employees of FCB for selection of their personal passwords. All Subscribers should have a similar internal password policy.

Passwords are an important aspect of computer security. They are the front line of protection for user accounts. A poorly chosen password may result in the compromise of FCB's entire corporate network. As such, all FCB employees (including contractors and vendors with access to FCB systems) are responsible for taking the appropriate steps, as outlined below, to select and secure their passwords.

#### **Passwords Policy**

A password must be at least 8 characters long and must contain at least one lower-case character, one upper-case character, and one numerical character.

#### **Passwords Not Permitted**

The password should NOT be a word found in a dictionary

The password should not be a common usage word such as:

- Names of family, pets, friends, co-workers, fantasy characters, etc.
- Computer terms and names, commands, sites, companies, hardware, software.
- Birthdays and other personal information such as addresses and phone numbers.
- Word or number patterns like aaabbb, qwerty, zyxwvuts, 123321, etc.
- Any of the above spelled backwards.
- Any of the above preceded or followed by a digit (e.g., secret1, 1secret)

#### **General Password Policies of FCB**

Passwords should never be written down or stored on-line.

Create passwords that can be easily remembered. One way to do this is create a password based on a song title, affirmation, or other phrase. For example, the phrase might be: "This May Be One Way To Remember" and the password could be: "TmB1w2R!" or "Tmb1W>r~" or some other variation. (Do not use this example as an actual password.)

Do not use the same password for FCB accounts as for other non-FCB access (e.g., personal ISP account, option trading, benefits, etc.).

Do not share FCB passwords with anyone, including administrative assistants or secretaries.

All passwords are to be treated as sensitive, confidential FCB information.

- Don't reveal a password over the phone to ANYONE.

- Don't reveal a password in an e-mail message.
- Don't reveal a password to a supervisor.
- Don't talk about a password in front of others.
- Don't hint at the format of a password (e.g., 'my family name').
- Don't reveal a password on questionnaires or security forms.
- Don't share a password with family members.
- Don't reveal a password to co-workers while on vacation.

If someone demands a password, refer them to this document or have them call someone in the FCB IT Security Department.

Do not use the 'Remember Password' feature of applications (e.g., Eudora, Outlook, Netscape Messenger).

Do not write passwords down and store them anywhere in your office. Do not store passwords in a file on ANY computer system (including Palm Pilots or similar devices) without encryption.

If an account or password is suspected to have been compromised, report the incident to FCB IT Security and change all passwords.

Password cracking or guessing may be performed on a periodic or random basis by FCB IT Security or its delegates. If a password is guessed or cracked during one of these scans, the user will be required to change it.

### **Password Change Frequency**

All user passwords must be changed every six months. The IT Security will maintain and follow up for password changes. Do not write passwords on this log, record only the dates.

All FCB employees are to be listed on a PASSWORD CHANGE LOG as per the following example:

<b>Employee Name</b>	<b>Date Password Last Changed</b>	<b>Next Change Date</b>

## 14.4 Responsibilities of Subscribers

The participating Subscribers ensure information security in the FCB through technical and organizational measures. These requirements are detailed in the AGREEMENT CONCERNING PROVISION OF INFORMATION AND CREDIT REPORTS GENERATION (Agreement Contract).

Subscribers are administrators of personal data of their Subjects. Subscribers must treat data on Subjects obtained from the FCB as additional data on their Subjects and must apply the same confidentiality policies for the additional data received.

Subscribers must define suitable internal security measures for preventing unauthorized or accidental access to personal data, their change, destruction, or loss; unauthorized transfers; and another's unauthorized processing and misuse of the Subject's personal data. This security policy fully respects the international standard describing organization and management of information security. This security policy provides the following obligatory security measures:

- (1) organization and management,
- (2) information security is programme-managed and organized,
- (3) Chairman of the Board and Executive Director are responsible for the information security condition, and
- (4) the role of the Security Manager in the organization, management, and performance of professional activities in information security is defined.

## **14.5 User Access / Login Security**

### **14.5.1 Built-in Logical Security**

The built-in security will rely on a connection to the database that uses a special Database user. The connection string will be encrypted for each web server and thus cannot be re-used between servers. User access will be password based and all passwords will be encrypted in the database. The hashing algorithm used for this encryption depends on a specific hash string that is user centric. This means that once a password has been encrypted it is virtually unbreakable, even by employees of the company using the system. It can only be broken through the source code, and then only if the programmer has access to the hashing algorithm, the correct hash string, and the correct password in its encrypted state.

Direct URL manipulation to access pages outside access privileges is viewed as an attempt to break the system. Such attempts will be logged and handled. Thus direct URL manipulation is not a threat.

Parameterized queries and stored procedures will be used to access data. This eliminates the threat of SQL injection and query manipulation.

Database error messages and other system error message that might expose vulnerable data such as system or database schema will not be allowed to float up to the user interface. A friendly error message will be displayed while actual error messages will be logged to the server that generated the error. This eliminates the threat of error message exposure.

Certificates will be required for web service communications where users of the web service must send valid and verified credentials with each call to a web service. This method—bundled together with SSL communication—secures access to the services and their data.

### **14.5.2 Failed Login**

All major transactions in the system will be logged with the current user ID, his IP address, and enough information to trace the transaction. The logs created will also be used as a foundation for billing.

All system errors are logged. In specific instances, the system also sends an e-mail to the technical division of Creditinfo Group.

If a user fails to log in for three, or more, times in a row, the system will send an e-mail to an FCB administrator with all available information.

The FCB Administrator will immediately log the

### **14.5.3 FCB Logical Security**

The FCB database is protected on the secured premises of the computing centre. Access to data is protected with a combination of logic, physical, personnel, and organization measures from unauthorized access and damaging or destroying.

FCB has created its own internal system of procedural and technical security that complies with the international standards.

Authorized users only have access to the FCB data. Each user has been assigned with a unique user name and selects his/her own secret password, whose knowledge is a necessary condition for allowing access to the system.

Attention is devoted to educating the users to be responsible for the protection of their passwords. Technical measures are also taken on the side of the system forcing regular changes of passwords and selection of quality passwords. The passwords in the system are ciphered in such a way so that nobody has access to them.

User access rights are limited according to the principle of power minimization. Where possible, the principle of separating incompatible powers and separating roles is applied.

Activities of users are monitored and checked in the system.

The system uses built-in security for user access. It is setup to run on a secure site (to encrypt communication between the system and the browser). At this time, access is not restricted. The staff of FCB will review a daily report to identify DOS (Denial of Service) attacks. If detected, the administrator will input an IP restriction on the production server.

All IP restrictions will be logged in a RESTRICTED IP ADDRESS LOG similar to the following:

Date	IP Address	No. Of Attempts	Other Information

FCB will closely monitor the frequency of attacks. In the case of the attacks increasing at a high rate, the security structure will be modified to enable only known IP numbers or groups.

#### **14.5.4 System Development and Maintenance**

The FCB system development is managed by CreditInfo. Changes are evoked based on the formal process of change management and they have to be agreed by the users affected by these changes (Subscribers (banks), FCB) prior to their implementation.

Every change is tested and formally approved before putting it into use.

Changes must not violate information security. Programming and testing new versions is carried out separately from data and programmes of the current version of the FCB live database.

System maintenance is ensured by employees appointed for that, whose access to the system is limited and who respect the principle of separated roles. If this work is done by supplier companies, their responsibility for information security is ensured contractually.

#### **14.5.5 Administration of Main Activity Continuity**

The availability of FCB services is ensured according to the user requirements agreed in advance. The term for such agreement is called a 'Service Level Agreement' (SLA).

### **Compliance control**

Compliance controls of this security policy are carried out on an ongoing basis by management employees, especially the Security Manager. The information security condition is evaluated in writing at least once per year and the participating Subscribers, especially Shareholders, are informed of the conclusions.

To a limited extent, the controls of protocols and other records of events and activities of the users are maintained in FCB by way of internal procedures and a variety of event logs. The results are evaluated and form an integral part of the evaluation of information security condition. If necessary, corrective measures are taken immediately.

FCB ensures that the requirements of the Law are fulfilled thoroughly, especially in relation to personal data protection and ensuring secrecy. The IT Security Manager is responsible for timely identification of all changes in the regulations that can have impact on FCB activities and for evoking adoption of the respective measures.

## 15 Electronic E-Mail Policy

**Company Property**—As a productivity enhancement tool, FCB encourages the business use of electronic communications systems, notably the Internet, telephone, pager, voice mail, electronic mail, and fax. Unless third parties have clearly noted copyrights or some other rights on the messages handled by these electronic communications systems, all messages generated on or handled by FCB electronic communications systems are considered to be the property of FCB.

**Authorized Usage**—FCB electronic communications systems generally must be used for business activities only. Incidental personal use is permissible as long as it does not consume more than a trivial amount of system resources, does not interfere with worker productivity, and does not pre-empt any business activity. FCB electronic communication systems must not be used for charitable fundraising campaigns, political advocacy efforts, religious efforts, private business activities, or personal amusement and entertainment. News feeds, electronic mail mailing lists, push data updates, and other mechanisms for receiving information over the Internet must be restricted to material that is clearly related to both FCB business and the duties of the receiving employees. Employees are reminded that the use of corporate information system resources must never create the appearance or the reality of inappropriate use.

**User Identity**—Misrepresenting, obscuring, suppressing, or replacing another user's identity on an electronic communications system is forbidden. The user name, electronic mail address, organizational affiliation, and related information included with electronic messages or postings must reflect the actual originator of the messages or postings. Employees must not send anonymous electronic communications. Employees must provide their name and phone number in all electronic communications.

**Use Only FCB Electronic Mail Systems**—Employees must not use their personal electronic mail accounts with an Internet service provider or any other third party for any FCB business messages. Employees must not use the electronic mail features found in web browsers for any FCB business communications. They must employ authorized FCB electronic mail software.

**Use Of Encryption Programs**—Employees are reminded that FCB electronic e-mail communications systems are not encrypted. If sensitive information such as Confidential or Secret must be sent by electronic communication systems, an encryption process approved by the Information Security department must be employed. Mobile computers, notebook computers, portable computers, personal digital assistants, and similar computers that store FCB-sensitive information must consistently employ file encryption to protect this sensitive information when it is stored inside these same computers, and when it is stored on accompanying data storage media. Users of these types of computers who are recipients of sensitive information sent by electronic mail must delete this information from their systems if they do not have encryption software that can properly protect it. Employees must not use encryption for any production electronic communications system unless a backup key or a key escrow system has been established with the cooperation of Information Security.

**Labelling Electronic Mail Messages**—All electronic mail messages containing sensitive information must include the appropriate classification in the header. This label will remind recipients that the information must not be disseminated further or be used for unintended purposes without the proper authorization.

**Respecting Intellectual Property Rights**—Although the Internet is an informal communications environment, the laws for copyrights, patents, and trademarks apply. Employees using FCB electronic mail systems must repost or reproduce material only after obtaining permission from the source, quote material from other sources only if these other sources are properly identified, and reveal internal FCB information on the Internet only if the information has been officially approved for public release. All information acquired from the Internet must be considered suspect until confirmed by another source.

**Respecting Privacy Rights**—Except as otherwise specifically approved by the Information Security manager, employees must not intercept or disclose, or assist in intercepting or disclosing, electronic communications. FCB is responsible for operating, maintaining, and protecting its electronic communications networks. To accomplish these objectives, it is occasionally necessary to intercept or disclose, or assist in intercepting or disclosing, electronic communications. To meet these objectives, FCB may employ content monitoring systems, message logging systems, and other electronic system management tools. By making use of FCB systems, users consent to permit all information they store on FCB systems to be divulged to law enforcement at the discretion of FCB management.

**No Guaranteed Message Privacy**—FCB cannot guarantee that electronic communications will be private. Employees must be aware that electronic communications can, depending on the technology, be forwarded, intercepted, printed, and stored by others. Electronic communications can be accessed by people other than the intended recipients in accordance with this policy. Because messages can be stored in backups, electronic communications actually may be retrievable when a traditional paper letter would have been discarded or destroyed. Employees must be careful about the topics covered in FCB electronic communications, and must not send a message discussing anything that they would not be comfortable reading about on the front page of their local newspaper.

**Contents Of Messages**—Employees must not use profanity, obscenities, or derogatory remarks in electronic mail messages discussing employees, customers, competitors, or others. Such remarks may create legal problems such as trade libel and defamation of character. Employees must concentrate on business matters in FCB electronic communications. As a matter of standard business practice, all FCB electronic communications must be consistent with conventional standards of ethical and polite conduct.

**Statistical Data**—Consistent with generally accepted business practice, FCB collects statistical data about its electronic communication systems. Using such information, technical support personnel monitor the use of electronic communications to ensure the ongoing availability, reliability, and security of these systems. FCB employs computer systems that analyze these types of statistical information to detect unauthorized usage, toll fraud, denial of service attacks, and other problems.

**Incidental Disclosure**—Technical support personnel must not review the content of an individual employee's communications out of personal curiosity or at the request of individuals who have not gone through proper approval channels. Advance approval by the Information Security manager is required for all such monitoring.

**Addendum on Outbound Electronic Mail**—A footer must be automatically appended to all outbound electronic mail originating from FCB computers. This footer must make reference to the possibility that the message may contain confidential information, that it is for the use of the named recipients only, that the message has been logged for archival purposes, that the message may be reviewed by parties at FCB other than those named in the message header, and that the message does not necessarily constitute an official representation of FCB. Example of footer to be sent with all outbound e-mail as follows:

*This e-mail may contain confidential information for the sole use of the intended recipient. Any review or distribution by others is strictly prohibited. If you have received this e-mail in error, please contact the sender and delete all copies. Opinions and/or recommendations expressed or contained herein are not given or endorsed by First Credit Bureau of Kazakhstan (FCB) unless otherwise affirmed independently by FCB. Information and/or other materials contained herein or attached hereto are for informational purposes only and do not constitute an offer or solicitation by anyone in any jurisdiction.*

**Writing-** Keep paragraphs and messages short and to the point, focus on one subject per message, include a pertinent subject title for the message. Correct spelling, grammar, and punctuation are a must. Activate the spell check option within Outlook.

**Handling Attachments**—When sending an attachment to a third party, employees must attempt to use rich text format or simple text files whenever possible. Employees must encourage third parties to send them files in these same formats whenever reasonable and practical. All other attachment files must be scanned with an authorized virus detection software package before opening or execution. In some cases, attachments must be decrypted or decompressed before a virus scan takes place. Employees must be suspicious about unexpected electronic mail attachments received from third parties, even if the third party is known and trusted.

**Message Forwarding**—Electronic communications users must exercise caution when forwarding messages. FCB sensitive information such as Confidential or Secret must not be forwarded to any party outside FCB without the prior approval of a local department manager. Blanket forwarding of messages to parties outside FCB is prohibited unless the prior permission of the Information Security manager has been obtained.

**Public Representations**—No media advertisement, Internet home page, electronic bulletin board posting, electronic mail message, voice mail message, or any other public representation about FCB may be issued unless it has been approved by the General Director. FCB, as a matter of policy, does not send unsolicited electronic mail, nor does it issue unsolicited fax advertising. Nobody outside FCB may be placed on an electronic mail distribution list without indicating his or her intention to be included on the list through an opt-in process. If FCB employees are bothered by an excessive amount of unwanted messages from a particular organization or electronic mail address, they must not respond directly to the sender. Recipients must forward samples of the messages to the system administrator in charge of the electronic mail system for resolution. Employees must not send large number of messages in order to overload a server or user's electronic mailbox in retaliation for any perceived issue.

**User Backup**—If an electronic mail message contains information relevant to the completion of a Subject credit file, contains potentially important reference information, or has value as evidence of an FCB management decision, it must be retained for future reference. Users must regularly move important information from electronic mail message files to word processing documents, databases, and other files. Electronic mail inboxes must not be used for the archival storage of important information.

**Purging Electronic Messages**—Messages no longer needed for business purposes must be periodically purged by users from their personal electronic message storage areas. After six months of electronic mail messages are stored on FCB mail servers, they must be automatically deleted by IT systems administration staff.

**Harassing or Offensive Materials**—FCB computer and communications systems are not intended to be used for, and must not be used for, the exercise of the employees' right to free speech. These systems must not be used as an open forum to discuss FCB organizational changes or business policy matters. Sexual, ethnic, and racial harassment, including unwanted telephone calls, electronic mail, and Internal mail, is strictly prohibited. Employees who receive offensive unsolicited material from outside sources must not forward or redistribute it to either internal or external parties, unless this forwarding or redistribution is to the General Director or FCB IT Security department in order to assist with the investigation of a complaint.

**Responding Directly to the Sender**—Employees must respond directly to the originator of offensive electronic mail messages, telephone calls, or other electronic communications. If the originator does not promptly stop sending offensive messages, employees must report the communications to the General Director. FCB retains the right to remove from its information systems any material it views as offensive or potentially illegal.

**Use At Your Own Risk**—Employees access the Internet with FCB facilities at their own risk. FCB is not responsible for material viewed, downloaded, or received by users through the Internet. Electronic mail systems may deliver unsolicited messages that contain offensive content.

## 16 Appendices

[This section of the Operations Manual should have copies of the following:]

1. A sample of every type of credit report produced (3 samples are enclosed, but still required for subjects of a business or a legal entity).
2. A blank 'list' for every type of check list, or logging list used. (All lists should be retained in a single binder, with TABS to identify, and wherever possible the Credit Bureau should not have multiple books each having a specific purpose—too many different books makes it too difficult to manage and control)
3. There should be a blank copy of every template for every type of agreement entered into by the Credit Bureau. (Subscriber Agreement)
4. There should be a blank 'form letter', on Credit Bureau letterhead, that can be copied and used for every different type of correspondence sent out by the Credit Bureau.
5. A copy of the Charter should be in the appendices.
6. A copy of the Law, and any other regulations should also be retained in the appendices.
7. A copy of all regular reports issued, daily, weekly, monthly, and annually. If required, explanations should be contained elsewhere in the Operations Manual as to what the data on the report is saying, how to produce it, and how to read it.
8. If every piece of reference material that could ever be used were in a single Operation Manual, staff would have but one place to look for specific documents.

## Basic Report

FIRST CREDIT BUREAU - KAZAKHSTAN			
<b>CREDIT REPORT - BASIC</b>		<b>Registration ID</b>	<b>416552654</b>
<b>REPORT SUBJECT</b>			
<b>FI Unique Number</b>	B129876	<b>Present Surname</b>	Denemark
<b>RNN</b>	600200005708	<b>Name</b>	Tomas
<b>Date of Birth</b>	5.6.1973	<b>Farther 's Name</b>	n/a
<b>Gender</b>	Male		
<b>PERMANENT ADDRESS - CURRENT</b>			
<b>Street + Number</b>	Abaya street 202	<b>ZIP Code</b>	480004
<b>City</b>	Almaty	<b>Region</b>	Almaty City
<b>CLASSIFICATION OF A BORROWER</b>			
<b>Borrower classification</b>	Physical Person	<b>Patent</b>	n/a
<b>Resident</b>	No	<b>Subject 's Position</b>	6 - Top Manager
<b>Citizenship</b>	Other	<b>Subject 's employment</b>	0 – Full-time employment
<b>Foreigner's citizenship</b>	CZ – Czech Republic	<b>Economic Act. Group</b>	11 – Finance and Insurance
<b>NEGATIVE DATA - CURRENT</b>			
<b>Negative status of the client</b>	U – Customer Untraceable or Deceased		
<b>Negative status of the contract</b>	4 - Loan Written Off to Off-Balance Sheet Account		
<b>SUMMARY INFORMATION - DEBTOR AND CO-DEBTOR</b>			
<b>Number of existing contracts</b>	3	<b>Total outstanding debt</b>	1.265.560 KZT
<b>Number of terminated contracts</b>	2	<b>Total debt overdue</b>	356.654 KZT
<b>Number of rejected applications</b>	1	<b>Number of inquiries (12M)</b>	12
<b>END OF CREDIT REPORT</b>		<b>Date of Issue</b>	<b>03.04.2005</b>
		<b>Date of Last Update</b>	<b>01.04.2005</b>
FIRST CREDIT BUREAU – DOSTYK 68 - ALMATY - ☎ 913868, 923869 - ☎ 913870 – <a href="mailto:INFO@FCBK.KZ">INFO@FCBK.KZ</a> - <a href="http://www.fcbk.kz">www.fcbk.kz</a>			

## Standard Report

FIRST CREDIT BUREAU - KAZAKHSTAN			
CREDIT REPORT - STANDARD		Registration ID	416552654
REPORT SUBJECT			
FI Unique Number	B129876	Present Surname	Denemark
RNN	600200005708	Name	Tomas
SIC		Farther 's Name	n/a
Date of Birth	5.6.1973	Birth Name	Denemark
Gender	Male	Place of Birth (City)	Prague 5
Education	Academic Degree	Place of Birth (region)	Prague
Marital Status	Married	Country of Birth (Code)	CZ - Czech Republic
PERMANENT ADDRESS - CURRENT AND HISTORICAL			
<b>Current</b>		<b>Date of registration</b>	1.1.2005
<b>Street + Number</b>	Abaya street 202	<b>ZIP Code</b>	480004
<b>City</b>	Almaty	<b>Region</b>	Almaty City
<b>Historical</b>		<b>Date of registration</b>	1.3.2004
<b>Street + Number</b>	Dostyk 26	<b>ZIP Code</b>	480004
<b>City</b>	Almaty	<b>Region</b>	Almaty City
IDENTIFICATION DOCUMENTS - CURRENT			
<b>Primarily document</b>	Passport	<b>Date of registration</b>	1.1.2005
<b>Date of Identification document issuance</b>	22.02.2002	<b>Identification document number</b>	239848765
<b>Location of the document's issuance</b>	Prague	<b>Expiration date of Identification document</b>	22.02.2012
<b>Secondary document</b>	Permanent Residence Permit	<b>Date of registration</b>	1.1.2005
<b>Date of Identification document issuance</b>	15.01.2004	<b>Identification document number</b>	6547658987
<b>Location of the document's issuance</b>	Almaty	<b>Expiration date of Identification document</b>	15.01.2006
CLASSIFICATION OF A BORROWER			
<b>Borrower classification</b>	Physical Person	<b>Patent</b>	n/a
<b>Resident</b>	No	<b>Subject 's Position</b>	6 - Top Manager
<b>Citizenship</b>	Other	<b>Subject 's employment</b>	0 – Full-time employment
<b>Foreigner 's citizenship</b>	CZ – Czech Republic	<b>Economic Act. Group</b>	11 – Finance and Insurance

<b>NEGATIVE DATA – CURRENT AND HISTORICAL</b>			
<b>Current</b>		<b>Date of registration</b>	1.1.2005
Negative status of the client	U – Customer Untraceable or Deceased		
Negative status of the contract	4 - Loan Written Off to Off-Balance Sheet Account		
<b>Historical</b>		<b>Date of registration</b>	1.8.2004
Negative status of the client	6 – Blocked		
<b>Historical</b>		<b>Date of registration</b>	1.5.2004
Negative status of the contract	2 – Unauthorized debit balance on current account		
<b>SUMMARY INFORMATION - DEBTOR AND CO-DEBTOR</b>			
Number of existing contracts	2	Total outstanding debt	1.776.000 KZT
- Instalment Credits	2	- Instalment Credits	1.776.000 KZT
- Credit Cards, Revolving Credits	0	- Credit Cards, Revolving Credits	0 KZT
- Non-Instalment Credits	0	- Non-Instalment Credits	0 KZT
Number of terminated contracts	2	Total debt overdue	96.000 KZT
- Instalment Credits	1	- Instalment Credits	96.000 KZT
- Credit Cards, Revolving Credits	1	- Credit Cards, Revolving Credits	0 KZT
- Non-Instalment Credits	0	- Non-Instalment Credits	0 KZT
Number of rejected applications	1	Number of inquiries (12M)	12
- Instalment Credits	0	- 1 <sup>st</sup> quarter	6
- Credit Cards, Revolving Credits	0	- 2 <sup>nd</sup> quarter	1
- Non-Instalment Credits	1	- 3 <sup>rd</sup> quarter	2
<b>SUMMARY INFORMATION - GUARANTOR</b>			
Number of existing contracts	0	Total outstanding debt	0 KZT
- Instalment Credits	0	- Instalment Credits	0 KZT
- Credit Cards, Revolving Credits	0	- Credit Cards, Revolving Credits	0 KZT
- Non-Instalment Credits	0	- Non-Instalment Credits	0 KZT
Number of terminated contracts	1	Total debt overdue	0 KZT
- Instalment Credits	1	- Instalment Credits	0 KZT
- Credit Cards, Revolving Credits	0	- Credit Cards, Revolving Credits	0 KZT
- Non-Instalment Credits	0	- Non-Instalment Credits	0 KZT
Number of rejected applications	2	Number of inquiries (12M)	5
- Instalment Credits	0	- 1 <sup>st</sup> quarter	2
- Credit Cards, Revolving Credits	2	- 2 <sup>nd</sup> quarter	2
- Non-Instalment Credits	0	- 3 <sup>rd</sup> quarter	0

DETAILED INFORMATION – EXISTING CONTRACTS												
<b>Code of contract</b>	615624356					<b>Type of funding</b>	Loan					
<b>Purpose of Credit</b>	Other Consumer Purposes					<b>Currency Code</b>	KZT					
<b>Contract status</b>	4 - Loan Written Off to Off-Balance Sheet Account					<b>Date of application</b>	1.3.2004					
<b>Type of guarantee</b>	Vehicles					<b>Date of Credit Start</b>	3.3.2004					
<b>Value of guarantee</b>	600.000 KZT					<b>End of Contract</b>	3.2.2007					
<b>Classification of the contract</b>						<b>Factual full credit repayment date</b>						
<b>Total Amount</b>	576.000 KZT					<b>Nr. Of outstanding instalments</b>	24					
<b>Number of instalments</b>	36					<b>Outstanding Amount</b>	384.000 KZT					
<b>Periodicity of payments</b>	Monthly					<b>Nr. Of Overdue instalments</b>	6					
<b>Method of payments</b>	Current Account Debit					<b>Overdue Amount</b>	96.000 KZT					
<b>Monthly instalment amount</b>	16.000 KZT					<b>Link to co-debtor</b>						
<b>Link to pledger</b>						<b>Link to guarantor #1</b>						
<b>Last Update</b>	8.03.2005					<b>Subject's Role</b>	Debtor					
<b>Yearly historical calendar of payments</b>					<b>Financial Institution (Creditor)</b>							
3/04	4/04	5/04	6/04	7/04	8/04	9/04	10/04	11/04	12/04	1/05	2/05	
0	0	1	2	3	1	1	2	3	4	5	6	
<b>Code of contract</b>	615627789					<b>Type of funding</b>	Loan					
<b>Purpose of Credit</b>	Purchase of Car					<b>Currency Code</b>	KZT					
<b>Contract status</b>	7 – Increased risk					<b>Date of application</b>	1.1.2005					
<b>Type of guarantee</b>	Deposit					<b>Date of Credit Start</b>	5.1.2005					
<b>Value of guarantee</b>	1.500.000					<b>End of Contract</b>	5.12.2009					
<b>Classification of the contract</b>						<b>Factual full credit repayment date</b>						
<b>Total Amount</b>	1.440.000					<b>Nr. Of outstanding instalments</b>	58					
<b>Number of instalments</b>	60					<b>Outstanding Amount</b>	1.392.000 KZT					
<b>Periodicity of payments</b>	Monthly					<b>Nr. Of Overdue instalments</b>	0					
<b>Method of payments</b>	Current Account Debit					<b>Overdue Amount</b>	0 KZT					
<b>Monthly instalment amount</b>	24.000					<b>Link to co-debtor</b>						
<b>Link to pledger</b>						<b>Link to guarantor #1</b>						
<b>Last Update</b>	6.3.2005					<b>Subject's Role</b>	Co-Debtor					
<b>Yearly historical calendar of payments</b>					<b>Financial Institution (Creditor)</b>							
3/04	4/04	5/04	6/04	7/04	8/04	9/04	10/04	11/04	12/04	1/05	2/05	
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	0	
INTERCONNECTED SUBJECTS												
<b>Type of link</b>	Employer					<b>Subject code</b>	416567543					
<b>END OF CREDIT REPORT</b>						<b>Date of Issue</b>	03.04.2005					
						<b>Date of Last Update</b>	01.04.2005					

## Advanced Report

FIRST CREDIT BUREAU - KAZAKHSTAN			
<b>CREDIT REPORT - ADVANCED</b>		<b>Registration ID</b>	<b>416552654</b>
REPORT SUBJECT			
FI Unique Number	B129876	Present Surname	Denemark
RNN	600200005708	Name	Tomas
SIC		Farther 's Name	n/a
Date of Birth	5.6.1973	Birth Name	Denemark
Gender	Male	Place of Birth (City)	Prague 5
Education	Academic Degree	Place of Birth (region)	Prague
Marital Status	Married	Country of Birth (Code)	CZ - Czech Republic
SUBJECT, FAMILY AND WORKING DETAILS			
Number of children	2	Street + Number	Almaty City
Number of dependents	1	City	
Employee 's Salary (net)	68.000 KZT	ZIP Code	
Telephone		Region	
Fax		Country	
E-Mail		Cellular Phone	
PERMANENT ADDRESS - CURRENT AND HISTORICAL			
<b>Current</b>		<b>Date of registration</b>	<b>1.1.2005</b>
Street + Number	Abaya street 202	ZIP Code	480004
City	Almaty	Region	Almaty City
<b>Historical</b>		<b>Date of registration</b>	<b>1.3.2004</b>
Street + Number	Dostyk 26	ZIP Code	480004
City	Almaty	Region	Almaty City
IDENTIFICATION DOCUMENTS - HISTORY			
<b>Document name</b>	<b>Passport</b>	<b>Record Date</b>	<b>1.3.2004</b>
Date of Identification document issuance	22.02.2002	Identification document number	239848765
Location of the document's issuance	Prague	Expiration date of Identification document	22.02.2012
<b>Document name</b>	<b>Permanent Residence Permit</b>	<b>Record Date</b>	<b>1.3.2004</b>
Date of Identification document issuance	15.11.2004	Identification document number	6547658987
Location of the document's	Almaty	Expiration date of Identification	15.11.2010

<b>issuance</b>		<b>document</b>	
<b>Document name</b>	Permanent Residence Permit	<b>Record Date</b>	1.3.2004
<b>Date of Identification document issuance</b>	15.01.2002	<b>Identification document number</b>	5436756787
<b>Location of the document's issuance</b>	Almaty	<b>Expiration date of Identification document</b>	15.01.2005

#### CLASSIFICATION OF A BORROWER

<b>Borrower classification</b>	Physical Person	<b>Patent</b>	n/a
<b>Resident</b>	No	<b>Subject 's Position</b>	6 - Top Manager
<b>Citizenship</b>	Other	<b>Subject 's employment</b>	0 – Full-time employment
<b>Foreigner 's citizenship</b>	CZ – Czech Republic	<b>Economic Act. Group</b>	11 – Finance and Insurance

#### NEGATIVE DATA – CURRENT AND HISTORICAL

<b>Current</b>		<b>Date of registration</b>	1.1.2005
<b>Negative status of the client</b>	U – Customer Untraceable or Deceased		
<b>Negative status of the contract</b>	4 - Loan Written Off to Off-Balance Sheet Account		
<b>Historical</b>		<b>Date of registration</b>	1.8.2004
<b>Negative status of the client</b>	6 – Blocked		
<b>Historical</b>		<b>Date of registration</b>	1.5.2004
<b>Negative status of the contract</b>	2 – Unauthorized debit balance on current account		

#### SUMMARY INFORMATION - DEBTOR AND CO-DEBTOR

<b>Number of existing contracts</b>	2	<b>Total outstanding debt</b>	1.776.000 KZT
- Instalment Credits	2	- Instalment Credits	1.776.000 KZT
- Credit Cards, Revolving Credits	0	- Credit Cards, Revolving Credits	0 KZT
- Non-Instalment Credits	0	- Non-Instalment Credits	0 KZT
<b>Number of terminated contracts</b>	2	<b>Total debt overdue</b>	96.000 KZT
- Instalment Credits	1	- Instalment Credits	96.000 KZT
- Credit Cards, Revolving Credits	1	- Credit Cards, Revolving Credits	0 KZT
- Non-Instalment Credits	0	- Non-Instalment Credits	0 KZT
<b>Number of rejected applications</b>	1	<b>Number of inquiries (12M)</b>	12
- Instalment Credits	0	- 1 <sup>st</sup> quarter	6
- Credit Cards, Revolving Credits	0	- 2 <sup>nd</sup> quarter	1
- Non-Instalment Credits	1	- 3 <sup>rd</sup> quarter	2

SUMMARY INFORMATION - GUARANTOR			
Number of existing contracts	0	Total outstanding debt	0 KZT
- Instalment Credits	0	- Instalment Credits	0 KZT
- Credit Cards, Revolving Credits	0	- Credit Cards, Revolving Credits	0 KZT
- Non-Instalment Credits	0	- Non-Instalment Credits	0 KZT
Number of terminated contracts	1	Total debt overdue	0 KZT
- Instalment Credits	1	- Instalment Credits	0 KZT
- Credit Cards, Revolving Credits	0	- Credit Cards, Revolving Credits	0 KZT
- Non-Instalment Credits	0	- Non-Instalment Credits	0 KZT
Number of rejected applications	2	Number of inquiries (12M)	5
- Instalment Credits	0	- 1 <sup>st</sup> quarter	2
- Credit Cards, Revolving Credits	2	- 2 <sup>nd</sup> quarter	2
- Non-Instalment Credits	0	- 3 <sup>rd</sup> quarter	0

DETAILED INFORMATION – EXISTING CONTRACTS													
Code of contract		615624356			Type of funding				Loan				
Purpose of Credit		Other Consumer Purposes			Currency Code				KZT				
Contract status		4 - Loan Written Off to Off-Balance Sheet Account			Date of application				1.3.2004				
Type of guarantee		Vehicles			Date of Credit Start				3.3.2004				
Value of guarantee		600.000 KZT			End of Contract				3.2.2007				
Classification of the contract					Factual full credit repayment date								
Total Amount		576.000 KZT			Nr. Of outstanding instalments				24				
Number of instalments		36			Outstanding Amount				384.000 KZT				
Periodicity of payments		Monthly			Nr. Of Overdue instalments				6				
Method of payments		Current Account Debit			Overdue Amount				96.000 KZT				
Monthly instalment amount		16.000 KZT			Link to co-debtor								
Link to pledger					Link to guarantor #1								
Last Update		8.03.2005			Subject's Role				Debtor				
Yearly historical calendar of payments					Financial Institution (Creditor)				B02				
	3/04	4/04	5/04	6/04	7/04	8/04	9/04	10/04	11/04	12/04	1/05	2/05	
	0	0	1	2	3	1	1	2	3	4	5	6	

Code of contract		615627789			Type of funding				Loan				
Purpose of Credit		Purchase of Car			Currency Code				KZT				
Contract status		7 – Increased risk			Date of application				1.1.2005				
Type of guarantee		Deposit			Date of Credit Start				5.1.2005				
Value of guarantee		1.500.000			End of Contract				5.12.2009				

<b>Classification of the contract</b>		<b>Factual full credit repayment date</b>									
<b>Total Amount</b>	1.440.000	<b>Nr. Of outstanding instalments</b>	58								
<b>Number of instalments</b>	60	<b>Outstanding Amount</b>	1.392.000 KZT								
<b>Periodicity of payments</b>	Monthly	<b>Nr. Of Overdue instalments</b>	0								
<b>Method of payments</b>	Current Account Debit	<b>Overdue Amount</b>	0 KZT								
<b>Monthly instalment amount</b>	24.000	<b>Link to co-debtor</b>									
<b>Link to pledger</b>		<b>Link to guarantor #1</b>									
<b>Last Update</b>	6.3.2005	<b>Subject's Role</b>	Co-Debtor								
<b>Yearly historical calendar of payments</b>		<b>Financial Institution (Creditor)</b>	B02								
3/04	4/04	5/04	6/04	7/04	8/04	9/04	10/04	11/04	12/04	1/05	2/05
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	0

### DETAILED INFORMATION – TERMINATED CONTRACTS

<b>Code of contract</b>	34576523	<b>Type of funding</b>	Loan								
<b>Purpose of Credit</b>	Other Consumer Purposes	<b>Currency Code</b>	KZT								
<b>Contract status</b>		<b>Date of application</b>	1.5.2001								
<b>Type of guarantee</b>	Deposit	<b>Date of Credit Start</b>	5.5.2001								
<b>Value of guarantee</b>	360.000 KZT	<b>End of Contract</b>	5.4.2004								
<b>Classification of the contract</b>		<b>Factual full credit repayment date</b>									
<b>Total Amount</b>	360.000 KZT	<b>Nr. Of outstanding instalments</b>	0								
<b>Number of instalments</b>	36	<b>Outstanding Amount</b>	0 KZT								
<b>Periodicity of payments</b>	Monthly	<b>Nr. Of Overdue instalments</b>	0								
<b>Method of payments</b>	Current Account Debit	<b>Overdue Amount</b>	0 KZT								
<b>Monthly instalment amount</b>	10.000 KZT	<b>Link to co-debtor</b>									
<b>Link to pledger</b>		<b>Link to guarantor #1</b>									
<b>Last Update</b>	8.05.2004	<b>Subject's Role</b>	Debtor								
<b>Maximum overdue instalments</b>	3	<b>Maximum overdue amount</b>	30.000 KZT								
<b>Yearly historical calendar of payments</b>		<b>Financial Institution (Creditor)</b>	B01								
5/04	6/04	7/04	8/04	9/04	10/04	11/04	12/03	1/04	2/04	3/04	4/04
0	0	0	1	0	0	1	0	0	1	0	0

<b>Code of contract</b>	298765477	<b>Type of funding</b>	Credit Cards
<b>Purpose of Credit</b>	Other Consumer Purposes	<b>Currency Code</b>	KZT
<b>Contract status</b>		<b>Date of application</b>	1.12.2000
<b>Type of guarantee</b>	Deposit	<b>Date of Credit Start</b>	5.12.2000
<b>Value of guarantee</b>		<b>End of Contract</b>	1.5.2004
<b>Classification of the contract</b>		<b>Factual full credit repayment date</b>	1.5.2004
<b>Limit of Credit</b>	360.000	<b>Residual Amount</b>	0
<b>Periodicity of payments</b>		<b>Overdue Amount</b>	0 KZT
<b>Method of payments</b>	Current	<b>Link to co-debtor</b>	

		Account Debit											
<b>Link to pledger</b>							<b>Link to guarantor #1</b>						
<b>Last Update</b>		6.3.2005					<b>Subject's Role</b>		Debtor				
<b>Maximum overdue period</b>		5 months					<b>Maximum overdue amount</b>		67.000 KZT				
<b>Yearly historical calendar of monthly usage</b>						<b>Financial Institution (Creditor)</b>						B02	
12/03	1/04	2/04	3/04	4/04	5/04	6/04	7/04	8/04	9/04	10/04	11/04		
10	3	2	5	8	10	8	2	0	0	0	0		

#### DETAILED INFORMATION – EXISTING APPLICATIONS

<b>Code of contract</b>	5643234	<b>Type of funding</b>	Leasing
<b>Purpose of Credit</b>	Purchase of Car	<b>Currency Code</b>	KZT
<b>Total Amount (Limit)</b>	1.290.000 KZT	<b>Date of application</b>	1.4.2004
<b>Financial Institution (Creditor)</b>	B03	<b>Subject Role</b>	Debtor
<b>Code of contract</b>	5893234	<b>Type of funding</b>	Loan
<b>Purpose of Credit</b>	Mortgage Loan	<b>Currency Code</b>	KZT
<b>Total Amount (Limit)</b>	5.698.000 KZT	<b>Date of application</b>	30.3.2004
<b>Financial Institution (Creditor)</b>	B04	<b>Subject Role</b>	Co-Debtor
<b>Code of contract</b>	5773234	<b>Type of funding</b>	Credit Card
<b>Purpose of Credit</b>	Other Consumer Purposes	<b>Currency Code</b>	KZT
<b>Total Amount (Limit)</b>	150.000 KZT	<b>Date of application</b>	26.3.2004
<b>Financial Institution (Creditor)</b>	B05	<b>Subject Role</b>	Guarantor

#### INTERCONNECTED SUBJECTS

<b>Type of link</b>	Employer	<b>Subject code</b>	416567543
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#### END OF CREDIT REPORT

<b>Date of Issue</b>	03.04.2005
<b>Date of Last Update</b>	01.04.2005

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- [www.fck.kz](http://www.fck.kz)

## Report of ID History

FIRST CREDIT BUREAU - KAZAKHSTAN			
CREDIT REPORT - DOCUMENTS		Registration ID	416552654
REPORT SUBJECT			
FI Unique Number	B129876	Present Surname	Denemark
RNN	600200005708	Name	Tomas
SIC		Farther 's Name	n/a
Date of Birth	5.6.1973	Birth Name	Denemark
Gender	Male	Place of Birth (City)	Prague 5
Education	Academic Degree	Place of Birth (region)	Prague
Marital Status	Married	Country of Birth (Code)	CZ - Czech Republic
PERMANENT ADDRESS - CURRENT AND HISTORICAL			
<b>Current</b>		<b>Date of registration</b>	1.1.2005
Street + Number	Abaya street 202	ZIP Code	480004
City	Almaty	Region	Almaty City
<b>Historical</b>		<b>Date of registration</b>	1.3.2004
Street + Number	Dostyk 26	ZIP Code	480004
City	Almaty	Region	Almaty City
IDENTIFICATION DOCUMENTS - HISTORY			
<b>Primarily document</b>	Passport	<b>Date of registration</b>	1.3.2004
Date of Identification document issuance	22.02.2002	Identification document number	239848765
Location of the document's issuance	Prague	Expiration date of Identification document	22.02.2012
Data Source (FI)	B01		
<b>Secondary document</b>	Permanent Residence Permit	<b>Date of registration</b>	1.3.2004
Date of Identification document issuance	15.11.2004	Identification document number	6547658987
Location of the document's issuance	Almaty	Expiration date of Identification document	15.11.2010
Data Source (FI)	B01		
<b>Secondary document</b>	Permanent Residence Permit	<b>Date of registration</b>	1.3.2004
Date of Identification document issuance	15.01.2002	Identification document number	5436756787
Location of the document's issuance	Almaty	Expiration date of Identification document	15.01.2005

<b>Data Source (FI)</b>	B02		
<b>Primarily document</b>	Passport	<b>Date of registration</b>	1.1.2001
<b>Date of Identification document issuance</b>	15.03.1998	<b>Identification document number</b>	76545432
<b>Location of the document's issuance</b>	Prague	<b>Expiration date of Identification document</b>	15.03.2008
<b>Data Source (FI)</b>	B01		
<b>Secondary document</b>	Permanent Residence Permit	<b>Date of registration</b>	1.3.2004
<b>Date of Identification document issuance</b>	25.11.1998	<b>Identification document number</b>	4537482899
<b>Location of the document's issuance</b>	Almaty	<b>Expiration date of Identification document</b>	25.11.2002
<b>Data Source (FI)</b>	B02		
<b>END OF CREDIT REPORT</b>		<b>Date of Issue</b>	03.04.2005
		<b>Date of Last Update</b>	01.04.2005
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