

Rules of the loyalty program and Cashback accrual within the framework of the “Freedom Rating Consulting Service”

Chapter 1. General provisions

1.1. These Rules of the loyalty program and Cashback Accrual within the framework of the “Freedom Rating Consulting Service” (hereinafter referred to as the Rules) have been developed in accordance with the current Civil Code (Special Part) of the Republic of Kazakhstan, as well as internal regulatory documents of JSC “Freedom Bank Kazakhstan” (hereinafter referred to as the Bank).

1.2. These Rules define the procedure and conditions for providing (crediting) Cashback to a Client who is an individual within the framework of the “Freedom Rating Consulting Service”, its activation (confirmation) by the Bank, and regulate the procedure for non-provision/cancellation of Cashback.

1.3. The “Freedom Rating Consulting Service” is a service under which the Client is provided with information and advice to clients in the form of a creditworthiness assessment based on their financial behavior and credit history. This service can be used to implement additional loyalty program mechanisms.

Chapter 2. Terms and Definitions used

2.1. The following terms and definitions are used in these Rules:

- 1) **Freedom Rating** – an internal assessment system of the Client on a scale from 0 (zero) to 100 (one hundred) points, generated by the Bank based on a combination of behavioral, financial, and product factors, including: Freedom Investment Currency balance, product usage, partner purchases, payment discipline, financial stability, credit activity, as well as salary payments. The Freedom Rating is provided to the Client solely as part of an advisory service and is expressed as a numerical indicator reflecting the Client's overall financial behavior;
- 2) **SuperApp** — a mobile application Freedom SuperApp, designed for receiving remote electronic banking services and services of the Bank's partners through an application (software) installed on a mobile device;
- 3) **Bonus Account** – the Client's off-balance sheet account, opened automatically by the Bank when the Client joins the “Freedom Rating” Advisory Service. The Bonus Account records Cashback accrual and debit transactions. At the Client's initiative, Cashback is debited from the Bonus Account and credited in an equivalent amount to the Client's current account for further use. Bonus Account transactions, such as accruals and debits, are displayed in the SuperApp.
- 4) **Freedom Investment Currency/ETN** — a banking product called “Freedom Investment Currency”, a unit of measurement in the form of a monetary equivalent of the underlying asset in the form of securities owned by the Client. The security is an ETN (Exchange Traded Notes, issuer – FRHC Fractional SPC Ltd., trading symbol – FRHC.ETN, ISIN – KZX000002001), secured by the shares of Freedom Holding Corp. ticker FRHC. Freedom Currency enables the Client to make payments/transfers through the sale/donation of ETN. Denominated in US dollars;
- 5) **Cashback** — within the framework of the “Freedom Rating Consulting Service” service, income accrued by the Bank from its own funds to the Client's Bonus Account subject to the mandatory condition of timely repayment of the scheduled monthly payment under the loan agreement, executed from the moment of technical implementation (inclusive) taking into account the conditions of paragraph 4.4 of the Rules, and depends on the Client's Freedom Rating Level, the type and term of the loan product;
- 6) **Client** — an individual who has reached the age of 18, registered and authorized in SuperApp, and has passed identification in accordance with the requirements of the legislation of the Republic of Kazakhstan and the internal regulatory documents of the Bank;

- 7) **Freedom Rating Levels** — a gradation of the final values of the Client’s Freedom Rating (low, medium, good, high), which determines the amount of Cashback (in the manner established by **Appendix No. 1** to these Rules).

Chapter 3. Special Cashback conditions

3.1. Cashback is accrued only on condition of timely repayment of the mandatory scheduled monthly payment under the loan agreement. Cashback is credited via SuperApp to the Client's Bonus Account in the national currency tenge, which is subsequently converted into ETN at the Bank's Exchange Rate set at the time of the ETN purchase transaction. For certain categories of Clients (holding government positions in government agencies, as well as members of the Bank's Board of Directors and other persons classified in a special category), Cashback is credited in tenge to the Bonus Account.

3.1.1. Accrued Cashback is recorded on the Client's Bonus Account and displayed in the SuperApp in accordance with the Bank's internal regulations and the Bank's Loyalty Program Rules.

3.1.2. The accrued Cashback may be used at the Client's initiative in one of the following ways:

- by debiting the Cashback from the Bonus Account and crediting the equivalent amount to the Client's current account in the national currency (tenge);
- within the framework of the Freedom Investment Currency/ETN, subject to the activation of the Freedom Investment Currency/ETN by the Client and compliance with the conditions established by the Bank.

3.1.3. If the Freedom Investment Currency/ETN has not been activated by the Client, the Cashback shall be used by crediting the equivalent amount to the Client's current account in the manner established by the Bank.

3.2. The Client's Freedom Rating is calculated based on a combination of factors, including indicators of payment discipline, credit activity, Freedom Investment Currency balance, financial stability, and partner purchases through the SuperApp, as well as salary payments.

3.2.1. The final value of the Freedom Rating remains within the range of 0 to 100 points.

3.3. In certain cases, the Bank shall have the right to establish restrictions or exceptions regarding the accrual of Cashback¹ for specific categories of Clients, including:

- Clients who have not activated the Freedom Investment Currency/ETN;
- persons holding public positions in government agencies and exercising official powers in order to implement the tasks and functions of the State;
- members of the Bank's Board of Directors and other persons classified under a special category.

3.4. The Bank reserves the right to set the maximum amount of accrued Cashback for one Client during the billing period.

Chapter 4. Provision and accrual of Cashback

4.1. The procedure for providing Cashback, accrual, and all settlements for Cashback within the framework of the “Freedom Rating Consulting Service” are determined by these Rules in accordance with the current legislation of the Republic of Kazakhstan, as well as the internal regulatory documents of the Bank, posted on the Bank's official website <https://bankffin.kz>.

¹ The Bank reserves the right to set restrictions or exceptions/maximum amounts for certain categories of Clients/change the percentage of Cashback accrued (increase or decrease).

4.2. The amount of accrued Cashback is determined depending on the Client's Freedom Rating Level, the type and term of the credit product in the manner established in **Appendix No. 1** to these Rules.

4.2.1. The Cashback amount displayed to the Client in the SuperApp prior to making the mandatory scheduled monthly payment under the credit agreement is for informational purposes only and may be updated as of the date such payment is made. The final Cashback amount to be credited is determined by the Bank on the date the mandatory scheduled monthly payment is made, taking into account the Client's current Freedom Rating Level, the type and term of the credit product, as well as the conditions stipulated by these Rules.

4.3. The Bank shall have the right to change the percentage of accrued Cashback (increase or decrease) unilaterally without obtaining the Client's consent and without sending a separate notice.

4.4. Cashback may not be provided to the Client in the following cases:

- non-compliance with the conditions set out in clause 3.1 of these Rules (for example, the absence of timely full repayment of the mandatory scheduled payment under the loan agreement, the absence of an active Bonus account or nonactivated Freedom Investment Currency/ETN);
- existence of overdue debt under the loan agreement;
- making an incomplete monthly payment under the loan agreement;
- making a full or partial early repayment in a manner that does not comply with the established conditions for providing Cashback;
- repayment of the mandatory payment through the cash desk or by replenishing a transit account;
- classification of the Client under the categories specified in paragraph 3.3 of these Rules (for example, civil servants, members of the Bank's Board of Directors, and other special categories of Clients for whom restrictions or a different procedure for accruing Freedom Rating Cashback may be established);
- other cases provided for by the internal regulations of the Bank.

4.5. Cashback may be used only by the Clients of the Bank.

Chapter 5. Using Cashback

5.1. Accrued Cashback is recorded on the Client's Bonus Account and displayed in the SuperApp.

5.2. The Client has the right to accumulate accrued Cashback and use it in the manner established by the Bank's internal regulatory documents, as well as these Rules.

Chapter 6. Cashback Refund

6.1. In cases where the Bank identifies actions by the Client that qualify as abuse of the terms of these Rules or establishes facts of violation of these Rules by the Client, the Bank has the right to debit the entire amount of accrued Cashback from the Client's Bonus Account.

6.2. In the event of incorrect or excessive accrual of Cashback, the Bank reserves the right to debit the corresponding amount from the Client's Bonus Account without prior notice.

6.3. The Bank reserves the right to initiate a refund of previously accrued Cashback in cases where technical failures are detected or data adjustments are made in the Bank's accounting systems.

6.4. The Bank also has the right to initiate a Cashback refund if there is reason to believe that the Client has committed fraudulent actions.

6.5. The Bank reserves the right to write off accrued Cashback in the event of cancellation or adjustment of a monthly payment under the loan agreement, in accordance with the procedure established by the Bank's internal regulatory documents.

Chapter 7. Debiting of Cashback upon Closure of Current Accounts

7.1. Upon receipt of the Client's application to close all Current Accounts opened with the Bank, a check shall be performed to verify the availability of accrued and unused Cashback on the Client's Bonus Account.

7.2. The Bank shall notify the Client of the availability of unused Cashback and provide information on the available methods for its use prior to the initiation of the account closure process.

Chapter 8. The procedure for making amendments and additions to these Rules

8.1. Amendments and additions to these Rules, as well as changes to the structure of Cashback accrual (provision, activation, use, cancellation), may be carried out on the initiative of the Bank and take effect from the date of their publication on the Bank's official Internet resource <https://bankffin.kz>. By using the service after the date of publication of the changes, the Client confirms their familiarization and agreement with the updated Rules.

8.2. Any amendments and additions to these Rules from the moment they come into force apply to all Clients who have joined the "Freedom Rating Consulting Service".

8.3. The Bank informs Clients about changes in the conditions of Cashback accrual, as well as about the termination of certain functions or adjustments to the methodology, by posting information on the Bank's official Internet resource <https://bankffin.kz> and in SuperApp.

Appendix No. 1
to the Rules of the loyalty program and Cashback accrual within the framework
of the “Freedom Rating Consulting Service”

Conditions for providing Cashback to Clients for making mandatory monthly payments
under loan agreements within the framework
of the “Freedom Rating Consulting Service”.

The amount of cashback accrued depends on the Level of the Client's Freedom Rating and the loan term.

Table 1. Cash loan

Loan term Freedom Rating Level (points)	6 months	12 months	24 months	36 months	48 months	60 months
80–100	0,8%	1,5%	2,7%	3,8%	4,7%	5,5%
60–79	0,5%	1,0%	1,7%	2,4%	3,0%	3,5%
40–59	0,3%	0,5%	1,0%	1,4%	1,7%	2,0%
0–39	0%	0%	0%	0%	0%	0%

Table 2. Digital car loan

Loan term Freedom Rating Level (point s)	12 month s	24 month s	36 month s	48 month s	60 month s	72 month s	84 month s
80–100	1,0%	1,8%	2,6%	3,3%	3,9%	3,9%	5,0%
60–79	0,5%	0,9%	1,3%	1,6%	2,0%	2,0%	2,5%
40–59	0,2%	0,4%	0,5%	0,7%	0,8%	0,8%	1,0%
0–39	0%	0%	0%	0%	0%	0%	0%

Table 3. Digital mortgage

Loan term Freedom Rating Level (points)	60 months	72 months	84 months	120 months	240 months
80–100	1,1%	1,1%	1,4%	1,8%	2,5%
60–79	0,6%	0,6%	0,8%	1,1%	1,5%
40–59	0,2%	0,2%	0,3%	0,4%	0,5%
0–39	0%	0%	0%	0%	0%