

This English translation of the “Regulation on Regulated entity’s Database” has been prepared, reflecting up to the Resolution No 457 of the Financial Regulatory Commission dated as of November 20, 2013. This translation is awaiting Financial Regulatory Commission’s reviews, and is subject to change accordingly. This is an unofficial translation. Only the original Mongolian texts of regulation have legal effect, and the translations are to be used solely as reference material to aid in the understanding of Mongolian laws and regulations.

RESOLUTION OF THE FINANCIAL REGULATORY COMMISSION
MONGOLIA

November 20, 2013

No 457

Ulaanbaatar

Approving the “Regulation on Regulated entity’s Database”

According to Article 6.1.2 of Law on the Legal Status of Financial Regulatory Commission, Article 34.1.3 of Securities Market Law, and Article 15.3.5 of Law on Licensing of Entities, Financial Regulatory Commission hereby RESOLVES:

1. To approve the regulation on “Regulated Entity’s Database” as set in the Appendix as revised.
2. To endorse the Chairmen of Board of Directors and Chief Executive Officers of regulated entities to update, modify, edit, utilize and organize their internal database procedures in accordance with this regulation.
3. To endorse the Working Group /Kh.Bum-Erdene/ to monitor the implementation of approved regulation and to notify publicly.

CHAIRMAN

D. BAYARSAIKHAN

REGULATION ON REGULATED ENTITY'S DATABASE

One. General Provision

- 1.1 The purpose of this regulation is to regulate relations regarding the types of information to be submitted by the securities market regulated entities to the database of Financial Regulatory Commission /hereinafter "Commission"/, its schedule of delivery, development, review, usage and storage of such information respectively.
- 1.2 Regulated entity in Securities market shall deliver information to the Commission as specified in this regulation accurately, in approved form both in written and electronic [/moh@frc.mn/](mailto:moh@frc.mn) version in a due time.
- 1.3 Professional Participants' Division of Securities Department shall be responsible for creating database, development, monitoring, and application of such database; Information Technology Division of Commission shall be responsible for storage and security of database respectively.
- 1.4 Terms used in this regulation shall have the following meanings:
 - 1.4.1 "regulated entity" means securities trading, clearing, depository organization, brokerage, dealing, underwriting and investment advisory companies as specified in the article 24 of Securities Market Law;
 - 1.4.2 "database" means information delivered by the regulated entity to the Commission's database of regulated entity regarding the securities trading, settlement, clearing, depository and special licence activities;
 - 1.4.3 "Database Officer of Regulated Entity" means an officer in charge of database of Professional Participants' Division of Securities Department;
 - 1.4.4 "Database Officer of Regulated Entity" means an internal supervisory staff as for the regulated entities while Information Officer as for the Securities trading, settlement, clearing and depository organizations.

Two. Information type, Schedule for Submission

- 2.1 Database Officer of regulated entity shall deliver the types of information to the Commission in accordance with form as set in the Appendix.
- 2.2 Securities trading organization shall deliver monthly information to the database in accordance with Appendix 1 form "MC-1-1" to "MC-1-9" within 10th day of the next month.
- 2.3 Securities settlement, clearing and depository organization shall deliver monthly information to the database in accordance with form "MC-2-1" to "MC-2-12" as set in Appendix 2 of this regulation within 10th day of the next month.

2.4 Brokerage, dealing, underwriting and investment advisory company shall deliver information to the database in accordance with form “MC-3-1” to “MC-3-7” as set in Appendix 3 within 10th day of the next month.

2.5 Database Officer of regulated entity shall deliver information to the database of Commission in accordance with the schedule specified in 2.2, 2.3 and 2.4 of this regulation and in case of any changes made to the relevant information, the revised version shall be delivered to the database of Commission within 10 working days.

Three. Receiving information in database; Monitoring

3.1 Database Officer of Commission shall monitor the information received to the database in accordance as follows:

3.1.1 whether the information is accurate and delivered in a due time;

3.1.2 whether the information is consistent with previous version, if any information was submitted before;

3.1.3 whether the information was complete and prepared in proper form;

3.1.4 other activities if necessary.

3.2 Database Officer of Commission is responsible to monitor the information received in accordance with 3.1 of this regulation, and in case the requirements are met, s/he shall transfer written documents to the officer who is in charge of same regulated entity within 2 working days.

3.3 Off-site monitoring regarding the information delivered to database shall be conducted by monitoring officer of Commission who is in charge of regulated entities, and if necessary, on-site monitoring shall be conducted in accordance with the guidelines.

3.4 If information is incomplete and was not prepared in accordance with proper form, such information shall not be considered as delivered to the database and in that case, official letter from Commission shall be issued regarding re-submission.

3.5 If the assignments and requirements provided by the Commission were not fulfilled accordingly or incomplete information was submitted, Commission may suspend the special licence to undertake regulated activities in the securities market as specified in the article 29.1.5 of Securities Market Law.

Four. Using the Information of Database

4.1 Information of database shall be used in a purpose of conducting research, immediate and effective implementation of policy and supervision functions of regulatory authority respectively.

4.2 It shall be prohibited to use information of database in a purpose other than those specified in article 4.1 of this regulation.

4.3 Relevant information from database shall be provided based upon the written request from management of Mongolbank, Central government organization in charge of financial matters, Court, the Prosecutors office, Police, General Intelligence Agency, and law enforcement agencies.

4.4 In addition to those specified in 4.3 of this regulation, relevant information stored in the database of Commission may be provided to the universities, research institute, and public media agencies based on the request of their respective management.

4.5 Database Officer of Securities Department shall compile the database information in quarterly basis and distribute to the chairman and members of Commission by an e-mail. If necessary, database officer shall present it to the Commission's meeting.

4.6 In addition to specified in 4.5 of this regulation, database officer of Securities Department shall compile the information related to securities trading, clearing, and special licence each month and shall place those information at Commission's website.

Five.Storage of Information of Database

5.1 The information shall be stored in electronic version in database of Commission and in hard copy in private documents of regulated entities.

5.2 Database Officer and Information Technology Department shall be responsible to ensure safety of database.

Six. Responsibility

6.1 If database officer of regulated entity did not submit the information stated in legislation, Commission's decision and this regulation to the database within the specified period, in proper, accurate, and in complete form, this may serve as a ground to charge such database officer with penalties and responsibility.

6.2 If it is identified that there is any violation of the relevant provisions of this regulation, the offender shall be charged with the responsibility as specified in the Securities Market Law and other legislations. This may be served as a ground to suspend or revoke the special licence.

*Appendix 1 to “Regulation on Database of Regulated Entities”
“Form MC-1-1”*

		Per month	Increased amount
1	Date of trading		
2	Quantity of companies which their securities are listed Hence, State-owned company Parastatal Private company		
3	Quantity of listed securities Hence, State-owned Private		
4	Total market value /tugriks/		
5	Types of trading Hence, Ordinary trading value /tugriks/ Portfolio trading value /tugriks/ Bid proposal trading value /tugriks/ AON auctions trading value /tugriks/		
6	Primary market Securities transaction value /tugriks/ Hence, company stock Government bond/in secondary market/ Corporate bond Investment fund stocks /units/ Depository receipt Asset-backed securities Derivatives		
7	Quantity of securities in primary market Hence, Company stock Government bond Corporate bond Investment fund stock /units/ Depository receipt Asset-backed securities Derivatives		

8	Secondary market securities transactions value /tugriks/ Hence, company stock Government bond /secondary market/ Investment fund stock /units/ Depository receipt Asset-backed securities Derivatives		
9	Quantity of securities traded in the secondary market Hence, company stock		

	Government bond /secondary market/ Investment fund stock /units/ Depository receipt Asset-backed securities Derivatives		
10	The average rate Hence, Company stock Government bond Corporate bond Investment fund stock/units/ Depository receipt Asset-backed securities Derivatives		
11	TOP-20 index Average High Low Close		
12	Quantity of securities traded Hence, rate increased rate decreased constant		
13	Transactions executed		

Appendix 1 to "Regulation on Database of Regulated Entities"
"Form MC-1-3"

**SECURITIES WITH HIGH FLUCTUATIONS OF EXCHANGE RATE (IN PARTICULAR
 MONTH)
 SECURITIES WITH APPRECIATION**

No	Securities	Quantites of securities traded	Closing rate		Change of rate	Change in percentage
			Beginning of month	End of month		
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						

SECURITIES WITH DEPRECIATION

No	Securities	Quantites of securities traded	Closing rate		Change of rate	Change in percentage
			Beginning of month	End of month		
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						

*Appendix 1 to “Regulation on Database of Regulated Entities”
“Form MC-1-6”*

SECURITIES TRANSACTIONS INFORMATION OF THE COMPANY
/per particular month/

No	Member company’s name	Date of trading	Purchased securities		Sold securities		Violations occurred, if any
			Quantity	Total value	Quantity	Total value	

*Appendix 1 to “Regulation on Database of Regulated Entities”
“Form MC-1-7”*

INFORMATION OF JOINT STOCK COMPANY WHICH CONSTITUTES MARKET VALUE
/MONTHLY/

No	Company’s name	Quantity of securities	Closing price of the month	Market value

*Appendix 1 to “Regulation on Database of Regulated Entities”
“Form MC-1-8”*

INFORMATION OF TOP 20 COMPANIES

No	Company’s name	Quantity of securities	Closing price of the month	Market value

*Appendix 1 to “Regulation on Database of Regulated Entities”
“Form MC-1-9”*

**INTRODUCTION OF STOCK EXCHANGE/SECURITIES DEPOSITARY
ORGANIZATION/SECURITIES CLEARING ORGANIZATION**

No	Specifications	Details
	Date of registration with State registration, certification number	
	Date and registration number of Special licence	
	Date of establishment, resolution	
	Date of reorganization, resolution no	
	Contributed capital, property type, owner	
	Chairman of Board: name, position, major, education, work experience	
	Members of BOD:	
	1. name, position, major, education, work experience	
	2.name, position, major, education, work experience	
	3.name, position, major, education, work experience	
	4.name, position, major, education, work experience	
	5.name, position, major, education, work experience	
	6.name, position, major, education, work experience	
	7.name, position, major, education, work experience	
	8.name, position, major, education, work experience	
	Chief Executive Officer: name, position, major, education, work experience	
	Directors of Sub-Divisions:	
	1. name, position, major, education, work experience	
	2. name, position, major, education, work experience	
	3. name, position, major, education, work experience	
	4. name, position, major, education, work experience	

/this information shall be delivered as per each change made to this/

*Appendix 2 to “Regulation on Database of Regulated Entities”
“Form MC-2-1”*

SECURITIES DEPOSITARY INTEGRATED INFORMATION

Code	Name of security	Number of shareholders			
		More than 1%	More than 5%	More than 10%	More than 33.3%

“Form MC-2-2”

INFORMATION ON CHANGES OF CENTRALIZED DEPOSIT REGISTRATION

No	Code	Name of security	Quantity of securities /at beginning of month/	Changes made to the registration		Quantity of securities /at end of month/	Note
				Added	Subtracted		

*Appendix 2 to “Regulation on Database of Regulated Entities”
“Form MC-2-3”*

INFORMATION ON CASH TRANSACTIONS AND BALANCES OF CENTRALIZED DEPOSIT /mln.tugriks/

		In particular month	Increased amount
1	Income transactions made through account at centralized deposit Hence, number of customers Account transactions /times/ Transaction value /tugriks/		
2	Expense transactions made through account at centralized deposit Hence, number of customers Account transactions /times/ Transaction value /tugriks/		
3	Settlement banks transactions /tugriks/		

*Appendix 2 to “Regulation on Database of Regulated Entities”
“Form MC-2-8”*

CORPORATE BOND PRINCIPAL AND INTEREST PAYMENT INFORMATION

Type of bond	duration	Interest/discount amount/	Total unpaid balance	Payment due maturity		Paid	
				Principle payment	interest	Principle payment	interest

“Form MC-2-9”

COLLATERAL SECURITIES SEPARATED TO ENSURE PERFORMANCE OF OBLIGATION

Borrower's name		
Lender's name		
Backed securities	Code	
	Name	
	Quantity	
	Code	
	Name	
	Quantity	
	Code	
	Name	
	Quantity	
loan	Amount	
	Duration	
	interest	

Appendix 2 to "Regulation on Database of Regulated Entities"
"Form MC-2-10"

INFORMATION ON SEPERATION AND RELEASE OF SECURITIES DUE TO LAW ENFORCEMENT AGENCIES'
 DECISION

Date	Name of securities released and separated	Owner of security			Quantity	Fee	Note
		Name	Registration number	Account number			

"Form MC-2-11"

SECURITIES DEPOSITED IN THE CENTRALIZED DEPOSIT
 /MLN/

Specification	Monthly	Cumulatively
Non-state-owned shares		
State-owned shares		
Community company		
Total value of shares		
Government discounted bond		
Corporate bond		
Total value of bond		
Securities listed on non-exchange markets		
Corporate bond		
Government discounted bond		

*Appendix 2 to “Regulation on Database of Regulated Entities”
“Form MC-2-12”*

FOREIGN AND DOMESTIC INVESTORS PERCENTAGE IN TRADING AMOUNT

	Foreign legal entity	Foreign citizen	Domestic legal entity	Domestic citizen	Total transactions /bln tug/
	Fulfilled transactions/bln tug/	Fulfilled transactions/bln tug/	Fulfilled transactions/bln tug/	Fulfilled transactions/bln tug/	
Monthly					
Cumulatively					

*Appendix 2 to “Regulation on Database of Regulated Entities”
“Form MC-3-1”*

INTRODUCTION OF COMPANY UNDERTAKING PROFESSIONAL ACTIVITIES IN THE SECURITIES MARKET

No	Name of the company	
1	Date of establishment	
2	Company’s State Registration certification number	
3	If foreign invested entity, its foreign investment certification number	
4	Resolution number of granting special licence, certification number	
5	Member of which securities trading organization	
6	Type of services undertaken in the securities market, duration	
7	Name of company’s shareholders, number of shares held, percent, nominal price	
8	Local Branches /if any, in aimag, soum/	
9	Number of total customers	

10	Introduction of chairman of BOD, and members /name, home address, telephone, e-mail/, major, work experience	
11	Introduction of chief executive officer: name, professional licence number, expiration date, phone, e-mail, major, previous work experience, position /	
12	Company's address, phone, e-mail/	
13	Whether the trading transactions were revoked within last 3 years /yes or no, if yes, please explain/	
14	Whether the Commission, or Stock exchange charged responsibility a company or staff within last 3years /date, type of sanctions, information on violation imposed /	

/this information shall be delivered as per each changes made to this/

Appendix 2 to "Regulation on Database of Regulated Entities"
"Form MC-3-2"

**INTRODUCTION OF SPECIALISTS OF UNDERWRITING, BROKERAGE, DEALING
AND INVESTMENT ADVISORY COMPANIES THAT UNDERTAKE PROFESSIONAL ACTIVITIES IN THE SECURITIES
MARKET**

No	Registration number	Last name	First name	Position	Education, major	License number of undertaking activities in the Securities Market, licence expiration date	Contact phone

Appendix 2 to "Regulation on Database of Regulated Entities"
"Form MC-3-2"

UNDERWRITING SERVICES DETAILS

Customer's name	Type of services provided under agreement	If contracted with other parties	
		Cooperation	Name of parties

Details of performance of underwriting services contract:

INVESTMENT ADVISORY COMPANY DETAILS

No	entity that received the investment advisory services	Service fee amount	Person who received the investment advisory services	Service fee amount

Appendix 2 to "Regulation on Database of Regulated Entities"
"Form MC-3-5"

TRADING DETAILS THAT EXECUTED WITH ITS OWN EQUITY OF DEALING COMPANY

Bought			Sold		
Name of securities	Quantity	Value	Name of securities	Quantity	Value

AFFILIATED PERSONS DETAILS OF COMPANY’S AUTHORISED OFFICIALS AND STAFF

	Name of authorised officials and staff	position	Account number of centralized deposit	Related person’s /name of wife, husband, children etc/	Account number of centralized deposit
		Chairman and members of BOD			
		Chief Executive Officer			
		brokerage ,dealing and investment adviser etc			

Note: Authorised officials of professional organization of securities market includes chairman of BOD, members, chief executive officer, other directors, head of departments, divisions, head of branch, representative’s office; staff of professional organization of securities market includes brokers, dealers and accountants.

*Appendix 2 to “Regulation on Database of Regulated Entities”
“Form MC-3-7”*

COMPANY’S BRANCH, REPRESENTATIVE’S OFFICE DETAILS

No	Code	Company’s name	Services access areas	Company’s official address, phone number	Branch, representative office address	Head of Branch, representative office, name, phone number	Name of brokers, phone number