

# KAZKOMMERTS INTERNATIONAL B.V.

Schouwburgplein 30-34, 3012 CL Rotterdam

17 May 2006

The Bank of New York, London Branch  
One Canada Square  
London E14 5AL

Dear Sirs,

**KAZKOMMERTS INTERNATIONAL B.V. (the "Issuer")**  
**U.S.\$500,000,000 8% Notes due 2015 (the "Issue")**  
issued under the  
**U.S.\$1,500,000,000 Guaranteed Debt Issuance Programme (the "Programme")**  
Unconditionally and irrevocably guaranteed by  
**JSC KAZKOMMERTSBANK (the "Guarantor")**

We refer to the trust deed dated 31 October 2005 (the "**Trust Deed**") between The Bank of New York (the "**Trustee**"), the Issuer and the Guarantor. Terms and expressions used herein shall have the meaning assigned to them in the Trust Deed.

Clause 15.1 (*Modification*) of the Trust Deed and Condition 11(b) of the Issue provide that the Trustee may, without the consent of Noteholders, agree to any modification of any of the provisions of the Notes or the Trust Deed which is, in its opinion, to correct a manifest error. The Issuer and the Guarantor hereby request your agreement to the modification of Schedule 3 (*Terms and Conditions of the Notes*) to the Trust Deed, as amended by the Final Terms dated 1 November 2005 (the "**Final Terms**") related to the Issue, to correct a manifest error contained in the Final Terms.

The following errors appear in the Final Terms:

- (i) "Provisions Relating to Interest (if any) Payable" of Part A of the Final Terms, Clause 15(i) (*Rate of Interest*) specifies that interest is payable annually in arrear;
- (ii) Clause 15(ii) (*Interest Payment Dates*) specifies the Interest Payment Date as being 3 November in each year; and
- (iii) Clause 15(iii) (*Fixed Coupon Amount*) specifies an amount of U.S.\$80 per U.S.\$1,000 in Nominal Amount.

The above provisions are inconsistent with Clause 6 of Part B of the Final Terms which indicates a yield to maturity of 8.25%. The yield to maturity can only equal 8.25% per annum based on a coupon of 8% and an issue price of 98.32% if the coupon is paid semi-annually and not annually. If the coupon were paid annually, the yield to maturity would have been 8.0896%, based on a bond equivalent basis.

Accordingly, the provisions of Clause 15(i) to (iii) of the Final Terms should have provided that interest is paid semi-annually in arrear and would be paid on 3 May and 3 November in each year, commencing on 3 May 2006. The correct Fixed Coupon Amount should have been U.S.\$40 per U.S.\$1,000.

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To the best of our knowledge, the Issue was sold and subsequently traded in the market on the understanding that interest payments would be semi-annual.

On 3 May 2006, contrary to market expectation (evidence of which is set out below), the Issuer did not make an interest payment since, in accordance with the legal documentation, the Issue had been set up in the clearing systems with an annual interest payment. Shortly after 3 May 2006, the Issuer and the Guarantor were contacted by the joint lead managers informing them that investors were asking why a payment had not been made.

The Issuer and the Guarantor wish to bring to the attention of the Trustee the following information which clearly indicates that the provisions of Clause 15 of Part A of the Final Terms contained a manifest error and that the yield to maturity specified in Clause 6 of Part B of the Final Terms is correct:

- On 3 October 2005, the joint-lead managers of the Issue sent an email to the Issuer and the Guarantor attaching a draft of the final terms of the Issue, which clearly stated that the Issue was to pay interest semi-annually.
- The Issue priced in the afternoon of 27 October 2005. At 17.38 pm on the same day, ING Bank N.V. sent an email to counsel to the joint lead managers setting out the pricing information as published on Bloomberg. The pricing information specified a yield to maturity of 8.25% but did not specify that the coupon was payable semi-annually.
- The Final Terms were signed on 1 November 2005 and provided that the interest was to be payable annually in arrear rather than semi-annually as indicated by the 3 October 2005 draft final terms referred to above but stated a yield to maturity of 8.25%.
- As a result of an investigation into the documentation after investor inquiries as to the lack of a coupon payment on 3 May which revealed the inconsistency in the 1 November 2005 Final Terms, Bloomberg was asked to and on 10 May 2006 did make a revision to the trading characteristics of the Issue and changed the coupon payment from semi-annual to annual to be in accordance with the provisions of the Final Terms. The trading price of the Issue fell by approximately one per cent. It is believed that that this fall was due to the market reaction to the change in the interest payment dates published by Bloomberg on 10 May. This fall followed an increase in the price of the Issue which we believe resulted from market expectations of an upgrade in the rating of Kazakhstan.
- The joint lead managers of the Issue have provided the Trustee, the Issuer and the Guarantor with the results of a search on the Bondware system of U.S. dollar denominated bonds of non-sovereign issuers from Eastern Europe, 2000 to 2006, as supplemented by the Bloomberg system. The search results clearly showed that the market practice for these issuers' dollar denominated bonds is for semi-annual interest payments.

Documentation evidencing the above points is included in Appendix B to this letter.

Under the terms of the Programme, the Issuer has a grace period of 10 Business Days to make a payment of interest before the non-payment becomes an event of default. Whilst, technically, an event of default would not occur in accordance with the terms of the Issue as no payment was due on 3 May 2006, if the Issuer does not make a payment before 17 May 2006, we believe that the market price of the Issue could be further damaged as the market will treat the non-payment as a default which could limit the Guarantor's ability to access the capital markets in the future or at a competitive price.

In light of the above and the attached evidence that the Final Terms erroneously documented the Issue as paying interest on an annual basis, the Issuer and the Guarantor urgently request the Trustee to correct this manifest error and to consent to the change of the Terms and Conditions of the Issue to specify that the Issue pays interest on a semi annual basis in May and November. With effect on and from the date hereof, the parties to this letter (being the parties to the Trust Deed) hereby expressly agree that, in accordance with Clause 15.1 of the Trust Deed and Condition 11(b) of the Issue, the Final Terms in relation to the Issue shall stand amended and restated in the form attached to this letter as Appendix A and accordingly the Terms and Conditions of the Issue are so amended. Subject to the amendments to be effected to the Final Terms hereunder, the Trust Deed, the Issue and the Terms and Conditions relating thereto remain in full force and effect.

The Issuer intends to make the payment due on 3 May 2006 as soon as commercially possible so as to assuage market opinion of the Issuer and the Guarantor. The Issuer would like to effect the payment by close of business in London today, if the documentation is agreed and executed. Accordingly, the Issuer requests that you immediately action this letter and upon written receipt of your confirmation of the same, please confirm that The Bank of New York, acting as Principal Paying Agent, may effect the changes necessary with the clearing systems and the UKLA to correct the error.

Each of the Issuer and the Guarantor acknowledges and agrees that the provisions of Clause 10.4 (*Indemnity*) of the Trust Deed shall apply to this letter. In addition, the provisions of Clause 20 (*Governing Law and Jurisdiction*) shall apply *mutatis mutandis* to this letter.

Each of the Issuer and Guarantor acknowledges that the Trustee has agreed to the proposed amendments to the Final Terms on the basis that they contained a manifest error as established by the matters referred to above regarding market expectation and the circumstances surrounding the Issue, each of which would not have been contradicted by any other information made available to Noteholders at the time of the Issue.

This letter shall take effect a deed supplemental to the Trust Deed (this "**Supplemental Trust Deed**"). This Supplemental Trust Deed may be executed in any number of counterparts, each of which when taken together shall constitute one and the same instrument. A memorandum of this Supplemental Trust Deed shall be endorsed by the Trustee on the Trust Deed and by the Issuer on the duplicate thereof.

IN WITNESS WHEREOF this Supplemental Trust Deed has been entered into as a deed by the parties hereto and is intended to be and is hereby delivered on 16 May 2006.

Executed as a deed by:

**KAZKOMMERTS INTERNATIONAL B.V.** )  
**as Issuer** )

Name:

Title:



**JSC KAZKOMMERTSBANK** )  
**as Guarantor** )

Name:

Title:



THE BANK OF NEW YORK  
as Trustee

)  
)

Name:

Title:



Paul Pereira  
Vice President

~~Name:~~

~~Title:~~

**Amended and Restated Final Terms dated 17 May 2006**  
**These Final Terms replace in their entirety the Final Terms**  
**executed by the Issuer and the Guarantor on 1 November 2005**

**KAZKOMMERTS INTERNATIONAL B.V.**  
Issue of U.S.\$500,000,000 8 per cent. Notes due 2015

**Guaranteed by JSC KAZKOMMERTSBANK**  
under the  
**U.S.\$1,500,000,000 Guaranteed Debt Issuance Programme**

#### **PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 31 October 2005 which constitutes a Base Prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at the website of the London Stock Exchange, [www.londonstockexchange.com/rns](http://www.londonstockexchange.com/rns).

1.	(i)	Issuer:	Kazkommerts International B.V.
	(ii)	Guarantor:	JSC Kazkommertsbank
2.	(i)	Series Number:	1
	(ii)	Tranche Number:	1
3.		Specified Currency or Currencies:	U.S. dollars ("U.S.\$")
4.		Aggregate Nominal Amount of Notes admitted to trading:	U.S.\$500,000,000
5.		Issue Price:	98.32 per cent. of the Aggregate Nominal Amount
6.		Specified Denominations:	U.S.\$100,000 and integral multiples of U.S.\$1,000 in excess thereof
7.	(i)	Issue Date:	3 November 2005
	(ii)	Interest Commencement Date	3 November 2005
8.		Maturity Date:	3 November 2015
9.		Interest Basis:	8.00% Fixed Rate
10.		Redemption/Payment Basis:	Redemption at par

11.	Change of Interest or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
13.	(i) Status of the Notes:	Senior
	(ii) Status of the Guarantee:	Senior
	(iii) Date of Board approval for issuance of Notes and Guarantee obtained:	1 November 2005 and 6 October 2005, respectively
14.	Method of distribution:	Syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15.	Fixed Rate Note Provisions:	Applicable
	(i) Rate of Interest:	8 per cent. per annum payable semi-annually in arrear
	(ii) Interest Payment Date:	3 May and 3 November in each year commencing on 3 May 2006 to and including the Maturity Date
	(iii) Fixed Coupon Amount:	U.S.\$40 per U.S.\$1,000 in Nominal Amount
	(iv) Broken Amount:	Not Applicable
	(v) Day Count Fraction (Condition 19):	30/360
	(vi) Determination Dates (Condition 19):	Not Applicable
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
16.	Floating Rate Note Provisions:	Not Applicable
17.	Zero Coupon Note Provisions:	Not Applicable
18.	Index-Linked Interest Note Provisions:	Not Applicable
19.	Dual Currency Note Provisions:	Not Applicable

**PROVISIONS RELATING TO REDEMPTION**

20.	Call Option:	Not Applicable
21.	Put Option:	Not Applicable

22. Final Redemption Amount of each Note: U.S.\$1,000 per U.S.\$1,000 in Nominal Amount
23. Early Redemption Amount:
- (i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 6(c)) or on event of default (Condition 10) and/or the method of calculating the same (if required or if different from that set out in the Conditions): Par
- (ii) Redemption for taxation reasons permitted on days other than Interest Payment Dates (Condition 6(c)): Yes

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes: Global Notes exchangeable for Definitive Registered Notes in the limited circumstances specified in the Global Notes
25. Financial Centre(s) (Condition 7) or other special provisions relating to Payment Dates: New York and London
26. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not Applicable
27. Details relating to Instalment Notes: Not Applicable
28. Other final terms: Not Applicable

#### DISTRIBUTION

29. (i) If syndicated, names of Managers: ING Bank N.V., London Branch  
J.P. Morgan Securities Ltd.  
UBS Limited
- (ii) Date of Subscription Agreement: 1 November 2005
- (iii) Stabilising Manager(s) (if any): J.P. Morgan Securities Ltd.
30. If non-syndicated, name of Dealer: Not Applicable
31. Additional selling restrictions: Not Applicable

## LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Issuer's U.S.\$1,500,000,000 Guaranteed Debt Issuance Programme guaranteed by JSC Kazkommertsbank.

### RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By: Andrey Timchenko  
Managing Director



Signed on behalf of the Guarantor:

By: Andrey Timchenko  
Managing Director





## FINAL TERMS

### PART B – OTHER INFORMATION

#### 1. LISTING

- |   |   |
|---|---|
| (i) Listing:  | London  |
| (ii) Admission to trading:  | Application was made on 31 October 2005 for the Notes to be admitted to trading with effect from 3 November 2005. |
| (iii) Estimate of total expenses related to admission to trading: | £7,336.25   |

#### 2. RATINGS

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|----------|--|
| Ratings: | The Notes to be issued have been rated:<br>S & P: BB<br>Moody's: Baa2<br>Fitch: BB |
|----------|--|

#### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save as discussed in "Subscription and Sale", so far as the Issuer and the Guarantor are aware, no person involved in the offer of the Notes has an interest material to the offer.

#### 4. REASONS FOR THE OFFER

- |                        |  |
|------------------------|--|
| Reasons for the offer: | The Issuer will lend the net proceeds of the Notes to the Guarantor. The Guarantor will use such proceeds to fund loans to its customers and for other general banking purposes. |
|------------------------|--|

#### 6. YIELD

- |                      |   |
|----------------------|---|
| Indication of yield: | 8.25%   |
|                      | The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield. |

#### 7. OPERATIONAL INFORMATION

- |                              |              |
|------------------------------|--------------|
| ISIN Code (Reg S Notes):     | XS0234488236 |
| ISIN Code (Rule 144A Notes): | US48666QAA40 |
| Common Code (Reg S Notes):   | 023448823    |

Common Code (Rule 144A Notes): 023458608  
Rule 144A Notes CUSIP number: 48666QAA4  
Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking Société Anonyme or DTC and the relevant identification number(s): None  
Delivery: Delivery against payment  
Names and addresses of additional Paying Agent(s) (if any): None

**APPENDIX B**