

12 November 2009

TERM SHEET
FOR THE FINANCIAL RESTRUCTURING OF
JSC ASTANA FINANCE AND ITS SUBSIDIARY ASTANA FINANCE B.V.

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1. INTRODUCTION

This term sheet (the "**Term Sheet**") dated 12 November 2009 outlines the terms for a proposed financial restructuring (the "**Restructuring**") of JSC Astana Finance (the "**Company**") and its subsidiary Astana Finance B.V. The Company and the JSC Astana Finance Creditors' Committee (the "**Creditors' Committee**") have together reached an agreement under which the Creditors' Committee has agreed, subject to the conditions set forth herein, to recommend the terms set out in this Term Sheet to the Company's international financial creditors as a whole. The terms set out in this Term Sheet have not otherwise been approved by any financial creditor of the Company.

2. KEY DATA ON THE PROPOSED RESTRUCTURING AND PRINCIPAL TERMS

The objective of the Restructuring is to develop a plan for the restructuring of the Group's existing debt, on terms that shall be both acceptable to creditors and ensure the on-going financial health of the Company.

The Restructuring should take the following form:

- (i) Senior Debt will be exchanged for the following securities:
 - a minimum of US\$ 350 million (subject to reconciliation and agreement by the Committee and subject to increase as provided below, equivalent to approximately 35% of the sum of outstanding principal and interest accrued but unpaid up to (but excluding) the Restructuring Date on the existing indebtedness held by Senior Creditors, of new Eurobonds to be issued or guaranteed by the Company with a final maturity date of 7 years and otherwise on the terms described in Schedule 7 (*Terms of the Replacement Notes*) ("**Replacement Notes**"); the debt carry level remains subject to negotiation; as stated in the Memorandum of Understanding, the Creditors' Committee anticipates that there may be some upward adjustment in the aggregate principal amount of the Replacement Notes; provided that the aggregate principal amount of the Replacement Notes shall be subject to increase, as mutually agreed between the Company and the Creditors' Committee, by reference to, among other things, (a) any cash contribution that existing shareholders shall make to the Company or to the Senior Creditors in connection with the Restructuring, whether in respect of the Comfort Letters (as defined below) or otherwise (it being understood that, in any event, nothing contained in this Term Sheet shall constitute or imply a waiver by any Senior Creditor of any claim or rights it may have against any such existing shareholder under or pursuant to the Comfort Letters or otherwise and each Senior Creditor shall remain free to pursue any such claims or rights it may have); and (b) the terms ultimately agreed with "trade finance creditors".
 - recovery loan notes to be issued or guaranteed by the Company with a final maturity of 8 years and otherwise on the terms described in Schedule 8 (*Terms of the Recovery Notes*) ("**Recovery Notes**")

evidencing the rights of the holders to receive 60% of (a) recoveries by the Company on its claims in respect of disputed derivatives transactions which the Company has advised the Creditors' Committee it is pursuing and (b) the excess of recoveries by the Company over the net book value on 30 September 2009 or the Restructuring Date (whichever net book value is lower) of any and all loans, investments or other assets of the Company, as mutually agreed between the Company and the Creditors' Committee and set out in a schedule to the Restructuring documentation; and

- shares in the Company representing in aggregate 58.9% of the Common Shares of the Company outstanding immediately post-Restructuring.
- (ii) Domestic Senior Debt will be modified by extending the maturity to a date which is 20 years after the Restructuring Date and subordinating all claims of Domestic Senior Creditors to the claims of the Senior Creditors.
- (iii) Domestic Subordinated Debt will be modified by extending the maturity to a date which is 25 years after the Restructuring Date with a 15 year grace period.
- (iv) Excluded Debt will not be part of the Restructuring.

3. DEFINITIONS

"Appointment Letter"

The appointment letter between the Company and the Creditors' Committee dated 21 August 2009.

"Business Day"

A day on which commercial banks and foreign exchange markets settle payments and are open for general business in London, Almaty and New York City.

"Business Plan"

The Management and Proposed Restructuring Plan of the Company dated 21 September 2009, as presented to the Creditors' Committee and approved by the board of directors of the Company, and as amended to reflect the agreed terms of the Restructuring.

"Comfort Letters"

The comfort letters issued to financial creditors by the Municipality of Astana, the Kazyna Fund for Sustainable Development JSC or Samruk-Kazyna.

"Common Shares"

Common, voting shares of the Company, which shall comprise all of the authorised and issued share capital of the Company on

	the Restructuring Date.
"Company"	JSC Astana Finance.
"Creditors' Committee"	The Creditors' Committee of the financial creditors of the Group consisting of Nomura International Plc, Banco Finantia SA, Franklin Templeton Investment Management Limited, Landesbank Berlin AG and Portland Worldwide Investments Ltd.
"Deloitte"	Deloitte LLP, Kazakhstan, auditors of the Company.
"Domestic Senior Creditors"	Holders of Domestic Senior Debt.
"Domestic Senior Debt"	Tenge denominated bonds (other than subordinated bonds) issued by the Company and governed by RK law.
"Domestic Subordinated Creditors"	Holders (including the RK Government) of Domestic Subordinated Debt.
"Domestic Subordinated Debt"	Tenge denominated subordinated bonds and other Tenge denominated subordinated debt (or, in the case of RK Government held debt, non-subordinated Tenge denominated debt) issued or guaranteed by the Company and governed by RK law, other than Excluded Debt.
"ECAs"	Export-Import Bank of the United States, Export Development Canada (EDC), Office National du Ducroise Nationale Delcredere Dienst (ONDD), Euler-Hermes Kreditversicherungs (Hermes), Compañía Española de Seguros de Crédito a la Exportación (CESCE), Finnvera plc, Export Credit Insurance Corporation (KUKE) and Swiss Export Risk Insurance (SERV).
"Excluded Creditor"	JSC Entrepreneurship Development Fund "Damu".
"Excluded Debt"	Debt owed by the Company to the Excluded Creditor, in the total amount (including principal and interest) of Tenge 2.8 billion with a final maturity in July 2013, and borrowed under the State Programme on Financing Small and Medium Entrepreneurship in the Republic of

	Kazakhstan.
"Existing Eurobondholders"	Holders of Existing Eurobonds.
"Existing Eurobonds"	To the extent outstanding (not having been previously purchased or redeemed and cancelled) as at the Record Date: <ul style="list-style-type: none"> (i) the Finance Subsidiary's US\$ 175 million 9.00% Notes due 2011 jointly and severally guaranteed by the Company and the Leasing Subsidiary (ISIN: XS0275278256); and (ii) all GMTN Notes issued under the US\$ 2 billion Global Medium Term Note Programme established by the Company and the Finance Subsidiary.
"Existing Trustees"	The Bank of New York Mellon and Citicorp Trustee Company Limited.
"Finance Subsidiary"	Astana Finance B.V.
"FMSA"	The Agency of the Republic of Kazakhstan for the Regulation and Supervision of the Financial Market and Financial Organisations.
"GMTN Notes"	The EUR 340,000,000 7.875% Notes due 2010 (ISIN: XS0304676637), the U.S.\$ 10,000,000 Floating Rate Notes due 2011 (ISIN: XS0359435012) and the U.S.\$ 35,000,000 14.50% Notes due 2013 (ISIN: XS0373189579).
"Group"	The Company and its subsidiaries for the time being.
"KASE"	Kazakhstan Stock Exchange.
"Leasing Subsidiary"	JSC Astana Leasing Company.
"Memorandum of Understanding"	The memorandum of understanding entered into by the Company and the Creditors' Committee on 16 October 2009.
"Notes Trustee"	The trustee for the holders of the Replacement Notes and the Recovery Notes.

"Record Date"	As defined in Section 4 (<i>Overview of the Restructuring Process and Timetable</i>).
"Restructured Debt"	As described in Section 5 (<i>General Terms of the Restructuring</i>).
"Restructuring Creditors"	Senior Creditors, Domestic Senior Creditors and Domestic Subordinated Creditors (but not Excluded Creditors).
"Restructuring Date"	As defined in Section 5 (<i>General Terms of the Restructuring</i>).
"Restructuring Plan"	As defined in Section 4 (<i>Overview of the Restructuring Process and Timetable</i>).
"RK Government"	The Government of the Republic of Kazakhstan, municipal authorities in Kazakhstan (<i>Akimat</i>) and its or their agencies and other legal entities affiliated or controlled by the Government of the Republic of Kazakhstan or <i>Akimat</i> including JSC Entrepreneurship Development Fund "Damu".
"Russian Subsidiary"	Open Joint Stock Company "AF Bank".
"Senior Creditors"	Holders of Senior Debt.
"Senior Debt"	Eurobonds issued or guaranteed by the Company, bilateral or syndicated loan facilities entered into or guaranteed by the Company and senior unsecured debt of or guaranteed by the Company (excluding Tenge denominated obligations and "trade finance debt" as to be agreed with the Creditors' Committee).

4. OVERVIEW OF THE RESTRUCTURING PROCESS AND TIMETABLE

The Restructuring process will consist of the following stages:

- (i) The Term Sheet is agreed between the Creditors' Committee and the Company, subject to the conditions set forth herein.
- (ii) The board of directors of the Company decides to restructure the Group's financial indebtedness and ratifies the Term Sheet within 48 hours of the execution of this Term Sheet by the Company and the Creditors' Committee..
- (iii) The Company publishes a copy of the Term Sheet via the Regulatory News Service of the London Stock Exchange plc and (within 24 hours) on its website and on KASE.

- (iv) Evidence that the FMSA has extended the time period granted to the Company to remedy the violation of its regulatory and capital adequacy requirements.
- (v) There will be a consultation period with the Creditors' Committee and their advisers regarding the Restructuring documentation.
- (vi) The Company notifies its creditors of the Restructuring by distributing the final restructuring plan (the "**Restructuring Plan**") which sets the last date for creditors to make a claim and for the Existing Eurobonds and other existing securities subject to the Restructuring to be traded (the "**Record Date**"). The creditors are notified of the meeting dates for the Existing Eurobondholders. Notices of the meetings will set out details of where the full set of the Restructuring documentation (in draft and/or final form) may be inspected.
- (vii) Assuming all relevant conditions precedent have been fulfilled, to the satisfaction of the Creditors' Committee (or waived by the Creditors' Committee), the Creditors' Committee shall recommend the Restructuring on the terms and subject to the conditions set forth in this Term Sheet, to the Company's international financial creditors as a whole.
- (viii) Creditors' claims are submitted to the Company no later than the Record Date, and confirmed by the Company within three Business Days thereafter, subject to following appropriate procedures as agreed between the Company and the Creditors' Committee to address any such claims disputed by the Company.
- (ix) The Eurobondholder meetings (and, if necessary, adjourned Eurobondholder meetings) are held to approve the terms of the Restructuring and to authorise the Existing Trustees to implement the Restructuring. The Eurobondholder meetings should take place substantially simultaneously.
- (x) The Company submits the approved Restructuring Plan to the FMSA for information; no approval is required from the FMSA.
- (xi) The board of directors of the Finance Subsidiary approves the Restructuring.
- (xii) Restructuring documentation is executed by the relevant parties.
- (xiii) The Company satisfies any remaining conditions precedent, including that the Company has agreed, with the approval of the Creditors' Committee, terms for the restructuring of all existing debt not covered by the Restructuring (other than Excluded Debt) and that all conditions precedent to such restructurings have been satisfied.
- (xiv) Upon satisfaction of the conditions precedent the Restructuring Date shall occur simultaneously in relation to all Restructuring Creditors, as well as the "trade finance creditors" and any other group of creditors not covered by the Restructuring contemplated by this Term Sheet (whereupon the compromises contemplated by this Term Sheet take effect).

Nomura International Plc will be appointed by the Company to act as dealer manager for the purposes of the Existing Eurobondholders consent solicitation.

Lucid Issuer Services Limited (or another similar agent) will be appointed to act as exchange, tabulation and information agent in connection with the Restructuring.

A distribution agent (an independent, professional trustee company, accountancy firm or similar) will be appointed by the Company with the consent of the Creditors' Committee to deal with reallocations of debt to the Domestic Senior Creditors and the Domestic Subordinated Creditors and distributions of relevant new debt instruments.

Trustee(s), Paying Agent(s), Calculation Agent(s) and Registrar(s) will be appointed by the Company for the purposes of the Replacement Notes and the Recovery Notes (as required).

The Company acknowledges that (i) nothing in this Term Sheet shall be construed as a commitment (express or implied) that any individual member of the Creditors' Committee will arrange, provide, underwrite, approve or otherwise consent to the terms for the Restructuring set out herein or as a representation that any such commitment will be provided in the future; and (ii) the members of the Creditors' Committee have no authority whatsoever in any capacity to act for, represent or commit any creditors.

5. GENERAL TERMS OF THE RESTRUCTURING

Under the terms of the proposed Restructuring:

Restructured Debt

Restructured Debt

Debt owed to the Restructuring Creditors, including unpaid interest. For the avoidance of doubt, accrued but unpaid interest (other than default interest accrued in accordance with the terms of various existing financing or other debt instruments) up to (but excluding) the Restructuring Date will be included in creditors' claims and, therefore, in the Restructuring.

Upon Restructuring, all default interest accrued in accordance with the terms of various existing financing or other debt instruments shall be written off in full by the relevant Restructuring Creditors and will not form part of its claim in the Restructuring. Restructured Debt shall be restructured in accordance with the terms applicable to the respective Restructuring Creditors as set out in Schedule 4 (*Terms of Restructuring, Senior Creditors*), Schedule 5 (*Terms of Restructuring, Domestic Senior Creditors*), and Schedule 6 (*Terms of Restructuring, Domestic Subordinated Creditors*).

Trade Finance Debt

The Creditors' Committee shall be satisfied with the definition of "trade finance creditor" to be applied in the Restructuring and the independent process used to determine who qualifies as such a "trade finance creditor" and the Creditors' Committee shall have been informed of, and be satisfied with, the terms to be offered to such "trade finance creditors" as part of the Restructuring.

Senior Debt

Senior Creditors will be offered Replacement Notes, Recovery Notes and Common Shares in return for the cancellation of their existing obligations (the "Exchange Offer").

All U.S. and Italian Existing Existing Eurobondholders will be excluded from participating in the Exchange Offer unless they comply with all applicable U.S. and, as the case may be, Italian legal requirements.

For more information on the terms of the Common Shares, the Replacement Notes and the Recovery Notes to be allocated to Senior Creditors, see Schedule 4 (*Terms of Restructuring, Senior Creditors*), Schedule 7 (*Terms of the Replacement Notes*) and Schedule 8 (*Terms of the Recovery Notes*).

Domestic Subordinated Debt

Domestic Subordinated Debt will be modified by extending the maturity to a date which is 25 years after the Restructuring Date with a 15 year grace period. All claims of Domestic Subordinated Creditors will be subordinated to the claims of the Senior Creditors.

Currency of Restructured Debt post-Restructuring

Post-Restructuring, the Restructured Debt shall be denominated in the following currencies:

- (a) All Senior Debt (regardless of the currency in which it was originally denominated) will be exchanged for Replacement Notes and Recovery Notes denominated in US dollars.
- (b) Domestic Senior Creditors and Domestic Subordinated Creditors shall be entitled to receive only Tenge denominated instruments under the

Restructuring.

- (c) For the purposes of calculating the aggregate principal amount of Replacement Notes and the aggregate nominal amount of Recovery Notes to be issued to any Senior Creditor in exchange for Senior Debt originally denominated in any currency other than US dollars, the relevant principal amount of Senior Debt shall be converted into US dollars at the rate displayed on the appropriate page of the Bloomberg screen at or about 11 a.m. on the Conversion Date. For the purposes of this paragraph, "**Conversion Date**" means the date which is two Business Days prior to the Restructuring Date.

The Replacement Notes and Recovery Notes shall be denominated in US dollars only.

Any reference in this Term Sheet to exchange rates shall, if the relevant rate is not available on the appropriate screen, be instead to ISDA fallbacks.

Claims dispute resolution

Disputes between the creditors and the Company in relation to claims submitted to the Company in respect of the Restructuring shall be submitted for adjudication to an independent expert appointed by the LCIA.

Restructuring Creditors

Restructuring Creditors

See Schedule 4 (*Terms of Restructuring, Senior Creditors*), Schedule 5 (*Terms of Restructuring, Domestic Senior Creditors*) and Schedule 6 (*Terms of Restructuring, Domestic Subordinated Creditors*) for terms applicable to various categories of existing creditors of the Group.

Financial statements

The Consent Solicitation Memorandum will include physically or incorporate by reference:

- (a) consolidated annual accounts of the Company for the financial years ending 31 December 2007 and 2008,

audited by Deloitte;

- (b) the Company's accounts for the nine months ending 30 September 2009, as reviewed by Deloitte; and
- (c) the balance sheet of the Company as at 30 September 2009 (unless otherwise agreed by the Creditors' Committee), as reviewed by Deloitte.

Conditions precedent to the Restructuring Date

Restructuring Date

The date when all conditions precedent set out in the Restructuring Plan have been satisfied.

Conditions precedent

See Schedule 3 (*Conditions precedent*) for conditions precedent for the Restructuring Date to occur.

Security and negative pledge

Security and negative pledge

Save as provided in Schedule 7 (*Terms of the Replacement Notes*) and Schedule 8 (*Terms of the Recovery Notes*), no security, guarantees or other credit support shall be granted by the Company for indebtedness for borrowed money as part of the Restructuring, subject to appropriately negotiated exceptions reflecting the Restructuring which are (i) necessary for the operation of the Company's business and (ii) agreed by the Creditors' Committee.

Issue of equity to the Restructuring Creditors

Issue of equity to the Restructuring Creditors

See Section 7 (*Issue of Equity to the Restructuring Creditors*).

Decision-making by the Restructuring Creditors

Approval thresholds / decision making by the Restructuring Creditors

See Section 7 (*Issue of Equity to the Restructuring Creditors*).

Publicity

Subject to complying with any parties' regulatory requirements or as otherwise required by law or regulatory authority or a

court of competent jurisdiction, the content and timing of any public disclosure of the terms of the Restructuring or the terms of this Term Sheet shall be agreed in advance by the Company and the Creditors' Committee. All other disclosures relating to this Term Sheet or the Restructuring shall be subject to the terms of the Appointment Letter.

The Company shall make a public announcement disclosing the terms of this Term Sheet by the close of business on the Business Day immediately following the ratification of the signed Term Sheet by the board of directors of the Company; it being agreed that the Company shall cause its board of directors to ratify this Term Sheet within 48 hours of its execution by the Company and the Creditors' Committee.

6. TERMS OF THE RESTRUCTURING DOCUMENTATION

Documentation

The list of key Restructuring documents is set out in Schedule 1 (*Key restructuring documents*).

In relation to any Restructured Debt which is a liability owed by the Finance Subsidiary, any exchange will be for bonds issued by the Company (and not the Finance Subsidiary).

Representations, warranties and undertakings

The following representations, warranties and undertakings (among others) will be included in the Restructuring Agreement. The undertakings will apply to the Company at all times from and after the Restructuring Date. Materiality thresholds and certain other customary qualifications to be agreed with the Creditors' Committee.

Representations

The Company will make each of the following representations (among others) (the accuracy of which is to be confirmed by way of an officer's certificate) immediately before, and as a condition precedent to, the occurrence of the Restructuring Date:

- (a) Status and ranking of claims;
- (b) Binding obligations;

- (c) No conflict with other obligations;
- (d) Power and authority;
- (e) Validity and admissibility in evidence;
- (f) Governing law and enforcement;
- (g) No breach of the terms of the Restructuring documentation or the Restructuring Plan;
- (h) No misleading information; all information provided to the Restructuring Creditors is full, correct and up to date as at the Restructuring Date including information on related parties' transactions and liabilities to related parties;
- (i) Consent Solicitation Memorandum and Offering Circular not misleading;
- (j) Accuracy of financial statements and no material adverse change since the date of the last financial statements;
- (k) No proceedings pending or threatened;
- (l) No engagement in money laundering, corruption or financing of terrorism;
- (m) No sovereign immunity;
- (n) No winding up;
- (o) No debt (other than the Excluded Debt) that has not been restructured on terms approved by the Creditors' Committee;
- (p) No intra-group debt except as previously disclosed to the creditors;
- (q) Issuance or transfer of the Common Shares, and issuance of Replacement Notes and Recovery Notes not in contravention of constitutional documents or any binding obligation on the Company; Common Shares

free of liens etc.; and

- (r) Share capital details are as per the table set out in Section 7 (*Issue of Equity to the Restructuring Creditors*).

Information undertakings

Standard for English law governed international debt securities and as provided in Schedule 9 (*Recovery Notes Control Matters*).

Also to include quarterly (or more frequent as reasonably requested by the creditors' representative) updating on progress of the implementation of the Restructuring and the Business Plan; reports from the board of directors of the Company or, at the election of the creditors' representative, independent compliance auditors on continuing review of impaired assets and provisioning policies.

Undertakings

The following undertakings (among others) will be included in the restructuring documentation (or the trust deed(s) for the Replacement Notes and the Recovery Notes):

- (a) Authorisations; maintenance of any necessary regulatory and other approvals and licences of the Company and its subsidiaries;
- (b) Compliance with laws and regulatory requirements;
- (c) Compliance with the Restructuring Plan;
- (d) Compliance with the Charter and all Restructuring documents;
- (e) Restrictions on amendments to the Charter or changes in share capital;
- (f) Debt incurrence ratio test, other financial covenants, etc.;
- (g) Undertaking to use best endeavours to maximise (after deduction of reasonable expenses incurred to obtain such recoveries) recoveries

under the Recovery Notes;

- (h) Undertaking to use reasonable endeavours to achieve best possible tax treatment for the Company; gross up in the event of any taxes being imposed on payments on Replacement Notes;
- (i) Negative pledge;
- (j) Restriction on disposals;
- (k) Restriction on intra group lending or guarantees, related party lending or similar transactions except to the extent required by laws or regulations of the Republic of Kazakhstan;
- (l) Restriction on joint ventures, acquisitions, mergers and incorporation of subsidiaries;
- (m) No change of business;
- (n) *Pari passu* provisions;
- (o) Restrictions on major transactions not conducted at fair market value / related party payments / non-arm's length transactions;
- (p) Obligation to maintain proper books and records;
- (q) Obligation to maintain listings (KASE and international to the extent applicable) of Replacement Notes and Recovery Notes;
- (r) Obligation to effect and maintain, in accordance with prudent practices and industry standards in the Republic of Kazakhstan, insurance at its own expense in respect of all its material assets and business of an insurable nature with reputable insurers of good standing;
- (s) Remuneration of management shall not be beyond reasonable commercial

levels;

- (t) No dividends shall be paid on Common Shares for the financial years 2010 to 2017.
- (u) No engagement in money laundering, corruption and financing of terrorism); and
- (v) No entering into treasury and currency operations other than bona fide treasury and currency operations.

Events of Default

Events of Default

Each of the following (among others) will be an Event of Default under the Replacement Notes to be issued:

- (a) Non-payment of the relevant Restructured Debt when due, with five Business Days' grace period for principal amounts where failure to pay is caused by administrative or technical error affecting the transfer of funds and five Business Days' grace period for interest;
- (b) Cross-default, subject to U.S.\$ 5 million thresholds;
- (c) Judgment default, subject to U.S.\$ 5 million thresholds;
- (d) Any regulatory ratio applicable to the Company or financial covenants, if any not being satisfied subject to any cure period provided for by regulation and subject to certification by the relevant Notes Trustee that such breach is materially prejudicial to bondholders;
- (e) Failure to comply with any other obligations in respect of the Restructured Debt subject to an agreed cure period if capable of remedy and subject to certification by the relevant Notes Trustee that such breach is materially prejudicial to

bondholders;

- (f) Insolvency and similar events;
- (g) Cessation of business; material change in business;
- (h) All or any substantial part of the undertaking, assets or revenues of the Company is nationalised or expropriated;
- (i) Unlawfulness; and
- (j) Repudiation.

Consequences of Events of Default

All Replacement Notes and Recovery Notes potentially becoming due and payable as described below.

Customary provisions regarding the obligations/discretion of the relevant Notes Trustee to accelerate.

25% of holders of Replacement Notes may instruct the relevant Notes Trustee to accelerate (subject to quorum requirements).

Holders of Recovery Notes do not have rights to accelerate other than on insolvency and/or non-payment.

Standard provisions in favour of the Notes Trustee allowing it access to financial information and ability to appoint professional advisers.

Voting on consents / amendments / waivers:

Standard Eurobond consent/waiver thresholds.

Other terms

Transfers by Restructuring Creditors

Both the Replacement Notes and the Recovery Notes will be freely tradeable and cleared through Euroclear and Clearstream and (if 144A) DTC.

Costs and expenses

The Company shall pay on time and in full all reasonable fees, costs and expenses of the Creditors' Committee including the reasonable fees and expenses of the creditors'

advisers in accordance with the relevant appointment letters.

The Company shall pay on time and in full all costs of the Restructuring process, such as the cost of the bondholders' and creditors' meetings and appointment of the registrar / distribution agent and all other service providers.

Governing law

Subject to the mandatory requirements of RK law, English law shall govern the Restructuring documentation.

Jurisdiction

Submission to LCIA arbitration or, at the option of the Notes Trustee or the holders of the Replacement Notes or Recovery Notes (as the case may be), jurisdiction of English Courts.

Language

Restructuring documentation will be executed in the English language and, if required by RK law, translated into the Russian language. In the event of any disputes or inconsistencies, the English language version shall prevail.

Listing

A primary listing of both the Replacement Notes and the Recovery Notes upon issue on an international stock exchange agreed with the Creditors' Committee and a secondary listing on KASE.

7. ISSUE OF EQUITY TO THE RESTRUCTURING CREDITORS

Common Shares

Common Shares in the Company representing 58.9% of all Common Shares outstanding as of the Restructuring Date will be allocated to Senior Creditors in the Restructuring.

Common Shares allocated to Senior Creditors will, subject to applicable regulatory approvals, be held for the benefit of the Senior Creditors (and their successors) through special purpose vehicles (SPVs).

Equity tables

Prior to the Restructuring, the share capital of the Company is held as follows¹:

- Committee of state property and privatization of Ministry of Finance of RK – 20.77%
- Astana Stroy Service LLP – 19.73%
- Logistic Technopark CM LLP – 18.16%
- Kazakhstan Standard Invest LLP – 13.11%
- Saya Invest LLP – 11.72%
- Ratul LLP – 6.33%
- JSC National Welfare Fund "Samruk-Kazyna" – 5.74%
- Others – 4.44%

Post-Restructuring, the Common Shares of the Company will be held as follows:

- SPV for Senior Creditors x 3 – 58.9% (each to hold less than 25% of total Common Shares)
- OTHERS – 41.1%

Re-transfer of not more than 25.1% of Common Shares by or on behalf of the Senior Creditors

Subject to applicable regulatory approvals and restrictions on transfers of the Common Shares, following payment in full of all amounts due in respect of the Replacement Notes and the Recovery Notes, a portion of the Common Shares in the Company held by or for the account of the Senior Creditors representing, in the aggregate, 25.1% of the Common Shares in the Company outstanding immediately following the Restructuring, shall be subject to a call option or similar mechanism to be exercised at the option of persons to be designated at any time by the

¹ As at 12 November 2009.

Company and at a price of US\$ 1.00 per purchaser or transferee (or its equivalent in Tenge).

Dividend policy / rights

No dividends shall be paid on Common Shares for the financial years 2010 to 2017.

Shareholders' rights / minority shareholders' protection

The Company will at all times comply with its Charter and Corporate Code (as amended or restated from time to time).

Shareholders' Agreement

The shareholders in the Company immediately following the Restructuring Date will enter into a Shareholders' Agreement governing the relationship among them (including restrictions on sale and transfer of Common Shares).

SCHEDULE 1– KEY RESTRUCTURING DOCUMENTS

1. Restructuring Plan approved by the Company and the Creditors' Committee.
2. Restructuring Agreement.
3. Consent Solicitation Memorandum and attached Offering Circular.
4. Other Explanatory Memoranda for creditors other than Existing Eurobondholders.
5. Dealer Manager Agreement.
6. Trust Deeds, Agency Agreements and Terms and Conditions for the Replacement Notes and for the Recovery Notes.
7. First Priority Pledge in respect of all the shares in the Russian Subsidiary in favour of the Trustee of the Replacement Notes.
8. Deed of release for the Company, its affiliates, certain senior management individuals, the Creditors' Committee and their respective financial and legal advisers.
9. Documentation effecting the exchange of Senior Debt for Common Shares.
10. Documentation effecting the modifications to the terms of the Domestic Senior Debt (including subordination arrangements).
11. Documentation effecting the modifications to the terms of the Domestic Subordinated Debt (including subordination arrangements).
12. Account opening and security documentation for and over the Recovery Notes collection account.
13. Account opening and security documentation for and over the Recovery Notes cash management account.
14. Auditors' comfort letters.
15. Amendments to the Charter of the Company.
16. Governance Code satisfactory to the Creditors' Committee.
17. Appointment of a creditors' representative to the board of directors of the Company.
18. Arrangements for distribution of Replacement Notes, Recovery Notes and Common Shares.
19. All documents, instruments, undertakings, resolutions, proxies and other formalities required in connection with the documents listed above.

SCHEDULE 2- TRADE FINANCE DEBT

The Creditors' Committee shall be satisfied with the definition of "trade finance creditor" to be applied in the Restructuring and the independent process used to determine who qualifies as such a "trade finance creditor" and the Creditors' Committee shall have been informed of, and be satisfied with, the terms to be offered to such "trade finance creditors" as part of the Restructuring.

SCHEDULE 3- CONDITIONS PRECEDENT

PART A, CONDITIONS PRECEDENT TO THE RECOMMENDATION OF THE RESTRUCTURING AND SUBMISSION OF THE RESTRUCTURING DOCUMENTATION TO ALL CREDITORS

Certain conditions precedent, including those listed below, need to be fulfilled, to the satisfaction of the Creditors' Committee (or waived by the Creditors' Committee) before the Creditor's Committee will recommend the Restructuring to the Company's international financial creditors and before the Restructuring Documentation shall be submitted to the Restructuring Creditors.

- (a) The ratification of the Term Sheet by the board of directors of the Company. In the event that the Term Sheet is not ratified by the board of directors of the Company within 48 hours of its execution by the Company and the Creditors' Committee, the Term Sheet shall be null and void as if never so executed.
- (b) Timely fulfilment by the Company and the Finance Subsidiary of the conditions set out in the Term Sheet.
- (c) Financial, legal and other due diligence (including in respect of the indebtedness and financial standing of material subsidiaries and in respect of all related party transactions) satisfactory to the Creditors' Committee and satisfactory advice on tax and regulatory matters.
- (d) All relevant approvals required by the members of the Creditors' Committee (including, where necessary, any credit committee approvals).
- (e) The Creditors' Committee shall be satisfied with the definition of "trade finance creditor" to be applied in the Restructuring and the independent process used to determine who qualifies as such a "trade finance creditor" and the Creditors' Committee shall have been informed of, and be satisfied with, the terms to be offered to such "trade finance creditors" as part of the Restructuring.
- (f) Satisfactory legal documentation, including documentation related to the procedure for the approval of the Existing Eurobondholders.
- (g) Evidence of the Company's Business Plan being adopted by the Company's board of directors.
- (h) The Creditors' Committee being satisfied that, since the date of the Appointment Letter, there has been no material adverse change in:

- (i) the business, financial condition, results, indebtedness or prospects of the Company and its material subsidiaries and affiliates (taken as a whole); or
 - (ii) the international or any relevant domestic financial market, including any significant devaluation of the Tenge against the US dollar or the Euro.
-
- (l) Evidence that, except as previously disclosed in writing to the Creditors' Committee, there has been no breach of the de facto standstill by any of the Group's financial creditors or the Company (including no settlement of debts directly with the financial creditors (whether by way of payment, set-off or otherwise) since the date of the Appointment Letter and that the Company has otherwise been operating its business in accordance with prudent practices and is in compliance with Schedule 2 (*Reserved Matters*) as contained in the Appointment Letter – to be confirmed by an officer's certificate.
 - (j) The Creditors' Committee being satisfied with the treatment of debt owed to related parties (including existing shareholders).
 - (k) Report from Ernst & Young LLP (in final form) released to financial creditors who request it subject to the receipt of executed reliance letters in the form agreed with the Creditors' Committee from the recipients of such report.
 - (l) Report from BDO LLP/BDO Kazakhstan (in final form) as independent advisers to the Creditors' Committee released to financial creditors who request it subject to the receipt of executed reliance letters in the form agreed with the Creditors' Committee from the recipients of such report.
 - (m) Legal due diligence on the Group by Clifford Chance and First Legal, as counsel to the Company as to matters of English law and Kazakhstan law, respectively.
 - (n) Indemnities to bond trustees if required.
 - (o) Evidence of preliminary steps to all relevant listings.
 - (p) Evidence of payment of all fees, costs and expenses then due from the Company to the Creditors' Committee including the fees and expenses of the creditors' advisers under the relevant appointment letters.

PART B, CONDITIONS PRECEDENT TO THE RESTRUCTURING

Certain conditions precedent, including those listed below, need to be fulfilled, to the satisfaction of the Creditors' Committee (or waived by the Creditors' Committee) before the Restructuring shall become effective. The conditions precedent are deemed to be in form and substance satisfactory to the Creditors' Committee by the vote or consent of a majority in number of the members of the Creditors' Committee at the relevant time.

- (a) Evidence that, except as previously disclosed in writing to the Creditors' Committee, there has been no breach of the de facto standstill by any of the Group's financial creditors or the Company (including no settlement of debts directly with the financial creditors (whether by way of payment, set-off or otherwise, other than by means of the Restructuring) since the date of the Appointment Letter and that the Company has otherwise been operating its business in accordance with prudent practices and is in compliance with Schedule 2 (*Reserved Matters*) as contained in the Appointment Letter – to be confirmed by an officer's certificate.
- (b) All of the relevant Restructuring documentation duly executed by all parties to it.
- (c) All approvals required under RK law for the Restructuring documents (including, if applicable, for Common Shares of the Company to be held by one or more SPVs) to come into effect and be binding on the Company and all Restructuring Creditors and for the Company to be able to perform its obligations in the Restructuring Plan and the Restructuring documents.
- (d) The Creditors' Committee shall be satisfied with the definition of "trade finance creditor" to be applied in the Restructuring and the independent process used to determine who qualifies as such a "trade finance creditor" and the Creditors' Committee shall have been informed of, and be satisfied with, the terms to be offered to such "trade finance creditors" as part of the Restructuring.
- (e) The Creditors' Committee shall have been satisfied with the resolution of the issues relating to the Comfort Letters.
- (f) Evidence that the Company has issued a sufficient number of Common Shares to the Restructuring Creditors.
- (g) Corporate documentation (constitutional documents / Charter documents of the Company duly registered and approved / relevant board resolutions / shareholder resolutions / specimen signatures / certificates) in respect of the Company and the Finance Subsidiary.

- (h) Evidence of compliance with all listing / disclosure requirements in each relevant jurisdiction in respect of the Recovery Notes and the Replacement Notes.
- (i) Amendments to the Charter documents of the Company duly registered with/approved by all appropriate authorities in the RK.
- (j) Evidence of payment of all reasonable fees, costs and expenses then due from the Company to the Creditors' Committee and its advisers under the relevant appointment letters.
- (k) The Creditors' Committee being satisfied that, except as previously disclosed to the Creditors' Committee, since the date of the Appointment Letter and prior to the Restructuring Date, there has been no material adverse change in:
 - (i) the business, financial condition, results, indebtedness or prospects of the Company and its material subsidiaries and affiliates (taken as a whole); or
 - (ii) the international or any relevant domestic financial market, including any significant devaluation of the Tenge against the US dollar or the Euro.
- (l) All necessary and creditors' meetings having taken place and corresponding approvals obtained.
- (m) Evidence that the restructuring of all existing debt not covered by the Restructuring (other than Excluded Debt) have been agreed between the Company and the relevant creditors on terms approved by the Creditors' Committee and that all conditions precedent to such restructurings have been satisfied.
- (n) Evidence that no creditor of the Company or any of its subsidiaries or affiliates (including all other creditors not covered by the Restructuring) has taken any steps outside the Restructuring to enforce any security or collect any amounts due to it.
- (o) Adoption of a Corporate Code satisfactory to the Restructuring Creditors.
- (p) Provision by the Company of an officer's certificate confirming that the representations to be given by the Company immediately before the occurrence of the Restructuring Date are true and correct and confirming the senior and subordinated debt capacity of the Company immediately post-Restructuring.

- (q) Any other documents and evidence reasonably required by the Restructuring Creditors and set out in the Restructuring documentation.

SCHEDULE 4 – TERMS OF RESTRUCTURING, SENIOR CREDITORS

Exchange

In exchange for Senior Debt held as at the Record Date, Senior Creditors will receive the following:

- (a) US dollar denominated 6.25% 7 year step-up Eurobonds (the "Replacement Notes");
- (b) US dollar denominated zero coupon recovery loan notes (the "Recovery Notes");
- (c) Common Shares in the Company representing in aggregate 58.9% of the Common Shares in the Company post-Restructuring.

Existing guarantees in respect of Senior Debt will be released on the Restructuring Date.

The terms of the Replacement Notes and the Recovery Notes are more fully described in Schedule 7 (*Terms of the Replacement Notes*), and Schedule 8 (*Terms of the Recovery Notes*).

Documentation

Consent Solicitation Memorandum with Offering Circular attached.

Dealer Manager Agreement.

Trust Deeds constituting the Replacement Notes and the Recovery Notes.

Agency Agreements for the Replacement Notes and the Recovery Notes.

Arrangements for listing, registration with clearing systems and distribution of Replacement Notes and Recovery Notes.

SCHEDULE 5 – TERMS OF RESTRUCTURING, DOMESTIC SENIOR CREDITORS

Modification	<p>Domestic Senior Debt held as at the Record Date will be modified by extending the maturity to a date which is 20 years after the Restructuring Date and subordinating all claims of Domestic Senior Creditors to the claims of the holders of the Replacement Notes and the Recovery Notes.</p> <p>The modified Tenge denominated 20 year subordinated notes (the "20 Year Subordinated Notes") shall be repaid annually on a straight line amortisation basis over an 11-year repayment period following a 9-year grace period.</p>
Interest on the 20 Year Subordinated Notes	A fixed interest rate of 8% per annum, with 6% paid in kind and 2% paid in cash for the first 9 years.
Subordination	No payment of principal, interest or any other amount shall be made (except for payment of interest in kind and, subject to (i) and (ii) below, the 2% cash interest as provided above) unless and until (i) all principal, interest and other amounts then due and payable in respect of the Replacement Notes and the Recovery Notes have been paid in full; and (ii) the Company is not otherwise in default in respect of any other payment due to any Senior Creditors.
Currencies	See Section 5 (<i>General terms of Restructuring</i>)
Documentation	Restructuring Plan

SCHEDULE 6 – TERMS OF RESTRUCTURING, DOMESTIC SUBORDINATED CREDITORS

Modification	Domestic Subordinated Debt held as at the Record Date will be modified by extending the maturity to a date which is 25 years after the Restructuring Date. All claims of Domestic Subordinated Creditors will be subordinated to the claims of the holders of the Replacement Notes and the Recovery Notes.
	The Tenge denominated 25 year subordinated notes (the " 25 Year Subordinated Notes ") shall be repaid annually on a straight line amortisation basis over a 10-year repayment period following a 15-year grace period.
Interest on the 25 Year Subordinated Notes	A fixed interest rate of 6% per annum, with 4% paid in kind and 2% paid in cash for the first 15 years.
Subordination	No payment of principal, interest or any other amount shall be made (except for payment of interest in kind and, subject to (i) and (ii) below, the 2% cash interest as provided above) unless and until (i) all principal, interest and other amounts then due and payable in respect of the Replacement Notes and the Recovery Notes have been paid in full; and (ii) the Company is not otherwise in default in respect of any other payment due to any Senior Creditors.
Currencies	See Section 5 (<i>General terms of Restructuring</i>)
Documentation	Restructuring Plan

SCHEDULE 7 – TERMS OF THE REPLACEMENT NOTES

Notes offered	Replacement Notes.
Issue Date	Restructuring Date.
Aggregate Principal Amount	Minimum US\$ 350 million, equivalent to approximately 35% of the aggregate of Senior Debt outstanding on the Restructuring Date and accrued interest thereon up to (but excluding) the Restructuring Date, subject to upward adjustment; provided that the aggregate principal amount of the Replacement Notes shall be subject to increase, as mutually agreed between the Company and the Creditors' Committee, by reference to, among other things, (a) any cash contribution that existing shareholders shall make to the Company or to the Senior Creditors in connection with the Restructuring, whether in respect of the Comfort Letters (as defined below) or otherwise (it being understood that, in any event, nothing contained in this Term Sheet shall constitute or imply a waiver by any Senior Creditor of any claim or rights it may have against any such existing shareholder under or pursuant to the Comfort Letters or otherwise and each Senior Creditor shall remain free to pursue any such claims or rights it may have); and (b) the terms ultimately agreed with "trade finance creditors".
Final Maturity Date	7 years after the Restructuring Date (the "Final Maturity Date").
Status and Ranking	The Replacement Notes will be partially secured obligations of the Company ranking <i>pari passu</i> and ratably amongst themselves for all purposes. To the extent unsecured, the Replacement Notes will rank <i>pari passu</i> with all other senior, unsecured obligations of the Company, subject only to mandatory preferences under RK law.
Security	Replacement Notes will be secured by a first priority pledge of and security interest in all of the shares of the Russian Subsidiary that are owned, directly or indirectly, by the Company or any of its affiliates and represent 99.98% of the outstanding share capital of the Russian Subsidiary (the "Pledged Shares").
Exchange Offer	The Replacement Notes will be offered and issued only to Senior Creditors as at the Record Date for

the release of their Senior Debt.

The Replacement Notes will be offered:

- (a) outside of the United States to non-U.S. persons in "offshore transactions" in reliance on Regulation S under the Securities Act of 1933, as amended (the "Securities Act"); and
- (b) if applicable, under Rule 144A of the Securities Act within the United States to persons and outside the United States to U.S. persons which in each case are "Qualified Institutional Buyers" ("QIBs") (as defined in Rule 144A under the Securities Act).

Currency

The Replacement Notes will be denominated in US dollars.

Principal Repayment

Equal annual repayments of principal in the amount of US\$ 32 million (assuming an issue size of US\$ 350 million, subject to increase proportional to any increase in the size of the issue) beginning at the end of year 1, with a final payment of the full remaining principal amount (if any) on the Final Maturity Date (subject to mandatory prepayment as provided below).

Mandatory Prepayment

The Replacement Notes will be subject to partial mandatory prepayment in the event that the Company realises cash from the Pledged Shares or other assets in an amount equal to the net cash realised (after deduction of all transaction costs and any applicable taxes arising on the disposal) up to a maximum amount of US\$ 125 million.

Interest Rate

6.25% per annum payable annually, in cash, subject to a step-up to 10.00% per annum upon the occurrence of a mandatory prepayment.

RK Tax Treatment and Listing

The Replacement Notes will be structured to minimise the application of RK withholding tax by listing the Replacement Notes on the KASE in addition to a primary listing on an acceptable international stock exchange. The Company shall be required to gross-up payments of principal and interest if any RK withholding tax becomes

applicable as a result of (i) the Replacement Notes not being listed on KASE at or before the time of the relevant payment; (ii) the Replacement Notes ceasing to be listed on KASE; or (iii) a change in Kazakh tax law. There will be no tax redemption option; however, the Company will have the option to substitute an SPV as principal obligor in place of the Company to reduce withholding provided that the obligations of the SPVs are unconditionally and irrevocably guaranteed by the Company, the international listing is maintained, there are no adverse tax or regulatory consequences and other standard conditions for substitution of the primary obligor in these circumstances are met.

Form and Settlement:

Global Notes deposited with and cleared through Euroclear and Clearstream and (if 144A) DTC.

SCHEDULE 8 – TERMS OF THE RECOVERY NOTES

1. Structure of the Recovery Notes and the Recovery Pool

- 1.1 The Recovery Notes shall be structured with a final maturity of 8 years, and with (a) a minimal nominal amount and (b) an aggregate reference amount (the "**Reference Amount**") of US\$ 400 million (less any amount by which the aggregate principal amount of the Replacement Notes at issue exceeds US\$ 350 million). Determinations in respect of repayment are determined by reference to the Reference Amount.
- 1.2 The Recovery Notes shall be structured in such a way as to ensure they are an off balance sheet contingent liability and do not impact on the Company's regulatory capital. Events of default will be limited to non-payment and insolvency related events. On an event of default or on an insolvency of the Company, the recourse of holders of Recovery Notes will be limited to the sums credited to the collection account described in paragraph 2.1(a)(iv) below.
- 1.3 Under the Recovery Notes, holders shall be entitled to receive 60% of the following (in all cases less any RK withholding tax required to be deducted):
- (a) the excess of any recovery by the Company (a "**Loan Book Recovery**") over the net book value on 30 September 2009 or the Restructuring Date, after giving effect to agreed provisions or mark-to-market valuations (as appropriate), of any and all loans, investments or other assets of the Company, as mutually agreed between the Company and the Creditors' Committee and set out in a schedule to the Restructuring documentation; and
 - (b) any recovery by the Company (a "**Dispute Recovery**") on its claims in respect of disputed derivatives transactions, which the Company has advised the Creditors' Committee it is pursuing;

(the assets and claims described in (a) and (b) above are referred to collectively as the "**Impaired Assets and Claims**"), provided that the total amount that shall be payable to holders of or in respect of the Recovery Notes shall be limited to the Reference Amount.

The Company shall take all commercially reasonable steps to maximise recoveries (the "**Recoveries**") in respect of the Impaired Assets and Claims. The pro rata share of Recoveries due to holders of Recovery Notes shall (subject to a minimum threshold) be paid at least quarterly. At final maturity, to the extent any Impaired Assets and Claims (including any replacement assets) remain outstanding or unrealised, there shall be an independent valuation of any residual potential cash recoveries on such Impaired Assets and Claims and a final bullet payment determined by reference to such valuation (as provided in paragraph 4.5 below) shall be made, following which the Recovery Notes shall be cancelled.

- 1.4 The Recovery Notes will be freely tradeable and will be cleared through Euroclear/Clearstream.

2. Recoveries and Recovery Pool

2.1 The following provisions shall apply with respect to Recoveries:

- (a) with respect to Loan Book Recoveries:
 - (i) holders of Recovery Notes shall have access to the entire pool of "recoverable assets" – i.e., all Impaired Assets and Claims;
 - (ii) the pool of Impaired Assets and Claims shall be identified as at 30 September 2009, subject to satisfactory due diligence on the pool, and agreed between the Company and the Creditors' Committee and set out in a schedule to the Restructuring documentation;
 - (iii) the pool of Impaired Assets and Claims will be segregated for accounting, servicing and monitoring purposes in the Company's financial statements;
 - (iv) recoveries will include all cash recoveries received by the Company in respect of the pool of Impaired Assets and Claims in excess of their net book values (including, but not limited to, interest and principal payments, settlements and cash proceeds from assets acquired by the Company directly or indirectly through litigation, settlement, auction or compromise), 100% of which shall be paid into a collection account ("**Collection Account**") secured for the benefit of holders and will be paid from the Collection Account (subject to the minimum threshold for distribution) to fund payments due to holders of Recovery Notes as and when due under the terms of the Recovery Notes and thereafter to the Company in accordance with the agreed split;
 - (v) any interest or penalty payments received in respect of any Impaired Assets and Claims by the Company shall be applied first to principal for the purpose of determining whether a Loan Book Recovery is in excess of the corresponding net book value and to the extent of such excess shall be available for payment to holders of Recovery Notes as and when due under the terms of the Recovery Notes and thereafter to the Company in accordance with the agreed split in accordance with paragraph 4 below; and
 - (vi) in the case of recoveries by the Company in excess of the net book value on the Restructuring Date of the relevant Impaired Asset or Claim, the amount of the excess will be applied 60% to Recovery Note holders and 40% to the Company;
- (b) Dispute Recoveries will be applied, in their entirety, 60% to Recovery Note holders and 40% to the Company.

2.2 The amount payable in respect of Recoveries will be determined (a) on a pre-tax basis and (b) on an asset by asset basis by reference to Kazakh GAAP financial statements specifically prepared for the purposes of tracking Recoveries.

2.3 Returns will not be netted off against other assets that have not generated a Recovery. Amounts payable to Recovery Note holders shall be determined by reference to gross Recoveries.

3. Currencies

3.1 The Recovery Notes will be denominated in US dollars.

3.2 Any Recovery received by the Company in a currency other than US dollars will be converted into US dollars within two Business Days of receipt at the exchange rate applicable at the time of conversion.

4. Payments under the Recovery Notes

4.1 Any payment due to Recovery Note holders arising solely as a result of accounting treatment will be deferred until the Company receives the cash benefit.

4.2 The Cash Recoveries for the account of Recovery Note holders will be retained in a segregated and secured account. The security shall be granted in favour of the Recovery Note trustee and held by it on behalf of Recovery Note holders.

4.3 Payments under the Recovery Notes will be made quarterly, provided that the aggregate undistributed Recovery Noteholders' share of Recoveries on the date of payment is at least US\$ 1,000,000.

4.4 On the date that is 30 days prior to the final maturity date of the Recovery Notes (the "**Valuation Date**"), an independent valuer appointed by the Company (and reasonably satisfactory to the Recovery Note trustee) will carry out a valuation of any residual potential cash Recoveries on a discounted cash flow basis.

4.5 Based on such valuation on the Valuation Date, the amount to be repaid under the Recovery Notes will be an amount (the "**Valuation Amount**") equal to the aggregate of (a) 60% of the excess over the respective net book values of the value of any residual potential Loan Book Recoveries and (b) 60% of the value of any residual potential Dispute Recoveries, less (c) the amount of any RK withholding tax required to be deducted, provided that the Valuation Amount may not exceed that amount which, when aggregated with all other previous payments made on or in respect of the Recovery Notes, equals the Reference Amount.

4.6 The Valuation Amount will be payable to Recovery Note holders on redemption of the Recovery Notes on their final maturity date.

5. Covenants and Restrictions applicable to the Recovery Notes

The Recovery Notes shall have the benefit of the same general covenants as the Replacement Notes, and will be offered only to the same persons and subject to the same offering and transfer restrictions as the Replacement Notes.

6. RK Tax Treatment and Listing of the Recovery Notes

The Recovery Notes will be structured to minimise the application of RK withholding tax by listing the Recovery Notes on the KASE in addition to a primary listing on an

acceptable international stock exchange. The Company shall not be required to gross-up payments (including payments of principal and Valuation Amount) if any RK withholding tax becomes applicable. There will be no tax redemption option; however, the Company will have the option to substitute an SPV as principal obligor in place of the Company to reduce withholding provided that the SPV is guaranteed by the Company, the international listing is maintained and other standard conditions for substitution of the primary obligor in these circumstances are met.

7. On-going Monitoring and Controls/Corporate Governance

7.1 Suitable controls will be required over the Recoveries pool, including:

- (a) initial due diligence on the asset pool by an independent auditor approved by the Creditors' Committee;
- (b) independent review of the controls surrounding the asset pool by the Company's internal auditor and, at the election of the creditors' representative, the Company's external auditor;
- (c) independent audit of the asset pool and related cash flows on a regular basis by the Company's internal auditor and, at the election of the creditors' representative, the Company's external auditor;
- (d) determination of suitable management information;
- (e) controls over payments/receipts and transfers/disposals of assets,

in each case at the Company's cost.

7.2 In addition, the Recoveries pool shall be subject to the control mechanism set out in Schedule 9 (*Recovery Notes Control Matters*).

SCHEDULE 9- RECOVERY NOTES CONTROL MATTERS

Matters set out in this section of the Term Sheet shall be detailed in the Recovery Notes Operating Procedures.

1. Production of quarterly management information

Quarterly management information reporting to Recovery Note holders and Trustee as required including the ongoing performance of pool assets (collections, arrears, aging, provisioning, transfers to 'good' Company) and cash disbursements made to Recovery Note holders.

2. Independent review

Specifically the following areas will be considered:

2.1 Initial review on the set up of the Recoveries pool

Initial due diligence of the Recovery Pool to be carried out by an auditor appointed by the Creditors' Committee.

- (a) Identification of appropriate assets for the Recoveries pool based on agreed criteria;
- (b) Valuation of Recovery Notes assets against appropriate criteria;
- (c) Movement of assets to a separate system, module or tagging of assets within existing system as Recovery Notes assets;
- (d) Monthly reconciliation of Recovery Notes assets to original pool;
- (e) System access controls to prevent unauthorised journals or inappropriate changes or removals being made to pool assets;
- (f) Establishment of separate bank account(s) to receive pool repayments;
- (g) Control over bank account including appropriate signatories on bank mandates;
- (h) Daily bank reconciliations;
- (i) Controls over interest calculations;
- (j) Allocation of staff responsibilities between Recovery Notes pool and non-Recovery Notes assets;
- (k) Establishment of methodology to calculate returns to Recovery Note holders, including the apportionment of any costs;
- (l) Dual controls over payments (including input/verification controls on payment systems and dual signatories on cheques); and

- (m) Provision of training to staff in newly adopted key processes.

2.2 *Quarterly review of ongoing operation and monitoring of the Recoveries pool*

The Company's internal auditor will carry out the ongoing quarterly review.

- (a) Independent sample testing of loans to confirm existence, completeness and accuracy of pool assets;
- (b) Periodic asset valuation and appropriate accounting treatment of assets in the pool in line with relevant legislation and standards. Includes controls over the use of calculation models / spreadsheets and regarding the use of third parties for any valuation services provided;
- (c) Controls over ledger postings and access to the general ledger;
- (d) Key controls over the asset pool, such as bank reconciliations, calculation of interest, provisions for losses, intercompany reconciliations between pool and independent register or equivalent for completeness;
- (e) Controls in place over the translation of FX assets and payments made in FX. Controls over any FX hedging being performed including authorisation;
- (f) Key systems controls including the set up of new users and segregation of duties;
- (g) Disaster recovery and business continuity plans;
- (h) Management information reporting to Recovery Note holders;
- (i) Physical security of loan documentation, being assets of the Recovery Notes pool, including the controls around access to documentation such as the use of logs for receipt and return of documentation;
- (j) Dual control over payments;
- (k) Access controls over key payment systems;
- (l) Controls regarding the calculation of disbursements due from the pool to each Recovery Note holder and the Company; and
- (m) Clear and formally documented audit trail of all key activities noted above.

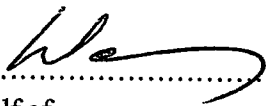
3. **Key approvals/controls by the creditors' representative**

- (a) Approval of the creditors' representative of sales / transfers at below fair market value of assets greater in value than a threshold to be agreed between the Company and the Creditors' Committee;
- (b) Approval of the creditors' representative of any settlement with any creditor or debtor greater than a threshold to be agreed between the Company and the Creditors' Committee or any commencement of any litigation involving

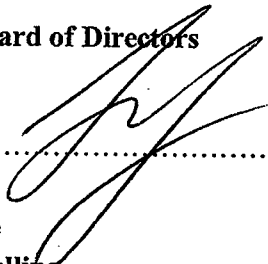
amounts in excess of a threshold to be agreed between the Company and the Creditors' Committee;

- (c) Approval of cash transfers from the Recovery Note account to the Company;
- (d) Approval of Recovery Note management information;
- (e) Approval of Recovery Note payments to the creditors;
- (f) Approval of the appointment of a Recovery Note manager (who may be a Company employee);
- (g) Approval of the appointment of a Recovery Note auditor which shall be an independent auditor and which may be the Company's auditor; and
- (h) Approval of the appointment of a Recovery Note controls reviewer (who may be a Company employee).

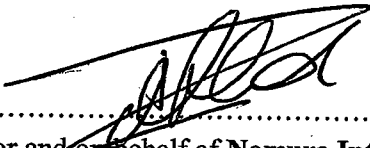
Signed in agreement by the Company and each member of the Creditors' Committee.



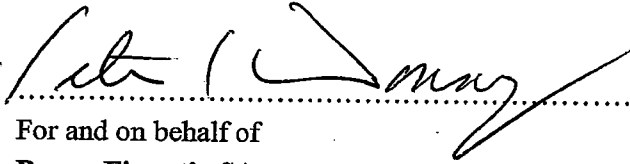
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For and on behalf of
JSC Astana Finance
By Kintal Islamov
Chairman of the Board of Directors



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For and on behalf of
JSC Astana Finance
By Ms. Elmira Ibatullina
Chief Executive Officer – Chair of the Management Board



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For and on behalf of **Nomura International Plc**
as Co-ordinator of the Creditor's Committee



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For and on behalf of
Banco Finantia SA

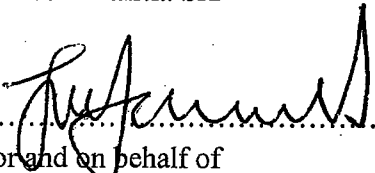
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For and on behalf of
Franklin Templeton Investment Management Limited

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For and on behalf of
Landesbank Berlin AG

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For and on behalf of
Portland Worldwide Investments Ltd.

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For and on behalf of **Nomura International Plc**
as Co-ordinator of the Creditor's Committee

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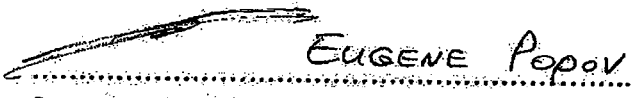
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For and on behalf of **Nomura International Plc**
as Co-ordinator of the Creditor's Committee

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For and on behalf of
Banco Finantia SA

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For and on behalf of
Franklin Templeton Investment Management Limited

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For and on behalf of
Landesbank Berlin AG


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For and on behalf of
Portland Worldwide Investments Ltd.