



Appendix 2.1 to
the Regulations of conducting documentary operations and servicing bank Letter of credits in
the Head office of Subsidiary organization of Joint Stock Company VTB Bank (Kazakhstan)

Application for opening covered letter of credit

The issuing bank: Subsidiary JSC VTB Bank (Kazakhstan), Almaty city (hereinafter referred to as «Bank»)	Date _____ , 20__
Applicant: name, address, TRN	Beneficiary: name, address (location) (must be completed in the language of beneficiary)
Pledger*** (name, address, TRN): <i>(in case when pledge is provided by third party for the Applicant)</i>	Banking details: Beneficiary's Bank name and Beneficiary's account number (if it is known)
Please open on our behalf and at our expense, documentary letter of credit of the following type: <input type="checkbox"/> transferable <input type="checkbox"/> stand-by (reserve) <input type="checkbox"/> confirmed	Amount and currency of letter of credit (in figures and in words) Letter of credit No. _____, (hereinafter referred to as «Letter of credit»)
Advising bank: name of a bank, address, S.W.I.F.T.	Date of expiry _____ Place of expiry _____
Confirming bank: name of a bank, address, S.W.I.F.T.	Letter of credit is executed by: <input type="checkbox"/> Subsidiary JSC VTB Bank (Kazakhstan) <input type="checkbox"/> advising bank <input type="checkbox"/> confirming bank (in case of confirmed letter of credit) <input type="checkbox"/> any bank (in case of negotiation)
transfer Reimbursing bank: name of a bank, address, S.W.I.F.T.	
Partial shipments: <input type="checkbox"/> allowed <input type="checkbox"/> not allowed Overload: <input type="checkbox"/> allowed <input type="checkbox"/> not allowed	

<p>Place of accepting for transportation/shipping from.../place of receiving _____</p> <p>Port of loading/airport of departure _____</p> <p>Port of discharge/airport of arrival _____</p> <p>Place of final destination/ for transportation to.../ place of delivery _____</p>	<p>Method of execution:</p> <p><input type="checkbox"/> by payment upon presenting documents</p> <p><input type="checkbox"/> by payment with postponement _____</p> <p><input type="checkbox"/> by accepting bills offered on _____ for the period _____</p> <p><input type="checkbox"/> be negotiation</p> <p><input type="checkbox"/> by mixed payment (<i>specify details in the «Special terms» field</i>)</p>
<p>Description of product/services (quantity and unit price are specified in the description of the product):</p>	<p><input type="checkbox"/> The latest day of shipment _____</p> <p><input type="checkbox"/> Period of shipment _____</p> <p>Contract: No. and date</p>
<p>Terms of delivery:</p> <p><input type="checkbox"/> (Incoterms 2000)</p> <p><input type="checkbox"/> (Incoterms 2010)</p>	<p>Letter of credit is opened for _____ % of the contract amount</p>
<p>The list of documents against which execution of the Letter of Credit is made, indicating the number of copies (if the list is large, you can provide it as Appendix):</p> <p>1.</p> <p>2.</p>	
<p>The documents must be submitted within _____ days after the date of shipment but within the validity period of letter of credit</p>	
<p>To issue letter of credit:</p> <p><input type="checkbox"/> in the S.W.I.F.T system</p> <p><input type="checkbox"/> purposely and transfer it to contact person of the Applicant for transferring to Beneficiary</p> <p><input type="checkbox"/> purposely and transfer it to Beneficiary at the following address _____</p>	
<p>Special terms*: _____</p>	
<p>Client's contact person (Full name, telephone):</p>	

Bank commissions and expenses under letter of credit of Subsidiary JSC VTB Bank (Kazakhstan):

- at the expense of Applicant
- at the expense of Beneficiary

Bank commissions and expenses under letter of credit of Advising bank:

- at the expense of Applicant
- at the expense of Beneficiary

Bank commissions and expenses under letter of credit of Confirming bank and/or Reimbursing bank:

- at the expense of Applicant
- at the expense of Beneficiary

Other commissions and expenses under letter of credit:

- at the expense of Applicant (*specify type of commission*)

- at the expense of Beneficiary (*specify type of commission*)

Please, subordinate letter of credit to the latest effective as of the date of its opening revision of Uniform Customs and Practice for Documentary Letters of credit (from 01.07.2007 – ICC publication No. 600, 2007 revision).

All payments under the Letter of credit must be made by the Applicant in such a way that the Bank has received the amount due in full, without deducting commissions and other fees from it afterwards, which were not paid by the Applicant in due time.

The Applicant hereby assumes the liability on payment (reimbursement) to the Bank of all bank commissions, forfeits (fines, penalties), other amounts, expenses and charges paid by the Bank and/or payable to third parties in connection with the provision (issuance) and/or execution of the Letter of credit in accordance with the Bank's tariffs, and also undertakes to calculate and pay to the budget the income tax deducted at source payable on the territory of the Republic of Kazakhstan, which is related to paying commission income to non-resident bank, in connection with that the Applicant and the Pledger*** give to the Bank their irrevocable and unconditional consent and authorize the Bank to write off any amounts, including past due debt payable by the Applicant under the Letter of credit, from all bank accounts of the Applicant and/or the Pledger***, which are opened in any bank and/or any other banks (organizations engaged in certain types of banking operations) in the territory of the Republic of Kazakhstan and abroad, without acceptance and in indisputable order in any currency, including, but not limited to: (i) amount of the Letter of credit, commissions (including those provided by tariffs of the Bank, foreign banks, which are effective at the time of conducting relevant operation), forfeits (fines, penalties), losses and expenses associated with the Applicant's violation of the obligations under the Letter of credit, including other payments to be paid in connection with the provision (issuance) and/or execution of the Letter of credit, and also (ii) amounts of money which are necessary to form the coverage (reserve) under the Bank's obligations to Beneficiary under the Letter of credit.

Withdrawal (write-off) without acceptance and in indisputable order is conducted by the Bank:

- by direct debit of bank accounts of the Applicant and/or Pledger*** in the Bank and/or in any other banks (organizations engaged in certain types of banking operations and other credit organizations) in the territory of the Republic of Kazakhstan and abroad, on the basis of decisions of the Bank and/or other documents provided by the current legislation of the Republic of Kazakhstan and/or internal regulatory documents of the Bank and/or
- by presenting payment request-orders and other documents, which are necessary for conducting direct and/or indisputable withdrawal (write-off) of money, to the Applicant's bank accounts opened in the Bank and/or any other banks (organizations engaged in certain types of banking operations and other credit organizations) in the territory of the Republic of Kazakhstan and abroad, executed without acceptance.

If there is enough money in the bank account of the Applicant, payment document of the Bank (including the payment request-order) to be executed on the amount of money specified in it, and for the withdrawal (write-off) of the entire amount of money specified in the payment document of the Bank - in case of lack of money – to be stored in the Card-file to the Applicant's bank account. If there is no money in the bank account of the Applicant, payment is made from the Coverage account.

Regarding the payment of commissions of foreign banks hereby the Applicant gives irrevocable and unconditional consent to the Bank for direct withdrawal of money from the bank account of the Applicant in the amount specified in the invoice, bill or statement of foreign bank (hereinafter referred to as «foreign bank»), which provided the Applicant with financial services related to opening, confirmation, payment of the claim or other actions with Letter of credit, through direct debiting the bank account in case when foreign bank provides the Bank with confirming document, such as copy of the invoice, bill or statement of a foreign bank about payment of its commissions and expenses.

The money withdrawn from the bank account of the Applicant is transferred by the Bank to the bank account specified by foreign bank on the basis of payment documents prepared by the Bank. After withdrawal of money from the Applicant's bank account the Bank provides the Applicant with account statement.

In case when the Bank returns to the Applicant or the Pledger**** all or portion of the money placed by the Applicant or the Pledger**** to the Bank in tenge as a security under Letter of credit, payment under which must be made in foreign currency, such return is made by the Bank in tenge within the limits of amounts of money actually paid by the Applicant or the Pledger**** to the Bank without taking into account their equivalent in foreign currency at any date.

Terms of Letter of credit issuance and provision of cash-coverage (hereinafter referred to as Terms):

1. The Bank makes payment under the Letter of credit in case of presenting relevant claim by executing bank or in order to obtain proper submission of documents according to the list provided in the present Application .
2. The Applicant or the Pledger**** transfers money equal to the amount of the Letter of credit (hereinafter referred to as «Pledge subject») as a pledge to the Bank for providing partial and/or complete execution of obligations under the Letter of credit. Remuneration is not accrued to the Pledge subject.
3. The Pledge subject belongs to the Applicant or the Pledger**** according to property right and its transfer to pledge does not contradict the legislation of the Republic of Kazakhstan and does not violate the rights and interests of other persons protected by the law.
4. The Pledge subject covers obligations of the Applicant under the Letter of credit, expenses, commissions, other amounts and fees paid by the Bank and/or payable to third parties in connection with the provision (issuance) and/or execution of the Letter of credit, reimbursement of damages caused by the delay of execution, forfeits (fines, penalties), the necessary costs for maintenance of the Pledge subject, reimbursement expenses for foreclosure, as well as all liabilities that may arise at the Applicant under the Letter of credit in the future (in the period from the date of signing the present application till complete execution of all obligations to the Bank under the Letter of credit by the Applicant), including in case of any change and/or amendment to the terms of the Letter of credit. Legal costs and expenses on transferring the Pledge subject to the property of the Bank are also subject to reimbursement at the expense of the Pledge subject.
5. During the entire validity period of the Letter of credit the Pledge subject will be located and stored on the personal account of the Bank No. _____, which is not bank account of the Applicant or the Pledger**** (hereinafter referred to as «Coverage account»). The Pledger**** or the Applicant has no rights to use, dispose the Pledge subject (use it) during validity period of the Letter of credit.
6. The pledge right for the Pledge subject arises at the Bank from the date of transferring money to the Coverage account.
7. Issuance of the Letter of credit is made only after transferring the Pledge subject to the Coverage account by the Applicant or the Pledger**** not later than day of Letter of credit issuance.

8. The amount which has remained on the Coverage account after meeting the claims under the Letter of credit, taking into account deductions of payment amounts made by the Bank to the Beneficiary or which are subject to payment to the Bank/by the Bank to the third parties in connection with provision (issuance) and/or execution of the Letter of credit, returns to the Applicant or the Pledger****.

9. The Applicant or the Pledger* undertakes:**

9.1. To form the coverage (reserve) for the Bank's obligations to the Beneficiary under the Letter of credit and the Applicant's obligations to the Bank in the amount, order and period specified by the Bank or to recover it up to the amount specified by the Bank upon first request of the Bank during 1 (one) working day by means of transferring to the Bank relevant amounts of money;

9.2. To pay to the Bank all amounts of money paid by it under the Letter of credit on the same dates on which the payments under the Letter of credit will be made, without presenting to the Bank any objections that the Applicant and/or the Third person has to Beneficiary;

9.3. Promptly, within 1 (one) working day to provide the Bank with all documents requested by it, related to the Letter of credit, the Pledge subject and documents necessary for foreclosure on it;

9.4. To notify the Bank promptly in the written form of the occurrence of the circumstances (including those related to relevant claims applied by third parties), posing a threat: (i) the loss of rights on the Pledge subject by the Applicant or the Pledger**** and/or (ii) the availability and preservation of the Pledge subject;

9.5. Promptly, within 1 (one) working day to notify the Bank in the written form of any changes to the information contained in the founding documents, postal and bank details, addresses of residence, phone number, change of managers and other data, with reporting new details and provision of confirming documents.

10. The Applicant or the Pledger* has the right:**

- in case of expiry of the Letter of credit to require the Bank to return the Pledge subject by its transferring according to details specified by the Applicant or the Pledger**** in the written instruction to the Bank, or in case of their absence, to the current account of the Applicant or the Pledger****, which is opened in the Bank.

11. The Bank undertakes:

- upon the written request of the Applicant and/or the Pledger*** to take measures to return the Pledge subject within 10 (ten) working days, in case of full execution of obligation to the Bank by the Applicant and/or at the expense of the Coverage account of the Pledger***, which is secured by the Pledge subject.

12. The Bank has the right:

12.1. Not to comply with the requirements of the Applicant and/or the Pledger*** on the return of the Pledge subject till full execution of obligations to the Bank under the Letter of credit;

12.2. To require any person to stop encroachment on the Pledge subject;

12.3. To assume execution of the obligation secured by the Pledge subject, from third party without the consent of the Applicant and/or the Pledger***;

12.4. The Bank has the right for foreclosure on the Pledge subject, including ahead of schedule (prior to the date of execution of obligation secured by the Pledge subject), as in full amount determined at the moment of actual execution, so as in part, the Letter of credit amount, together with accrued commissions, forfeits, other amounts and payments due in connection with the Letter of credit in the following cases:

- when the Applicant has no money to repay the next payment;

- in the case of non-execution of any obligations to the Bank by the Applicant in connection with the issuance of the Letter of credit,

- in case of provision of false information by the Applicant and/or the Pledger*** while registering the Letter of credit and/or the Pledge subject.

12.5. Foreclosure on the Pledge subject is made without additional consent of the Applicant or the Pledger**** in extrajudicial order by indisputable withdrawal (write-off) by the Bank to its property of the Pledge subject or any part of it from the Coverage account on the basis of decisions of the Bank and/or other documents in the order established in accordance with the legislation of the Republic of Kazakhstan and/or internal documents of the Bank. By signing the present Contract the Applicant and the Pledger**** give their consent to the Bank to take actions under the present paragraph. The Bank

has the right to immediate foreclosure on the Pledge subject in any day, including day of cases specified in the paragraph 12.4 of the present Application.

13. LIABILITY OF THE PARTIES

13.1. In case of non-execution and/or improper execution of obligations under the Letter of credit by the Applicant and/or the Pledger*** on providing the Pledge subject, the Applicant and/or the Pledger*** reimburses to the Bank any losses incurred thereby, including loss of profits, in accordance with the legislation of the Republic of Kazakhstan.

13.2. In case of violation by the Applicant of the obligation to pay to the Bank the amount paid under the Letter of credit in the day of conducting such payment or to recover commissions, losses, costs and expenses incurred by the Bank mentioned in connection with the provision (issuance) or execution of the Letter of credit, each amount of money that was not paid to the Bank by the Applicant is transformed into the Applicant's debt to the Bank on short-term (up to 7 (seven) days) bank loan (Loan) with paying the (type of rate) Remuneration at the rate of 42% (forty two percent) per annum of the amount of money unpaid by the Applicant to the Bank (annual effective rate of Remuneration (real value) 42% (forty two percent) percent per annum as of the filing date of the present Application. At the same time, the Applicant concludes with the Bank the relevant Bank loan agreement and submit the documents necessary for the formation of the loan file within one working day from the date of the debt formation.

14. CONFIDENTIALITY

14.1. Transmission of information under the Letter of credit to third parties, publication or disclosure are possible only with the written consent of the Bank and/or the Applicant and/or the Pledger*** (collectively, the «Parties» and each individually the «Party»), as well as in cases when it can become necessary in accordance with the requirements of the legislation, the effective rules of financial statements or in connection with the acceptance of relevant decisions of the state bodies authorized to receive such information.

14.2. Confidential information in connection with the provision (issuance) of the Letter of credit does not include information:

- a) which is publicly available at the time of its use or disclosure;
- b) provided to the Parties by person for whom it has become available legally and who has a legal right to disseminate such information.

14.3. Confidentiality provisions (and Bank secrecy provisions) in connection with the provision (issuance) of the Letter of credit are not applied to the cases:

- of non-execution or improper execution of obligations under the Letter of credit by the Applicant or by the Pledger in respect to the Pledge subject;
- of direct withdrawal of past due debt from all accounts of the Applicant by the Bank (and, in connection with this, providing other banks with necessary information);
- when the Bank informs third parties about specific Letter of credit terms, with which the Applicant intends to conclude transactions;
- transmission of information to organizations engaged in collection activities for the purpose of collection of past due debt from the Applicant;
- transmission of information to organizations engaged auditing for the purpose of conducting external audit of the Bank's activity;
- transmission of information to rating agencies in order to assign the relevant rating to the Bank;
- transmission of information to the Head organization of the Bank;
- transmission of information to insurance companies for the purpose of insurance;
- transmission of information to third parties (foreign banks and other financial institutions) for the purpose of attraction of additional financial funds by the Bank in order to carry out its activity;
- assignment of rights and obligations (assignment of claim and debt transfer) under the Letter of credit.

15. FINAL PROVISIONS

15.1. The Applicant and/or the Pledger*** shall not be entitled to assign its rights and obligations under the Letter of credit without prior written consent of the Bank.

15.2. Changing conditions, termination or prolongation of validity period of the Letter of credit are

registered by additional agreement which is signed by the Parties and sealed (if available).

15.3. All disputes under the Letter of credit are resolved with the use of substantive law of the Republic of Kazakhstan in the order, provided by the legislation of the Republic of Kazakhstan, in the court in the place of the Bank's or its affiliate's residence (at the discretion of the Bank).

15.4. The pledge right is terminated:

- in case of execution of all obligations to the Bank under the Letter of credit in full (including all changes and amendments);
- in case when the Bank meets its claims secured by the Pledge subject under the Letter of credit, either by withdrawal (write-off) by the Bank without acceptance and in indisputable order of the Applicant's money from his bank accounts and/or the Pledger's*** money from the **coverage account**;
- in other cases provided by the current legislation of the Republic of Kazakhstan.

15.5. The present Application is an offer of the Applicant and the Pledger*** (an offer to conclude a contract for the provision of the Letter of credit and pledge agreement), which in the case of accepting it (accepting conditions) by the Bank, has the power of a contract for the Parties concluded in the written form, in the date of its acceptance by the Bank, under the No. _____ and which will be valid until the Parties execute all obligations under it. To the part not covered by the terms of the contract the Parties shall be governed by the current legislation of the Republic of Kazakhstan.

15.6. By signing the present Application the Applicant and the Pledger*** confirm that:

- they got acquainted with the terms of provision (issuance) of the Guaranty and provision of the Pledge subject, which are clear to them;
- they are informed about consequences, responsibility and risks which may occur in case of their violation;
- they got acquainted and they agree with the Bank's tariffs, interest rates;
- they will pay commission for the issue of the Letter of credit in accordance with the Bank's tariffs and other expenses before the issuance of the Letter of credit;
- they got acquainted, they agree with the form, text and content of the Letter of credit and they will not present any claims in respect of it.

To be filled by Client

Please, write off the amount of the coverage under Letter of credit from our bank account No. _____

Please, write off commissions and expenses under Letter of credit from our bank account No. _____

The first head (*according to the card with samples of signatures*)

Chief accountant _____
Seal

Notes of the Bank

Transaction passport No. _____ is issued in full accordance with effective Regulations of conducting export-import currency control in the Republic of Kazakhstan.

Currency controller _____

Accepted by the Bank:

Chairman of the Board



<p>To be filled by Pledger*** Please, write off the amount of the coverage under Letter of credit from our bank account No. _____</p> <p>The first head (<i>according to the card with samples of signatures</i>) _____</p> <p>Chief accountant _____ Seal</p>	<p>Date __/__/____ Seal</p>
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