

July 2010

The leading law firm in Kazakhstan

Kazakhstan is a key market for many of our clients. We have been active there since 1992 and have unrivalled experience.

No other firm can offer our range and depth of expertise and none can bring to your CIS transactions a comparable fully-integrated English, US and local legal team with the necessary tax and regulatory expertise.

How we can help you

Our extensive experience and substantial local presence gives us:

- market-leading understanding of the legal, regulatory and economic environment
- unique awareness of the political considerations and sensitivities
- relevant experience in key industries such natural resources, real estate and banking
- a clear understanding of the potential investment opportunities

Why choose White & Case

- Unrivalled track record of assisting our clients to bring a number of 'firsts' to market
 - the debut DCM deal for every Kazakh bank to have come to market
 - the largest ever emerging market corporate bond
 - the first bank IPO and the then largest corporate IPO from Kazakhstan
 - the two largest foreign investments in the banking sector
 - the first regulatory capital deals from the region
- Consistently ranked in Tier 1
- Depth and quality of experience in developing economies
- Ability to transact under local, English and US law on the ground
- A flexible approach on how you choose to work with us – either directly with our local lawyers or using a coordinated approach through our London team
- The ability to harness the substantial resources of a global firm with 36 offices in 25 countries

What others say about us

"The team features in every large transaction in the country, including the precedent-setting restructuring of two Kazakhstan banks – Alliance Bank and BTA Bank"

IFLR 1000, 2010

"The firm really comes into its own in emerging markets debt offerings" with a team which clients say is "hard working and diligent: its lawyers are well educated and superb at analysing risk. Advice is consistently accurate and the most senior individuals are always accessible."

Chambers Global, 2008

"White & Case is acknowledged as the leading law firm in Kazakhstan and is considered strong in all areas of financial law in the country."

IFLR 1000, 2008

"White & Case handles a broad range of big-ticket M&A but is noted in particular for its expertise in emerging markets deals."

Legal 500, 2007

What we do

The team's entrepreneurial approach brings innovative solutions and creative deal structures. Our commercial thinking and pragmatic style provide our clients with optimum efficiency which controls costs. Our experience spans a range of companies and industry sectors, giving us a deep understanding of the region and its economy.

Our principal practice areas in Kazakhstan are:

Capital markets

Ever since our engagement for Kazakhstan's debut sovereign offering in 1996, we have been at the forefront of the development of this market. For example, we have handled the debut DCM deal for every bank to have come to market. In addition, we advised on:

- the largest ever emerging market corporate bond (KazMunaiGaz's \$3 billion global medium term note programme)
- the first bank IPO (Kazkommertbank's \$845 million GDR offering), which pioneered the structures used for subsequent offerings
- the then largest corporate IPO (KazMunaiGas E&P's \$2.03 billion offering of local shares and GDRs), which was the first Kazakh privatisation using the international capital markets
- the first IPO from the region in 2008 (Zhaikmunai LP's \$100 million offering), which was the first London listing of limited partnership interests
- the first hybrid capital deal from the region (Kazkommertbank's \$100 million Tier 1 hybrid capital note offering), which we documented contemporaneously with the adoption of the relevant regulations; we have subsequently worked on the majority of regulatory capital deals from the sector to date, using a variety of innovative structures

Securitisation

As markets have evolved, so has our practice. We acted on the first ever securitisation from the region and our 'get the deal done' approach and team of dedicated specialist lawyers means seamless deal execution for our clients. We are a clear leader in emerging markets and have fast become a formidable player in the global securitisation market.

Some of our groundbreaking deals include:

- the first Kazakhstan securitisation (Halyk Bank's \$100 million future flow offering), which required us to consider for the first time the complex issues in the area; this was named Emerging Europe Securitisation Deal of the Year by *Euromoney*
- the first listed future flow securitisation of diversified payment rights (Kazkommertsbank's \$300 million Floating Rate Note issue), which was also the first emerging market securitisation with a "AAA" tranche
- Alliance Bank's securitisation of diversified payment rights guaranteed by the Asian Development Bank, which was the first future flow DPR securitisation to be guaranteed by a multilateral development bank

M&A and privatisation

We acted on the first post-Soviet M&A transactions in Kazakhstan, beginning with the early privatisations in which we advised the government on the development and implementation of its mass privatisation programme. As part of this, we were involved in the privatisation of Kazakhstan's tobacco, oil and gas, food processing and electric power industries. Now we are at the forefront of foreign investment in the banking sector having just advised on the two largest transactions to date. Our M&A deals include:

- the sale of ATF Bank to UniCredit for \$2.3 billion, the first major foreign investment in the sector
- the sale of Bank CenterCredit to Kookmin Bank for \$634 million, the latest major foreign investment in the sector
- the privatisation of Shymkent refinery and its subsequent acquisition by Hurricane Hydrocarbons (subsequently Petrokazakhstan) for approximately US\$1 billion. The merged entity was the first vertically integrated oil company in Kazakhstan
- Kazakhmys Plc's \$260 million offer to purchase Eurasia Gold, a TSE-listed Canadian gold mining company
- the leveraged buyout of a significant minority stake in Kazakhtelecom, which we believe was the first LBO in the former Soviet Union



Oil and gas

We have one of the world's leading hydrocarbon joint venture and project finance practices and were named Oil & Gas Legal Adviser of the year 2007 by Infrastructure Journal. We have been particularly active over the years in Kazakhstan's oil and gas sector. We are able to bring together industry and local expertise and combine it with our global experience of project financings in many different industry sectors, including oil and gas, power, metals and mining, infrastructure and telecoms. As a result, we have a clear understanding of the legal issues and public policy and commercial drivers affecting the successful completion of a project. Our major transactions in Kazakhstan include:

- the \$6 billion financing of a petrochemical complex in the Atyrau region, which included advice on the new Kazakh concession law
- the \$4.4 billion financing of the Tengizchevroil project, which involved not only a limited recourse bond issue but also a pari passu partner loan financing. The bond issue was named the Emerging Europe Corporate Bond Deal of the Year by Euromoney
- the US\$200 million upstream financing by the Imperial Energy Group and the development of its upstream producing assets in Russia and Kazakhstan

Bank finance

As in our capital markets practice, we have been heavily involved in the external funding of the banking sector through the syndicated loan market and have acted for the lenders on virtually all the syndicated loans borrowed by Kazakh banks. We have also been active in syndicated and bilateral lending to other borrowers and in the area of trade finance. Major transactions in the bank finance sector include:

- the \$1 billion syndicated loan to Kazkommertzbank
- the \$300 million syndicated loan to Lavion secured on commodities for MLAs, ABN AMRO and ING
- the \$40 million subordinated Tier II capital loan to Bank CenterCredit
- the financial restructurings of BTA Bank and Alliance Bank

Dispute resolution

Our global dispute resolution practice is known for its ability to integrate the litigation procedures of multiple jurisdictions and our reputation in international arbitration is second to none. This latter point is particularly important in relation to disputes with entities in Kazakhstan as certain foreign judgments (including English court judgments) are not enforceable there, but arbitration awards are. As arbitrations are generally private we are not able to disclose details of some of the most important ones in which we have been involved. However, major disputes on which we have advised include:

- litigation in England and in Kazakhstan between our client, a major investment bank, and the Kazakh issuers of various promissory notes
- litigation in the Isle of Man on behalf of our Kazakh clients relating to the disputed ownership of a stake in a large mobile telecom company

What next

Whilst the international markets may currently be in a state of flux, we know that you and your clients are not sitting back and letting opportunities pass you by, and neither are we. Our entrepreneurial approach means that we are constantly looking at new developments in markets in which we are pre-eminent. If you would like to contact any of our Kazakhstan specialists to discuss potential business prospects, their details are provided overleaf.

Worldwide. For Our Clients.

36 Offices. 25 Countries.

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