



**OVER 20 YEARS
OF SUCCESS**

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WHY SAYAT

ZHOLSHY & PARTNERS?

Formed on 25 December 1998 we are a Kazakhstan leading law firm offering high quality legal services.

The firm has been rated as one of the largest law firms in Kazakhstan by the Legal 500 EMEA, Chambers & Partners, Asia Law Profiles, IFLR1000 and Who Is Who Legal.

Our lawyers are professionals in such areas as M&A, Corporate law, Antitrust, Tax law, Litigation and Arbitration, Finance and Securities, Labour law, Public Private Partnership (PPP) and Licensing.

Sayat Zholshy & Partners is guarantee of confidentiality, international standards of practice, high level of professionalism and team spirit.



THE BEST KAZAKHSTAN LAW FIRM BY THE ANNUAL FORUM OF CORPORATE LAWYER

THE BEST ATTORNEYS' OFFICE BY THE KAZAKHSTAN UNION OF LAWYERS

WE ARE APPROVED BY RENOWNED AUTHORITATIVE PUBLICATIONS:



SZP SENIOR PARTNER ARMAN BERDALIN WAS RECOMMENDED BY WHO'S WHO LEGAL CORPORATE GOVERNANCE 2019 AS A CORPORATE GOVERNANCE EXPERT.

"A MAJOR FORCE IN M&A," ASIA LAW PROFILES

"SAYAT ZHOLSHY & PARTNERS IS STRONGEST IN CORPORATE AND M&A WORK," IFLR 1000

"SAYAT ZHOLSHY & PARTNERS HAS A VERY PROFESSIONAL TEAM THAT COMBINES DEEP KNOWLEDGE OF THE LAW WITH A BUSINESS APPROACH. THE TEAM IS PARTICULARLY RECOMMENDED FOR PROVIDING EXPLICIT AND IN-DEPTH LEGAL ANALYSIS," LEGAL 500 EMEA

SZP HAS SUPPORTED HUNDREDS OF ELEVEN-FIGURE WORTH TRANSACTIONS.

«Sayat Zholshy & Partners has been recognised by leading international rating agencies as an outstanding Corporate Law & Corporate Governance / M&A team in Kazakhstan who has supported hundreds of eleven-figure worth transactions».

CORPORATE LAW &

CORPORATE GOVERNANCE / M&A

The SZP M&A practice is recognized as one of the best in Kazakhstan. Primarily, it is proved by our clients' confidence and by the projects we participate in.

Our M&A team have successfully consulted not only private in-

vestors in Kazakhstan and abroad but also quasigovernment entities in Kazakhstan, Russia and China, as well as international financial institutions:

RECENTLY OUR EXPERIENCE WAS EXPANDED BY SUCH PROJECTS AS:

- └ providing legal support to a major European pharmaceutical company (total asset value over 5 bln US dollars) in connection with the acquisition of assets in the CIS, Central Asia and a number of EU member states;
- └ advising a major transnational company, a global leader in the production of wire rope, steel cord, rock fall prevention net and environment protection products (total asset value over 1 billion US dollars) in connection with a large-scale restructuring of its business involving the Kazakhstan subdivision, and providing comprehensive legal support through the restructuring implementation;
- └ advising a major international company headquartered in Berlin, one of the 10 largest global confectionary businesses, on building the Client's market strength in the region and organizing the operations of the Client's subdivision in Kazakhstan;
- └ providing comprehensive transaction support in connection with the acquisition by the Kazakhstan's largest quasigovernment company (total asset value about 75 billion US dollars) of a stake in a Kazakhstan holder of a contract for the development of one of the top 10 lead and zinc fields worldwide;
- └ performing comprehensive legal due diligence and support in connection with the acquisition by the Kazakhstan's biggest quasigovernment company (total asset value about 75 billion US dollars) of an interest in an integrated non-ferrous metals producer whose annual output of zinc exceeds 305 thousand tons;
- └ providing comprehensive transaction support in connection with the disposal by a Kazakhstan quasigovernment company, one of the top 30 sovereign wealth funds of the world, of shares in three Kazakhstan second-tier banks whose total asset value exceeds 15 billion US dollars;
- └ rendering legal advice to agents of the largest Chinese port on the Yellow Sea and a major Chinese transportation company holding over 1,100 commercial craft in connection with the acquisition of an interest in the largest Kazakhstan transportation and logistics centre with the throughput capacity of over 200,000 containers in the framework of an intergovernmental treaty;
- └ performing comprehensive legal due diligence of a target and rendering legal advice to one of the China's biggest private energy companies listed by Fortune Global 500 (one of the top 250) in the process of acquisition of interests in major Kazakhstan oil and gas transportation companies jointly possessing the pool of over 11,000 rail tank cars and the Kazakhstan's largest liquefied gas retailer;
- └ rendering legal advice on how to settle differences between shareholders (a major Kazakhstan state-owned energy company whose asset value exceeds 3 billion US dollars and a major South Korean conglomerate listed by Fortune Global 500) with regard to the construction and operation of a large Kazakhstan energy complex;
- └ providing legal support in connection with the establishment of the Integrated Coordination Centre for all 12 special economic zones of Kazakhstan (special zones providing investors with tax benefits and other preferences for encouragement of foreign and domestic investment);
- └ providing legal support through the process of acquiring a controlling interest in a major Kazakhstan telecommunications company (a strategic facility of the Republic of Kazakhstan) by an international telecom operator whose asset value approximates 34 billion US dollars (listed on NASDAQ). The Project was complicated by a great number of contingent commitments to buy shares of multiple minority shareholders;
- └ providing legal support through the process of acquiring a Kazakhstan national company by another major Kazakhstan national company providing information and communication services to all government agencies of the Republic of Kazakhstan. The process involved the issuance of additional securities for over 20 mln US dollars and full assignment of all assets, rights and obligations of the target to the acquiring company; and
- └ rendering legal advice to a large transnational information and communications company with capitalization over 6 billion US dollars on a number of vital legal issues, and helping the Client gain entry to the Kazakhstan market.



“ ANTITRUST (COMPETITION) LAW ”

«Completion of billion-dollar projects. Participation in antitrust (competition) law drafting. Authorship of the first Kazakhstan scientific legal monograph on antitrust law in the Republic of Kazakhstan.»

SZP Managing Partner Aidyn Bikebayev and Partner Amir Begdesenov have been listed by Who's Who Legal: Competition 2019 in the group of recognized competition and antitrust lawyers in Kazakhstan.

«HAS A PROFOUND KNOWLEDGE OF COMPETITION LAW, MARKET TRENDS AND ENFORCEMENT PRACTICES,»
LEGAL 500 EMEA.

«A MAJOR FORCE IN ANTITRUST AND COMPETITION,» ASIA LAW PROFILES.


«OUTSTANDING LAW FIRM IN COMPETITION & ANTITRUST. AIDYN BIKEBAYEV – LEADING LAWYER IN
COMPETITION & ANTITRUST,» ASIA LAW PROFILES.

Year after year, the antitrust practice of Sayat Zholshy & Partners, a leading Kazakhstan law firm, is recognised as the best in the country. Our antitrust team consists of the most competent experts on antitrust (competition) law, including the former vice chairman of the Committee for Protection of Competition of the Kazakhstan Ministry of Industry

and Trade (antitrust authority of the Republic of Kazakhstan). Year after year, our antitrust (competition) practice and lawyers are recognised by various international legal guides, including Chambers Global, Who is Who Legal, Legal 500 and Asia Law Profiles, as the best in Kazakhstan.

OUR MOST RECENT EXPERIENCE IN ANTITRUST LAW IS LISTED BELOW:

- ▮ representing a major Kazakhstan telecom operator in connection with the review of an earlier issued antitrust consent to the acquisition of shares in a competitor;
- ▮ representing a Kazakhstan leading non-alcoholic beverages producer in front of the Kazakhstan antitrust authorities and Eurasian Economic Commission (EEC) in connection with the Client's claim against a competitor who allegedly violated the general competition rules on cross-border markets. Due to our support, the EEC issued an ordinance to remedy such violation of the general competition rules on cross-border markets and such ordinance was duly executed by the alleged offender;
- ▮ providing legal support to leading companies in various sectors of economy (e.g. tobacco production, mobile communications, power generation, pharmaceuticals, manufacturing of healthcare and personal/occupational/industrial hygiene products, etc.) with regard to antitrust compliance;
- ▮ advising a leading mobile operator in connection with the execution of an agreement with their competitor on 4G/LTE network sharing (including legal support in the course of negotiations, revision of the agreement draft versions, justification of the agreement execution for antitrust purposes, and negotiation with the antitrust regulator as prescribed by Article 171 of the Entrepreneurial Code);
- ▮ rendering legal advice and assistance to a number of international law firms with regard to antitrust compliance of their clients' transactions with distributors and retailers, either inside or outside Kazakhstan, which can result in market foreclosure in Kazakhstan;
- ▮ drafting a pricing policy in compliance with Kazakhstan antitrust law for a cement producer holding a dominant position in the cement market across various regions of Kazakhstan;
- ▮ issuing a legal opinion on the legitimacy of claims of the antitrust authority regarding the abuse of a dominant position through the impairment of customers' legitimate rights as a result of roaming service disconnection of advance/credit system subscribers when their balances are below the roaming threshold set by a mobile operator. A potential penalty is estimated as KZT11,595,829,445;
- ▮ drafting an application and obtaining consent to economic concentration as a result of the acquisition of shares in a global pharmaceutical leader. In this transaction we represented a leading international law firm;
- ▮ drafting an application and obtaining consent to economic concentration as a result of the acquisition of shares in a foreign entity acting as the sole participant of a major Kazakhstan transportation holding company, the owner of a huge (by Kazakhstan standards) railway car pool;
- ▮ representing a major food producer in connection with pretrial resolution of a dispute with the Kazakhstan antitrust authority;
- ▮ representing a major power company in the court of original jurisdiction in connection with their appeal against anticompetitive and abuse allegations from antitrust authority. As a result, over 20 million US dollars penalty assessment was annulled;
- ▮ representing a subsidiary of the world's biggest dairy company in connection with their appeal against the findings of anticompetitive concerted practice investigation. In the course of the project implementation, SZP team not only put forward solid arguments based on antitrust provisions, but also formulated the behaviour of the respective departments of the Client in their communications with antitrust authorities, and drafted/executed relevant documentation;
- ▮ representing a leader of the Kazakhstan fuel and lubricants market in connection with their appeal against abuse allegations from antitrust authority and annulment of approximately 70 mln US dollars monopoly revenue assessment;
- ▮ challenging in administrative proceedings the findings of a preliminary investigation of alleged antitrust offence and vertical anticompetitive agreement by a company dominating in the tea wholesale market of Kazakhstan (the estimated potential administrative penalty was KZT18,156,178); and
- ▮ issuing an expert opinion on antitrust law issues in favour of the Kazakhstan Supreme Court in connection with arbitration between international oil service companies (we represented the largest Singaporean law firm).



**DISPUTE
RESOLUTION**

“Historically strong in dispute resolution.
Won billion-dollar lawsuits against our clients”

THE BEST LITIGATION TEAM BY THE ANNUAL FORUM OF CORPORATE LAWYERS FOUR YEARS IN A ROW

PARTICULARLY RECOGNIZED FOR ITS STRENGTH IN LITIGATION AND ARBITRATION BY CHAMBERS AND PARTNERS

«EXCELLENT» AND «HIGHLY PROFESSIONAL» AND «VERY GOOD VALUE FOR MONEY» ACCORDING TO LEGAL 500 EMEA

«SAYAT ZHOLSHY & PARTNERS IS A KEY NAME FOR CORPORATE AND BANKING DISPUTES», LEGAL 500 EMEA

The litigation team of Sayat Zholshy & Partners has over 20 years unique experience in conducting all aspects of litigation covering courts of all jurisdictions and leading arbitration institutions throughout Kazakhstan.

We perceive each lawsuit as a work of art. Every second court case supported by our lawyers was unique for Kazakhstan. On a case-by-case basis, we offer comprehensive solutions tailored to the Client's needs and specifics, suggest dispute resolution strategy and try to anticipate counteragents' behaviour.

Many partners of Sayat Zholshy & Partners act as permanent arbitrators in the Kazakhstan International Arbitration Court.

We give particular emphasis to so-called investment and investment-related disputes which, since 2016, have been referred to the Nur-Sultan City Court and Supreme Court of the Republic of Kazakhstan. As a matter of fact, currently this category covers all disputes between foreign investors and Kazakhstan government authorities, including disputes with tax and customs authorities over additional tax and other obligatory payments to the budget assessments.

SOME EXAMPLES OF OUR PRACTICE:

- ┆ settlement of accounts receivable (about 350 debtors) by an agro-industrial holding for a total amount of 15 million US dollars, including reconciliation of accounts receivable, case analysis and elaboration of individual approach to each account receivable and each debtor seeking tailored solutions. As a result, the Client reached agreements with a number of debtors on voluntary repayment of debts, or postponement of repayments, or assignment of debts. With respect to other debtors we issued legal opinions on how to write off bad debts and arranged for relevant documentation. Most accounts receivable were recovered through Kazakhstan courts;
- ┆ recovery of a troubled 7 mln USD loan in favour of a major Kazakhstan bank. The project implied legal analysis of the existing relations and drafting of procedure documentation. The troubled loan granted by the Kazakhstan bank to a major agricultural holding was recovered by judicial means. The first instance judgment was upheld by higher jurisdiction courts;
- ┆ judicial recovery of 2 mln USD damages inflicted by the refusal of a foreign trust to invest in the authorized capital of a Kazakhstan bank. In the course of judicial proceedings the parties reached a settlement agreement on voluntary compensation of damages;
- ┆ successful defence of a major oil producer operating in Mangistau Oblast, Kazakhstan, in a lawsuit connected with illegal assessment of taxes and other obligatory payments to the budget for over 65 million US dollars. The first instance judgment for satisfaction of the plaintiff's claims was upheld by higher jurisdiction courts;
- ┆ judicial annulment of antitrust authority's orders for antimonopoly corrective actions and remittance of monopoly income to the budget (over 23 million US dollars). The first instance judgment for satisfaction of the plaintiff's claims was upheld by higher jurisdiction courts;
- ┆ successful representation of a major mobile operator in Kazakhstan courts in connection with their appeal against antitrust authority's orders;
- ┆ successful representation of a shareholder of a major Kazakhstan food holding seeking the reinstatement of their direct interest in the holding by challenging unlawful actions of the holding's management. The first instance judgment was upheld by higher jurisdiction courts;
- ┆ successful representation of a major Kazakhstan holding in connection with the invalidation of over 17 mln US dollar warranty liability. The first instance judgment was upheld by higher jurisdiction courts;
- ┆ successful representation of a major US international telecommunications company in connection with bankruptcy of a major Kazakhstan manufacturer;
- ┆ comprehensive defence representation of a minority shareholder in their dispute with a majority shareholder and joint stock company. The dispute involved a major confectionery manufacturer;
- ┆ active legal support in connection with judicial settlement of a dispute between a major investment company and a leading Kazakhstan bank (the disputed amount exceeded 14 mln US dollars). This dispute entailed dozens of lawsuits some of which involved guarantors and pledgors;
- ┆ representation of a leading international food producer in connection with a number of lawsuits over the use of trademarks in Kazakhstan; and
- ┆ representation of a renowned online taxi aggregator in connection with the appeal against the actions of government authorities aimed to block the aggregator services in the Republic of Kazakhstan.

LABOUR

LAW

SZP lawyers continuously track new developments in Kazakhstan labour case law and business practice and, over the years, have built a substantial store of unique knowledge in this area of law.

We regularly render legal assistance with the issuance and maintenance of government licenses, approvals, consents and notices.

Licensable activities may be carried out only under relevant licenses. Our lawyers are always ready to assist Clients with prompt and

legitimate acquisition of licenses and permits. We can clarify all licensing regulations and requirements and we can help in preparing documents and materials required by government authorities.

Realising the importance of duly issued permits for employer's business, our Firm offers high-quality legal support to our Clients in connection with the issuance of work permits and a number of optional services aimed to legalize expatriates' stay in Kazakhstan.

SOME EXAMPLES OF OUR RECENT REPRESENTATIVE PROJECTS:

- └ drafting employment contracts for a major Kazakhstan service company operating in Mangistau and Atyrau Oblasts in line with up-to-date legislation for a five-day working week, for rotation employees and for expatriates;
- └ appeal against labour authorities' ordinance issued after an employer's audit concerning labour and migration compliance;
- └ representation of a major Kazakhstan oil and gas service company in connection with a dispute with dismissed employees (due to the employer's withdrawal from a major field development project in Mangistau Oblast) involving the Oblast Administration;
- └ legal support and arrangement for replacement of the management of a major CIS logistics company due to the loss of the founders' confidence;
- └ representation of a major UK service company in connection with collective negotiations with trade unions and execution of collective agreements;
- └ comprehensive pre-investment due diligence of a major Kazakhstan construction material trading company; compiling a checklist of licenses and other permits required for operations in Kazakhstan; and providing all-inclusive support in the process of obtaining required licenses and permits;
- └ comprehensive legal due diligence of a major international joint operating company developing Kashagan oil field in Kazakhstan; compiling a checklist of licenses and other permits required for operations in Kazakhstan; and providing all-inclusive support in the process of obtaining required licenses and permits;
- └ preparation of required documentation and arrangement for the issuance of state registration certificate in relation to a high-technology copyrighted item for a major Kazakhstan telecommunications company;
- └ arrangement for the issuance of a drug distribution license for a Kazakhstan pharmaceutical company;
- └ legal assistance with the obtainment of consents/permits from government authorities for certification of conformance of a Serbian designing and construction company to Kazakhstan legislative requirements;
- └ arrangement for the issuance and annual maintenance, extension and renewal of work permits for 90 expatriates of a European oil and gas service company;
- └ development and implementation of an alternative scheme for employment of over 10 foreign nationals without work permits by an international oil and gas company;
- └ arrangement for simultaneous issuance of over 50 work permits for expatriates of a UK insulation company;
- └ arrangement for the issuance and annual renewal of over 40 work permits for expatriates simultaneously employed in Almaty, Astana, Almaty Oblast, West-Kazakhstan Oblast, Mangistau Oblast and Atyrau Oblast by an international oil and gas service company based in UK (well completion and testing services); and
- └ representation of a major Polish oil service company in the Aktobe Oblast Court with regard to migration law compliance of expatriates employed in Kazakhstan without work permits (protection from deportation).

WE PARTICIPATED IN THE KAZAKHSTAN LABOUR CODE DRAFTING. WE HAVE ADVISED AND SUCCESSFULLY REPRESENTED HUNDREDS OF MAJOR COMPANIES IN COURTS, PROSECUTION AGENCIES AND LABOUR INSPECTORATES IN CONNECTION WITH LABOUR DISPUTES



INFRASTRUCTURE PROJECTS.

PUBLIC-PRIVATE

PARTNERSHIP (PPP)

“In the context of the new economic policy of Kazakhstan, Public-Private Partnership (PPP) arrangements are vital to the development of infrastructure in the country. We successfully supported numerous infrastructure projects across the Republic of Kazakhstan”

One of the top priorities of the Kazakhstan-2050 Strategy is active engagement of the business community in cooperation with the government aimed at finding the best solutions to social and economic problems on the principles of a public-private partnership and implementing the “strong business, strong government” idea. Public-Private Partnership is a cooperative arrangement between the public and private sectors, typically of a mid- or long-term nature, used to finance, build and operate infrastructure and socially important projects on the principles of balanced dis-

tribution of risks, benefits, costs, rights and obligations. Sayat Zholshy & Partners keeps abreast of the times and has accumulated enormous experience in supporting the projects that use PPP mechanisms.

In the light of active promotion of a PPP approach in Kazakhstan, the number of our clients interested in this form of cooperation between the public and private sectors is steadily growing. The most popular services include legal advice, project support, legal due diligence, etc.

OUR VAST EXPERIENCE IN THIS AREA INCLUDES NUMEROUS SUCCESSFULLY COMPLETED PROJECTS, IN PARTICULAR:

- ▮ providing legal support in connection with the execution of an agreement on electric power transmission (containing some clauses of a typical take-or-pay contract) between the Client and a world’s leading producer of chromium - the total transaction value was about 20 bln tenge;
- ▮ providing legal support through the process of extending a surety contract in favour of the holders of infrastructure bonds issued by the Client under the Concession Agreement on the Construction and Operation of Inter-regional Power Transmission Line between North Kazakhstan and Aktobe Oblast;
- ▮ rendering legal advice and support in connection with the development of fee-based municipal parking facilities in Almaty, including the construction and operation of multilevel car-parks. This project implied the legal review of a draft PPP contract, legal advice on project risks and appropriate risk allocation methods, and support through negotiations with representatives of the public partner;
- ▮ rendering legal advice and support in connection with the development of a municipal solid waste recycling system in Almaty allowing for separate collection, transportation, processing (sorting), utilisation and disposal of solid municipal waste, including the construction of a single waste sorting plant in Almaty. Under the scope of this Project we drafted a PPP contract, advised on antitrust and environment law issues, and drafted amendments to regulations of local executive and representative authorities; and
- ▮ issuing a legal opinion for a major Kazakhstan company on the assessment of currency and other risks associated with the project involvement, the choice of appropriate risk allocation methods, government support and other related issues.

TAX LAW

Tax practice is one of the Sayat Zholshy & Partners' priority services relying on 20 years of experience and profound specialisation of our lawyers in this area of law.

Sayat Zholshy & Partners' team has all necessary capabilities and resources to offer its clients a full range of tax-related ser-

vices in various spheres of business, including, but not limited to, M&A transactions, cross-border transactions, dealings with non-residents, applicability of double-tax treaty provisions, transfer pricing, investments, financial leasing, subsoil use, etc.

SAYAT ZHOLSHY & PARTNERS' REPRESENTATIVE TAX-RELATED PROJECTS:

- ┆ analysing and advising on tax efficiency and tax optimisation of the existing and proposed corporate structures of a Kazakhstan holding. The transaction value approximated 200 mln US dollars;
- ┆ advising, structuring and issuing recommendations on tax efficiency (including assistance with the issues connected with international tax planning) in connection with the spinoff of assets and sale of business related to the development of a uranium deposit in Kazakhstan; assisting with the assets ownership restructuring and supporting the assets sale transaction. The transaction value exceeded 140 mln US dollars;
- ┆ advising and issuing recommendations on tax planning (including international tax planning) in connection with the disposal of subsoil use assets and the related restructuring of the holding ownership. Client: a non-resident entity exercising indirect control over the subsoil user. The transaction value approximated 50 mln US dollars;
- ┆ advising and issuing recommendations on tax efficiency (including assistance with international tax planning) in connection with the disposal of subsoil use assets; assisting with the assets ownership restructuring and supporting the assets sale transaction. Client: a non-resident entity exercising indirect control over the subsoil user. The transaction value approximated 15 mln US dollars;
- ┆ advising on taxation of a major Russian company in connection with the purchase of shares in a foreign entity having indirect control over two Kazakhstan subsoil users. Our advice enabled the transaction participants to avoid the loss of about 70.5 mln US dollars;
- ┆ advising and issuing a legal opinion on tax issues in connection with the sale and purchase of a major Kazakhstan transportation holding. The transaction value approximated 180 mln US dollars;
- ┆ advising on taxation of income received by a non-resident entity from Kazakhstan sources (approximately 40 mln US dollars) paid by a Kazakhstan resident provider of transportation and logistics services;
- ┆ advising and issuing recommendations on tax efficiency in connection with the purchase of assets related to rare-earth ores processing and beneficiation; assisting with the assets ownership restructuring and supporting the assets purchase transaction. Client: a major Kazakhstan mining company. The transaction value exceeded 5 mln US dollars;
- ┆ advising on the reasonableness of challenging a notice on tax audit results. Client: a foreign bank subsidiary. The transaction value approximated 3 mln US dollars;
- ┆ judicial appeal against a notice on tax audit results with regard to the determination of the Republic of Kazakhstan's interest in a Production Sharing Agreement. Client: a foreign-invested subsoil user. The disputable amount approximated 7 mln US dollars;
- ┆ representing a mining holding in connection with the challenging of tax authorities' omission to act with regard to the non-refund of the difference between input VAT and output VAT applicable to zero-rated sales totalling over 7 mln US dollars;
- ┆ judicial appeal against a notice on tax audit results with regard to the assessment of taxes and other obligatory payments to the budget due from a major oil producer operating in the Mangistau Oblast, Kazakhstan for a total amount of 65 mln US dollars;
- ┆ appeal (through superior tax authorities) against a notice on tax audit results with regard to the assessment of different taxes due from a major manufacturing company for a total amount over 9 mln US dollars;
- ┆ judicial appeal against a notice on tax audit results with regard to the assessment of taxes and other obligatory payments to the budget due from a major Kazakhstan telecommunications company for a total amount over 8 mln US dollars;
- ┆ judicial appeal against a notice on tax audit results with regard to the assessment of VAT and other taxes due from a chemical company for a total amount over 3 mln US dollars;
- ┆ judicial appeal against a notice on tax audit results with regard to the assessment of special subsoil taxes due from a subsoil user for a total amount over 1 mln US dollars;
- ┆ advising a Russian transportation company on taxation of income from international transportation services (including through the territory of Kazakhstan) and associated activities approximating 3.4 billion tenge;
- ┆ advising a Kazakhstan land owner on tax implications of a land sale and purchase transaction the value of which approximated 5 mln US dollars; and
- ┆ advising a tobacco producer on the need of tax registration of a non-resident's permanent establishment in the Republic of Kazakhstan.

"Our tax practice is based on 20-year experience and in-depth specialisation in this area of law. We know how to challenge tax audit results and unreasonable tax/fine assessments"

"SAYAT ZHOLSHY & PARTNERS HAS A HIGHLY PROFESSIONAL AND STRONG TAX PRACTICE WITH EXPERTISE IN TRANSACTIONS, DOUBLE-TAX TREATIES AND TRANSFER PRICING" – LEGAL 500 EMEA

SAYAT ZHOLSHY & PARTNERS IS RECOMMENDED BY CHAMBERS AND PARTNERS AS A LEADING COUNSEL IN TAX LAW

TAX TEAM OF THE YEAR BY THE ANNUAL FORUM OF CORPORATE LAWYERS

SAYAT ZHOLSHY & PARTNERS IS NOTED FOR ITS 'CAPABILITY TO GENERATE TAILOR-MADE AND EFFECTIVE SOLUTIONS', AND HAS A 'DEEP KNOWLEDGE OF TAX AND CUSTOMS LEGISLATION'. THE FIRM PROVIDES THE FULL RANGE OF TAX-RELATED SERVICES, INCLUDING TAX OPTIMISATION, STRUCTURING TRANSACTIONS AND LITIGATION, WHICH IS RECOMMENDED AS ITS 'STRONGEST SERVICE LINE'. – LEGAL 500 EMEA



«KNOWN FOR ITS INTEGRATED IP AND DISPUTE RESOLUTION PRACTICE,» ASIA LAW PROFILES.

SAYAT ZHOLSHY & PARTNERS IS RECOMMENDED FOR ITS 'IP LITIGATION AND ANTI-COUNTERFEITING PRACTICE', AND 'ADVISES A NUMBER OF TELECOMS COMPANIES ON VARIOUS MATTERS'.- THE LEGAL 500

INTELLECTUAL

PROPERTY

“IP lawyers and patent attorneys with vast experience and significant wins”

Our professionals have extensive experience in handling intellectual property matters and providing services to a great number of national and international companies. Sayat Zholshy & Partners has a unique combination

of patent lawyers and attorneys enabling us to effectively defend IP interests of our clients in various government authorities (e.g. justice, economic investigation, antitrust and other authorities) and courts.

OUR RECENT IP PRACTICE CAN BE EXEMPLIFIED BY THE FOLLOWING PROJECTS:

- ▬ advising a major Kazakhstan mobile operator on the need to include license and other similar IP-related fees into the customs value of earlier imported goods;
- ▬ representing a leading Russian machine manufacturing company in front of Kazakhstan courts of all jurisdictions in connection with unlawful manufacturing and distribution of agricultural machinery by a third party in the Republic of Kazakhstan;
- ▬ representing a Client in criminal proceedings on infringement of copyrights of a Kazakhstan jewellery manufacturer;
- ▬ representing a major Kazakhstan producer of beer and non-alcoholic beverages in litigation over the exclusive rights to use trademarks;
- ▬ representing a subsidiary of the world's largest dairy company in a number of disputes over the exclusive rights to use trademarks, including support through justice and financial investigations/audits and legal representation;
- ▬ representing an international online hotel and air booking service provider in Kazakhstan civil proceedings in connection with an infringement of exclusive rights;
- ▬ advising a leading European truck manufacturer on the amendment of a license/dealership agreement with a Kazakhstan dealer for the purpose of finding a compromise between the effects of IP law and the effects of antitrust law;
- ▬ advising a major Kazakhstan television and radio broadcasting company on copyright infringement issues;
- ▬ working with a Kazakhstan producing leader on business arrangements with SuperStar.kz winners;
- ▬ developing patterns of communication between service providers and operators on the Kazakhstan telecommunications market;
- ▬ drafting agreements on assignment of foreign investors' copyrights to a group of Kazakhstan companies;
- ▬ drafting and registering license and assignment agreements and trademarks; obtaining and maintaining provisional patents for numerous companies operating in pharmaceutical, transportation, non-alcoholic beverages production and other sectors of economy;
- ▬ compiling documentation package for the registration of intellectual property assets to be contributed to the authorised capital of joint ventures;
- ▬ advising, on a regular basis, the Kazakhstan representative office of a world-wide renowned manufacturer of cleaning and washing agents; and
- ▬ performing, on a regular basis, legal due diligence of various companies with regard to numerous matters, including intellectual property compliance.



TECHNICAL REGULATION AND CERTIFICATION

Our extensive and advanced experience of advising manufacturing and production companies operating in various sectors of economy (e.g. oil & gas, power, food, communications and data transmission, agriculture, etc.) with regard to the conformance of their products to national technical regulations and international standards proves that there is a long overdue need to create a separate area of practice which would gather together the relevant experience of our Firm for the last few years for the

sake of our clients' production improvement and quality enhancement. We have a clear vision and understanding of the current regulations and procedures which allow us to advise across a whole range of issues related to the conformance of products manufactured in Kazakhstan and/or released for circulation in the EEU markets to the Kazakhstan national requirements, Customs Union technical regulations and international standards.

PLEASE SEE BELOW OUR REPRESENTATIVE PROJECTS IN THIS AREA OF PRACTICE:

- ┆ comprehensive legal due diligence of a major international joint operating company developing Kashagan oil field in Kazakhstan with regard to requirements applied by Kazakhstan technical regulations to final products; compiling a checklist of documents to be executed/obtained in compliance with applicable technical regulations (documents certifying conformance of products to national technical regulations, corporate standards, product technical specifications, etc.); and explaining the client how to obtain, execute and approve such documents;
- ┆ advising a leading German skin care manufacturer on the issues related to validation of perfume and beauty products conformance to applicable technical regulations;
- ┆ comprehensive pre-investment due diligence of a major Kazakhstan company engaged in crude oil refining, production and marketing of hydrocarbon derivatives; compiling a checklist of documents to be executed/obtained in compliance with applicable technical regulations (documents certifying conformance of products to national technical regulations, corporate standards, chemical products registration, etc.); and explaining the terms and procedures for such documents issuance;
- ┆ legal due diligence of a leading Kazakhstan brewing company with a focus on identification of risks inherent in the production, storage and wholesale of beer from the perspective of technical regulations;
- ┆ comprehensive pre-investment due diligence of a major Kazakhstan construction material trading company; legal analysis of requirements applied by Kazakhstan technical regulations to final products; compiling a checklist of documents to be executed/obtained in compliance with applicable technical regulations (documents certifying conformance of products to national technical regulations, corporate standards, etc.); and explaining the client how to obtain, execute and approve such documents;
- ┆ issuing numerous legal opinions and advising an international manufacturer and trader of tobacco and non-tobacco products; and
- ┆ advising a leading dairy producer on the issues potentially arising from recall and withdrawal of the client's products non-conforming to applicable technical requirements.

«SAYAT ZHOLSHY & PARTNERS IS THE FIRST KAZAKHSTAN LAW FIRM WHO HAS SINGLED OUT THE TECHNICAL REGULATION AND CERTIFICATION OF PRODUCTION/DISTRIBUTION/SERVICES/PROCESSES IN A SEPARATE AREA OF PRACTICE. WE PROVIDED LEGAL SUPPORT TO MANY MANUFACTURING COMPANIES WHO NEEDED TO ASSESS THEIR PRODUCTS CONFORMITY TO NATIONAL AND INTERNATIONAL STANDARDS»

LAW-MAKING PRACTICE

"RESPONSIVE AND UNDERSTANDING THE LEGISLATIVE DRAFTING PROCESS VERY WELL, WITH THE SERVICES AND RESULTS BEING EXTREMELY GOOD", ASIA LAW PROFILES

OUR EXPERIENCE SPANS DOZENS OF IMPORTANT DRAFT LAWS, INCLUDING THE ONES DRAFTED ON THE ASSIGNMENTS FROM THE WORLD BANK AND THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

For over twenty years of legal practice in various areas of law we got convinced that we would never excel above our peers if we did not take part in the improvement of the national legal framework. Kazakhstan is a relatively young state where the regulatory framework is still in the process of formation and ongoing improvement. Our clients, no less than ourselves, feel the urge for development of new laws and regulations. In some cases it is dictated by the need to implement new investment projects and in other cases – by the purposeful promotion of legislative reforms aimed at harmonization of Kazakhstan law with generally accepted international standards.

The World Bank Group and the European Bank for Reconstruction and Development – who actively promote reforms in the Republic of Kazakhstan – hold a special place among our clients. SZP Partner Arman Berdalin is a member of the Interdepartmental Commission for Legislative Drafting of the Kazakhstan Government. This way we ensure our participation in all meetings of this principal advisory/consultative body devoted to lawmaking issues. The point is that the activity associated with the development of

new legislative acts and support through their adoption process is very specific and, therefore, requires lawyers who are narrowly focused on certain aspects of law, rather than ordinary lawyers. Law-making requires particular forms of knowledge, practice and mentality. We enjoyed the privilege of being engaged on enormous number of important legislative and regulatory drafting projects in various areas of concern.

All projects were entirely different in nature; however, most of them required comprehensive support starting from the development of a legislative act concept to the legal support through the process of the act adoption by the competent authority (e.g. Parliament, Government or a ministry).

We participated in the drafting of 30 laws and 150 regulations of the Government and ministries, in total. In particular cases we provided legal support on an on-demand basis only at certain stages, for example, initial drafting of a law or assistance with negotiation of a draft law with the Parliament.

PLEASE SEE BELOW DETAILS OF OUR TEAM PARTICIPATION IN LAW-MAKING:

- └ Kazakhstan Law On Advocacy and Legal Assistance (2018);
- └ Kazakhstan Law On Amendment of Certain Legislative Acts of the Republic of Kazakhstan Concerning Corporate Governance (draft law);
- └ Kazakhstan Law On Amendment of Certain Legislative Acts of the Republic of Kazakhstan Concerning the Transition to a Green Economy of 28 April 2016;
- └ Kazakhstan Law On Permits and Notices of 16 May 2014;
- └ Kazakhstan Law On Amendment of Certain Legislative Acts of the Republic of Kazakhstan Concerning Forestry, Wildlife and Conservation Areas No. 548-IV of 25 January 2012;
- └ Kazakhstan Law On Amendment of Certain Legislative Acts of the Republic of Kazakhstan Concerning Corporate Dispute Resolution No. 58-IV of 5 July 2008;
- └ Kazakhstan Law On Licensing No. 214-III of 11 January 2007;
- └ Kazakhstan Law On Public Procurement No. 303-III of 21 July 2007;
- └ Kazakhstan Law On Food Safety No. 301-III of 21 July 2007;
- └ Kazakhstan Law On Amendment of Certain Legislative Acts of the Republic of Kazakhstan Concerning the Development of Cotton Industry No. 299-III of 21 July 2007;
- └ Kazakhstan Law On the Development of Cotton Industry No. 298-III of 21 July 2007;
- └ Kazakhstan Law On Private Enterprise No. 124-III of 31 January 2006;
- └ Kazakhstan Law On Amendment of Certain Legislative Acts of the Republic of Kazakhstan Concerning Delineation of Powers Among the State Administration Levels No. 116-III of 10 January 2006;
- └ Kazakhstan Law On Government Regulation of Agribusiness and Rural Areas Development No. 66-III of 8 July 2005;
- └ Kazakhstan Law On Ratification of the Letter of Intent between the Republic of Kazakhstan and the International Bank for Reconstruction and Development Concerning the Grant for Preparation of the Second Stage of the Post-privatization Agricultural Industry Support Project No. 559-II of 9 June 2004;
- └ Kazakhstan Law On Compulsory Insurance in the Plant Industry No. 533-II of 10 March 2004;
- └ Kazakhstan Law On Amendment of Certain Legislative Acts of the Republic of Kazakhstan Concerning Financial Leasing No. 532-II of 10 March 2004; and
- └ Kazakhstan Law On Amendment of the Kazakhstan Law Concerning Grain No. 488-II of 13 October 2003.



We were involved in the drafting of dozens of fundamental laws, including those which were drafted on assignments from the World Bank and European Bank for Reconstruction and Development.

BESIDES, OUR LAWYERS TOOK PART IN THE DEVELOPMENT AND APPROVAL OF THE FOLLOWING CONCEPT PAPERS:

- └ Concept of the draft Kazakhstan Law On Amendment of Certain Legislative Acts of the Republic of Kazakhstan Concerning Corporate Governance in Joint Stock Companies (2016); and
- └ Concept of the draft Kazakhstan Law On Advocacy and Legal Support (2017).

BANKRUPTCY, REHABILITATION AND OTHER DEBT SETTLEMENT APPROACHES

- └ “The team has vast experience in advising distressed companies on bankruptcy and advising liquidators on issues arising out of insolvency,” Asia Law Profiles.

Sayat Zholshy & Partners has broad experience in providing support for the restructuring and rehabilitation of businesses in Kazakhstan. We offer comprehensive legal support through rehabilitation and bankruptcy proceedings for both sides – the debtor and the creditors.

Arguably, the Kazakhstan rehabilitation and bankruptcy law is the most intricate in the country. However, our enormous enforcement practice accumulated during 20 years allows for expedient solution of clients’ problems.

SOME EXAMPLES FROM OUR PRACTICE:

- └ • representation of a debtor in connection with the bankruptcy of a major power distribution company operating in South Kazakhstan;
- └ • representation of a debtor in connection with the rehabilitation of a major cinema chain where the creditor’s bank was actively involved in the rehabilitation proceedings;
- └ • representation of a creditor (US transnational telecom operator) in connection with the initiation of bankruptcy proceedings against a major Kazakhstan bioethanol producer;
- └ • representation of a creditor in rehabilitation proceedings enforced against a subsoil user holding the right to produce oil;
- └ • representation of a creditor in rehabilitation proceedings enforced against a large construction company;
- └ • representation of a major oil service company in connection with the bankruptcy of a subsoil user;
- └ • representation of a Russian transportation company in connection with the forced liquidation of a bank;
- └ • representation of food producers in connection with bankruptcy proceedings against a leading retail network;
- └ • representing debtor’s executives in bankruptcy proceedings in connection with their subsidiary liability for the debtor’s obligations;
- └ • advising and safeguarding the interests of a bank in connection with the rehabilitation of a subsoil user who has failed to repay the bank’s loans;
- └ • issuing a legal opinion on the prospects for acquiring a subsoil use right in connection with the rehabilitation of a debtor subsoil user; and
- └ • challenging actions/omissions of a rehabilitation/bankruptcy manager in the courts of all instances.



FAMILY

LAW

“Top rated family law attorneys fluent in English. Experience with hundreds of high profile cases involving celebrities”

Before our Firm launched the Family Law practice, Kazakhstan had not had a single law firm which would specialise in this area of law and be capable of providing VIP clients with adequate quality services. Sayat Zholshy & Partners were the first to apply such approach and, since then, we have been a leading service provider in this market sector.

Over the years, we have succeeded in advising and supporting our clients (including a number of VIPs) with regard to such is-

such as international marriage; distribution of marital property; determination of the place of residence for underage children, the procedure for their communication with a separated parent and the procedure for their upbringing and support; and, of course, divorce.

Conducting cases under public scrutiny and dealing with mass media require specific knowledge, skills and expertise. Confidentiality is our top priority.

OUR RECENT PRACTICE CAN BE EXEMPLIFIED BY THE FOLLOWING PROJECTS:

- └ providing support through divorce process and ensuring marriage contract invalidation;
- └ providing legal support during the course of private proceedings between spouses dividing their property and claiming support for their children (alimony);
- └ representing a client in divorce action initiated by his spouse for appropriation of their marital property;
- └ providing support through the process of determination of the place of residence for underage children with their father;
- └ representing a VIP client in civil actions connected with divorce and division of marital property which grabbed mass media and public scrutiny;
- └ negotiating with a client's separated spouse who deprived her of the right to communicate with their children following the parents' separation;
- └ representing a foreign client in connection with the enforcement of his right to communicate with his Kazakhstan-resident child outside the Republic of Kazakhstan;
- └ drafting a number of marriage contracts between Kazakhstan citizens and foreigners, and providing relevant legal support thereto;
- └ drafting an agreement on division of marital property in the course of divorce process;
- └ providing support through divorce process between a foreign man and a Kazakhstan woman;
- └ assisting a client in reacting to the behaviour of his spouse threatening his health and life in retaliation for impending divorce;
- └ providing support through child adoption process;
- └ providing legal support in connection with the appointment of a guardian/custodian; and
- └ representing a VIP client in an inheritance dispute.



CRIMINAL LAW

PRACTICE

“Licensed attorneys with fluent English. Top-notch education. Extensive experience in economic criminal law. Multifaceted defence approach. Excellent criminal defense capabilities. Solid local legal background”

Sayat Zholshy & Partners is a well-established team of attorneys with mature practices and extensive experience in defending clients’ interests. The attorney status of our partners allows them to defend criminal cases regardless of a defendant’s rank

ranging from common citizens to business executives. Having a number of leading lawyers in various areas of Kazakhstan law, our attorneys’ office specialises in the defence of our clients charged with economic or corruption criminal activity

BELOW IS A LISTING OF REPRESENTATIVE PROJECTS THE FIRM HAS WORKED ON FOR ITS CLIENTS:

- ┆ counseling managers and employees of various companies within money laundering investigations, and being present at their interrogations by economic crimes officers;
- ┆ initiating a criminal case against hostile shareholders on the grounds of fraud and bank secrecy violations, and representing a company as the injured party/victim of the crime;
- ┆ starting and controlling a criminal investigation against former top level employee on the ground of bank secrecy;
- ┆ pressing private criminal charges of insult and libel against an uncooperating former employee, effectively stopping him from disseminating undesirable information and forcing him to bring apologies and pay moral damages;
- ┆ counseling and defending pilot as witness and potential suspect in a criminal case opened after the runway excursion;
- ┆ advising and representing an airline as injured party and its employees - first officer, flight attendants and technical staff - as witnesses in a criminal investigation of an aircraft incident;
- ┆ instituting criminal proceedings against infringers of copyrights and representing a local producer of jewellery items as injured party/victim of the crime;
- ┆ representing a subsidiary of a global major dairy producer during inspection by financial police in connection with a trademark dispute;
- ┆ advising and representing managers and employees of 6 international pharmaceutical companies interrogated as witnesses in a criminal investigation of corruption and abuse of powers by government agencies and public officers;
- ┆ defending an individual in a criminal case initiated by the National Anticorruption Bureau for grand embezzlement;
- ┆ defending a foreigner in connection with his extradition to the home state for alleged tax evasion;
- ┆ defending a corporate creditor in criminal proceedings connected with non-enforcement of a judgment;
- ┆ defending company officers in a criminal case opened on charges of tax evasion;
- ┆ advising officers and shareholders of a pension fund in connection with criminal proceedings started by prosecution authorities on allegations of pension savings embezzlement;
- ┆ representing creditors in criminal proceedings connected with the withdrawal of funds from a bank by the bank’s shareholders; and
- ┆ defending an individual in a criminal case investigated by the National Anticorruption Bureau for alleged gang grand embezzlement of state budget funds.

PARTNERS



Aidyn Bikebayev

Managing Partner, Attorney at Law, Chairman of the Board of Partners

PRACTICE AREA:

Antitrust (Competition) Law.
Regularly recommended by Who is Who Legal CIS as a renowned specialist in Kazakhstan Antitrust Law.

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Vitaliy Vodolazkin

Senior Partner, Attorney at Law

PRACTICE AREA:

Dispute Resolution. Finance and Securities.
The leading international guide The Legal 500 has recognized SZP Managing Partner Vitaliy Vodolazkin as one of the elite leading lawyers and included him in The Legal 500 Hall of Fame. Over the last ten years, Vitaliy has been continuously recommended as one of the leading Kazakhstan lawyers by such authoritative legal guides as The Legal 500 EMEA, Chambers and Partners, IFRL1000 and Asia Law Profiles.

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Arman Berdalín

Senior Partner, Attorney at Law

PRACTICE AREA:

Mergers and Acquisitions (M&A).
Corporate Law.
Corporate Governance.
For a number of years, Arman has been annually recommended by various international rating agencies, including Chambers, Legal 500, Asia Law Profiles and other, who highly evaluate Arman's achievements.

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Amir Begdesenov

Partner, Attorney at Law

PRACTICE AREA:

Intellectual Property. Antitrust (Competition) Law.
According to the Legal 500 EMEA, Amir Begdesenov "always delivers high-quality and prompt advice". Amir was ranked by Asia Law Profiles as the Rising Star Lawyer in two areas of practice overseen by him - Competition & Antitrust and Intellectual Property.

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Yelena Tyureikina

Partner

PRACTICE AREA:

Tax law
Yelena Tyureikina was recommended by the Legal 500 EMEA as a leading lawyer in the Tax & Customs area. The Legal 500 EMEA 2018 noted Yelena for her "profound knowledge of Kazakhstan tax legislation", "commitment" and "readiness to help clients".

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Labour law, licenses and regulatory permits, foreign employment permits

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