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| OB #: | 9040-18 |
| Date: | July 11, 2018 |
| To: | All Participants |
| Category: | Dividends |
| From: | International Services |
| Attention: | Operations, Reorg & Dividend Managers, Partners & Cashiers |
| Subject: | Tax Relief: Country: Kazakhstan Kazakhtelecom Cusip: 48666D204 Record Date: 06/14/2018 Payable Date: 07/03/2018 |

*******NO DTC TaxRelief Services*******

We have received the following important notice from BNY Mellon/Globe Tax Services.

Questions regarding this Important Notice may be directed to Globe Tax.

Important Legal Information: *The Depository Trust Company (“DTC”) does not represent or warrant the accuracy, adequacy, timeliness, completeness or fitness for any particular purpose of the information contained in this communication, which is based in part on information obtained from third parties and not independently verified by DTC and which is provided as is. The information contained in this communication is not intended to be a substitute for obtaining tax advice from an appropriate professional advisor. In providing this communication, DTC shall not be liable for (1) any loss resulting directly or indirectly from mistakes, errors, omissions, interruptions, delays or defects in such communication, unless caused directly by gross negligence or willful misconduct on the part of DTC, and (2) any special, consequential, exemplary, incidental or punitive damages.*

To ensure compliance with Internal Revenue Service Circular 230, you are hereby notified that: (a) any discussion of federal tax issues contained or referred to herein is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code; and (b) as a matter of policy, DTC does not provide tax, legal or accounting advice and accordingly, you should consult your own tax, legal and accounting advisor before engaging in any transaction.

DTCC offers enhanced access to all important notices via a Web-based subscription service. The notification system leverages RSS Newsfeeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit http://www.dtcc.com/subscription_form.php.

Non-Confidential





KAZAKHTELECOM has announced a cash dividend and BNY Mellon acts as Depository for the Depository Receipt (“DR”) program.

Holders of **KAZAKHTELECOM** may be eligible to receive favorable or reduced withholding tax relief. Further details on eligibility, documentation, limitations, fees, charges and deadlines are included below

On Depository Receipt Pay Date, all non-resident holders will receive this dividend net of Kazakh withholding tax of 20% with the possibility to reclaim as outlined in the Eligibility Matrix below.

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| DIVIDEND EVENT DETAILS | |
|---|--|
| COUNTRY OF ISSUANCE | KAZAKHSTAN |
| ISSUE | KAZAKHTELECOM |
| CUSIP# | 48666D204 |
| UNDERLYING ISIN | KZ1C12280018 |
| DEPOSITARY | BNY MELLON |
| DR RECORD DATE | JUNE 14, 2018 |
| ORD PAY DATE | JUNE 27, 2018 |
| DR PAY DATE | JULY 3, 2018 |
| RATIO (DR to ORD) | 15 : 1 |
| ORD RATE | KZT 1595.79 |
| STATUTORY WITHHOLDING RATE | 20% |
|  | DOUBLE CLICK ICON BELOW TO DOWNLOAD  |

PLEASE NOTE:

- ALL CERTIFICATE OF RESIDENCIES AND DOCUMENTATION MUST BE VALID FOR THE 2018 TAX YEAR.
- ALL HARDCOPY DOCUMENTATION MUST BE RECEIVED BY JULY 11, 2018 AT 5:00 PM EDT.
- RECLAIMS RECEIVED POST DEADLINE WILL BE INELIGIBLE FOR TAX RELIEF PROCESS DESCRIBED IN THIS ANNOUNCEMENT.

FEES & DEADLINES

| FILING METHOD | BATCH | PAYMENT METHOD | SHARE MINIMUM (DRs) | CUSTODIAL FEE | TAX RELIEF FEE | MINIMUM FEE PER BENEFICIAL OWNER | FINAL SUBMISSION DEADLINE |
|---------------|-----------------------|----------------|---------------------|---------------|----------------------|----------------------------------|---------------------------|
| QUICK REFUND | POST PAY DATE PAYMENT | CHECK OR ACH | NO MINIMUM | NO FEE | UP TO \$0.005 PER DR | USD \$0.00 FOR 5% RECLAIMS | JULY 11, 2018 5:00 PM EDT |
| | | | | | | USD \$25.00 FOR 10%-20% RECLAIMS | |

Agreements, Fees, Representations and Indemnification from Participants and Beneficial Owners

We hereby agree that this tax relief assistance service is wholly voluntary and discretionary and outside the terms and conditions of any applicable deposit agreement. BNY Mellon undertakes no duty or obligation to provide this service, and may reject or decline any or all proposed electing participants or holders in its sole discretion. We hereby accept and agree to pay the fees of BNY Mellon of up to \$0.005 per Depositary Receipt for Quick Refund (with a minimum of \$25 for treaty claims), and any other charges, fees or expenses payable by or due to BNY Mellon or its agents, including any custodian, in connection with the tax reclaim process, or to tax authorities or regulators (which fees, charges or expenses may be deducted from the dividend or any other distribution or by billing or otherwise in BNY Mellon's discretion). We hereby agree that any such fees, charges or expenses may be due and payable whether or not a successful reduction in rate or reclamation is obtained. We hereby acknowledge that fees paid to BNY Mellon may be shared with its agents and affiliates.

We hereby agree that in addition to statutory and documentation requirements and the deduction of fees, tax relief benefits will be subject to review and approval, and potential audits by the applicable custodian and the applicable tax regulators, and that BNY Mellon is not providing any legal, tax, accounting or other professional advice on these matters and has expressly disclaimed any liability whatsoever for any loss howsoever arising from or in reliance hereto. Participants and/or investors should seek advice based upon their own particular circumstances from an independent tax advisor.

We certify that to the best of our knowledge each of the beneficial owners identified are eligible for the preferential rates as stated and we declare that we have performed all the necessary due diligence to satisfy ourselves as to the accuracy of the information submitted to us by these beneficial owners.

We will be fully liable for any and all claims, penalties and / or interest, including without limitation, any foreign exchange fluctuations associated therewith. BNY Mellon shall not be liable for the failure to secure any tax relief. We expressly agree that BNY Mellon and its agents or affiliates shall not have any liability for, and we shall indemnify, defend and hold each of BNY Mellon and its agents and affiliates harmless from and against, any and all loss, liability, damage, judgment, settlement, fine, penalty, demand, claim, cost or expense (including without limitation fees and expenses of defending itself or enforcing this agreement) arising out of or in connection herewith.


ELIGIBILITY MATRIX – QUICK REFUND

| RATE DESCRIPTION | RECLAIM RATE | ELIGIBLE RESIDENTS | DOCUMENTATION REQUIRED | SIGNATURE REQUIRED |
|------------------------------------|--------------|--|--|--|
| UNFAVORABLE 20% | 0% | RESIDENTS OF TAX HAVEN TERRITORIES (LIST OF BLACKLIST TERRITORIES INCLUDED IN APPENDIX B OF THIS NOTICE) | NONE | N/A |
| STATUTORY RATE 15% | 5% | ALL HOLDERS EXCEPT RESIDENTS DOMICILED IN TAX HAVEN TERRITORIES, <u>NOT SEEKING A MORE FAVORABLE TAX WITHHOLDING RATE</u> | 1. APPENDIX A - COVER LETTER | 1. YES – DTC PARTICIPANT |
| FAVORABLE 10% | 10% | ARMENIA, AZERBAIJAN, BULGARIA, CHINA, CZECH REPUBLIC, INDIA, KYRGYZSTAN, MALAYSIA, MONGOLIA, ROMANIA, RUSSIAN FEDERATION, TURKEY, TURKMENISTAN, UZBEKISTAN | 1. APPENDIX A - COVER LETTER 2. CERTIFICATE OF TAX RESIDENCY | 1. YES - DTC PARTICIPANT 2. N/A |
| FAVORABLE 5% | 15% | KAZAKH INDIVIDUALS | 1. APPENDIX A - COVER LETTER 2. COPY OF KAZAKH PASSPORT | 1. YES – DTC PARTICIPANT 2. N/A |
| EXEMPT 0% | 20% | KAZAKH LEGAL ENTITIES | 1. APPENDIX A - COVER LETTER 2. COPY OF KAZAKH REGISTRATION CERTIFICATE 3. COPY OF CORPORATE TAX PAYER CERTIFICATE | 1. YES – DTC PARTICIPANT 2. N/A 3. N/A |
| PERCENTAGE OF OWNERSHIP | 5-10% | INVESTORS HOLDING MORE THAN 10% - 30% OF THE OUTSTANDING SHARES OF THE ISSUING COMPANY | 1. APPENDIX A - COVER LETTER 2. DECLARATION 3. CERTIFICATE OF TAX RESIDENCY | 1. YES – DTC PARTICIPANT 2. N/A 3. N/A |

Note: All documents listed in **BLUE font** are generated by GlobeTax's ESP website after submission of beneficial owner data

| DESCRIPTION OF VARIOUS DOCUMENTATION | |
|--|--|
| DOCUMENT NAME | DESCRIPTION |
| APPENDIX A – WITHHOLDING CERTIFICATION | Listing of beneficial owners' names, addresses, tin, number of shares and percent reclaim. |
| IRS FORM 6166 | https://www.irs.gov/individuals/international-taxpayers/form-6166-certification-of-u-s-tax-residency |
| CERTIFICATE OF RESIDENCY | <p>Issued by the beneficial owner's local tax office, stating the name of the tax payer and certifying the year of the dividend (2018).</p> <p>This document must be consularized by the local embassy office of the republic of Kazakhstan</p> <p>OR:</p> <p>If the document is issued by a contracting state that is a member of the convention of 5 October 1961 abolishing the requirement of legalization for foreign public documents, the consularization requirement is waived, but the document must be translated into Russian and Kazakh languages and notarized by a legal Kazakhstani notary.</p> |
| APPENDIX B | <p>List of blacklisted territories.</p> <p>Holders residing in these countries may not file reclaims in Kazakhstan.</p> |

| CONTACT DETAILS | |
|-----------------------|--|
| PRIMARY CONTACT | TONY OYUNBAZAR |
| DOMESTIC PHONE (U.S.) | 1-800-915-3536 |
| DOMESTIC FAX (U.S.) | 1-800-985-3536 |
| INTERNATIONAL PHONE | 1-212-747-9100 |
| INTERNATIONAL FAX | 1-212-747-0029 |
| EMAIL ADDRESS | TONY_OYUNBAZAR@GLOBETAX.COM |
| GROUP EMAIL | KAZAKHSTANESP@GLOBETAX.COM |
| COMPANY | GLOBETAX SERVICES INC. |
| STREET ADDRESS | ONE NEW YORK PLAZA, 34 TH FLOOR |
| CITY/STATE/ZIP | NEW YORK, NY 10004 |
| ADDITIONAL CONTACTS | LAURA GALLO |


powered by **GLOBETAX**

BNY Mellon offers ESP powered by GlobeTax, an electronic withholding tax submission system. This system allows for the secure and simplified transfer of beneficial owner level data from the Participant to BNY Mellon and creates applicable documentation on the Participants behalf. Submit the data online through the web site below, print out the document on letterhead, sign, and mail to BNY Mellon / GlobeTax.

These claims should be submitted through the following web site. (Requires a one-time registration)

<https://ESP.GlobeTax.com>

Please contact support@globetax.com at 212-747-9100 if you have any questions about this process.

FREQUENTLY ASKED QUESTIONS (FAQs)



QUICK REFUND QUESTIONS

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| Is there a relief at source process for this event? | No. |
| Can omnibus accounts obtain tax relief? | No , all accounts must be disclosed at the beneficial owner level. |
| Who is the ultimate beneficial owner? | It is the true recipient of the income, which is <u>not</u> the following: an agent, a nominee, a shell or paper-based company. |
| If the beneficial owner is an exempted institution specific in the double tax treaty agreement (DTTA), are there documentation requirements? | The beneficial owner is to provide document that proves it is the organization noted in the DTTA. |
| Who do I send the quick refund tax relief documentation to? | All original documents are due to: GlobeTax Services One New York Plaza, 34 th floor New York, NY 10004 USA Attn: Kazakhstan Reclaims |
| When is the deadline? | In order to participate in the quick refund tax relief process described in the notice, ESP submissions and paperwork must be received before 5:00pm EDT on JULY 11, 2018 . |
| How do I obtain consularization on the certificate of residency? | Please contact the embassy office of the Republic of Kazakhstan in the country of domicile of the beneficial owner for specific details. They typically require notarized documents to be examined by the embassy office of the Republic of Kazakhstan and will attach an appropriate seal or stamp of authentication for a fee. |
| How do I know if my client qualifies for an exemption from the consularization requirement? | For the full list of contracting states of the convention of 5 October 1961 abolishing the requirement of legalization for foreign public documents, please visit: http://www.hcch.net/index_en.php?act=conventions.status&cid=41#nonmem |
| How do I know if my client qualifies for an exemption or reduced tax based on percentage of ownership? | The investor will have to consult with their tax advisor to determine eligibility status. |
| Will GlobeTax accept claims filed directly to them by beneficial owners? | GlobeTax only accepts claims filed by the DTC participant who was holding the securities through DTC and only to the extent that DTC has reported these holdings to us as valid record date holdings. Beneficial owners are required to file their claims through the custody chain to the DTC participant of record. All claims not received directly from the DTC participant will be returned to the beneficial owner. |
| Is the process for tax relief offered by BNY Mellon an optional process? | Yes , this is a discretionary, optional service; however, in the Kazakh market, the custodians and local issuers will not accept claims from anyone except the depository (BNY Mellon) in order to ensure validation of the record date positions claimed. |
| Is the quick refund tax relief process free of charge? | No . This quick refund tax relief assistance service is wholly voluntary and discretionary and outside the terms and conditions of any applicable deposit agreement. Fees will be charged for this service of up to \$0.005 per depository share (with a minimum of \$25.00 for treaty claims), and any other charges, fees or expenses payable by or due to BNY Mellon or its agents, including the custodian or to tax authorities or regulators. Fees paid to BNY Mellon may be shared with its agents and affiliates. |
| Will I be paid through DTC for claims submitted through the quick refund | No , you will be paid by check or ACH payment. |

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| tax relief process? | |
| Is there a long form tax reclaim process if the deadline above is missed? | Long form process may be available but it is not facilitated by the issuing company. Approval is not guaranteed. We advise all holders to take advantage of the quick refund tax relief process. Please contact BNY Mellon / GlobeTax for additional details. |

Warning and Disclaimer:
 BNY Mellon will not be responsible for the truth or accuracy of any submissions received by it and all Participants and holders, whether or not following the procedures set forth herein or otherwise submitting any information, agree to indemnify and hold harmless BNY Mellon and its agents for any and all losses, liabilities and fees (including reasonable fees and expenses of counsel) incurred by any of them in connection herewith or arising herefrom. BNY Mellon and its agents will be relying upon the truth and accuracy of any and all submissions received by them in connection with the tax relief process and shall hold all participants and DR holders liable and responsible for any losses incurred in connection therewith or arising there from. There is no guarantee that the applicable tax authorities will accept submissions for relief. Neither BNY Mellon nor its agents shall be responsible or liable to any holders of DRs in connection with any matters related to, arising from, or in connection with the tax relief process described herein. See also “**Agreements, Fees, Representations and Indemnification**” above.

All tax information contained in this Important Notice is based on a good faith compilation of information obtained and received from multiple sources. The information is subject to change. Actual deadlines frequently vary from the statutory deadlines because of local market conditions and advanced deadlines set by local agents. To mitigate risk it is strongly advised that DTC Participants file their claims as soon as possible as the depository and/or their agents will not be liable for claims filed less than six months before the specified deadline. In the event that local market rules, whether implemented by a local agent or a Tax Authority, conflict with the information provided in the important notice, either prior to or after publication, the local market rules will prevail.

| <h2 style="text-align: center;">FORMS AND ATTACHMENTS</h2> <p style="text-align: center;"><i>*Double click on respective icon to view attachment.</i></p> | |
|---|---|
| APPENDIX A – COVER LETTER | APPENDIX B – BLACKLIST TERRITORIES |
|  APPENDIX A.pdf |  APPENDIX B.pdf |