

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

ANATOLIE STATI; GABRIEL STATI;)	
ASCOM GROUP, S.A.; TERRA RAF)	
TRANS TRADING LTD.,)	
)	
Petitioners,)	
)	
v.)	Civil Action No. 1:14-cv-1638-ABJ
)	
REPUBLIC OF KAZAKHSTAN,)	
)	
Respondent.)	
)	

**RESPONDENT REPUBLIC OF KAZAKHSTAN'S
OPPOSITION TO PETITION TO CONFIRM ARBITRAL AWARD**

EXHIBIT 15

CURTIS, MALLET-PREVOST, COLT & MOSLE LLP

ALMATY
ASTANA
DUBAI
FRANKFURT
HOUSTON
ISTANBUL

LONDON
MEXICO CITY
MILAN
MUSCAT
PARIS
WASHINGTON, D.C.

ATTORNEYS AND COUNSELLORS AT LAW
101 PARK AVENUE
NEW YORK, NEW YORK 10178-0061

TELEPHONE 212-696-6000
FACSIMILE 212-697-1559
WWW.CURTIS.COM

WRITER'S DIRECT:
TEL.: 212-696-6078
E-MAIL MCHARWOOD@CURTIS.COM

December 2, 2010

Via Courier and E-mail: arbitration@chamber.se

Ms. Annette Magnusson
Secretary-General
The Arbitration Institute of the
Stockholm Chamber of Commerce
Jakobs Torg 3
SE-103 21 Stockholm
Sweden

**Re: Anatolie Stati, Gabriel Stati, Ascom Group S.A. and Terra Raf Trans
Traiding Ltd. v. Republic of Kazakhstan, Arbitration No. 116/2010**

Dear Ms. Magnusson:

As previously advised in our letter of November 8, 2010, we were recently retained by Respondent, the Republic of Kazakhstan (the "Republic" or "Kazakhstan"), as counsel in the above-referenced arbitration (the "Arbitration"), pursuant to the Power of Attorney issued on November 5, 2010. Upon our request, we received a copy of the file in the Arbitration from the SCC by courier on November 12, including the exhibits to the Request for Arbitration and various correspondence.

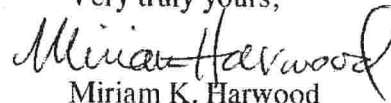
The correspondence indicates that the SCC first notified the Republic, by letter dated August 5, 2010 addressed to the "Ministry of Justice of the Republic of Kazakhstan," that a Request for Arbitration had been filed, and requested an Answer within 21 days, by August 26. On August 27, having not received the Answer, the SCC sent another letter requesting the Answer by September 10, "at the latest." On September 13, Claimants requested the SCC to appoint an arbitrator "on behalf" of Respondent. Following Claimants' request, the SCC Board appointed Professor Sergei N. Lebedev as arbitrator for Kazakhstan on September 23. At the same time, the SCC decreed that the seat of the arbitration would be Stockholm, and it fixed the advance on costs at EUR 612,000. Five days later, the SCC Board appointed the Chairman of the Tribunal, Professor Karl-Heinz Böckstiegel. All of this was done prior to the time that the Republic had gone through the internal procedures necessary to retain legal counsel.

With all due respect to Professor Lebedev, the Republic feels constrained to object to his appointment by the SCC, without its consent or prior consultation, and without having had an adequate opportunity to select its own arbitrator. A party's right to appoint its own arbitrator is an important right that is fundamental to the fairness of the proceedings. We observe as well that this is not merely a commercial dispute between private parties, but an arbitration against a State as Respondent. The necessities of governmental procedures require due consideration and militate against the setting of aggressive time limits. The Republic's laws on allocation of state funds for procurement of legal services and selection of advisors entail a complicated and lengthy process, which require time and led to delays. It should also be noted that the Request for Arbitration was written in English, although two out of the three contracts at issue in the case require communications in Russian and Kazakh and the third requires both Russian and English. The SCC Rules do not prescribe a specific time period for filing an Answer and appointing arbitrators. Even in ordinary cases involving commercial parties -- putting aside language issues and the complexity of the allegations and claims in the Request -- a 21-day or even 35-day time limit to file an Answer and appoint an arbitrator is extremely short. It is even more difficult to understand and justify the SCC's action, within days after that short deadline, granting Claimants' request to take away Respondent's right to appoint its own arbitrator. Although the Board may have acted in the perceived interests of expeditiousness, speed cannot be the paramount criterion in a case such as this. We must further note that a member of the SCC Board is a Consultant in the King & Spalding firm, Claimant's counsel in this case. While we assume that she did not take part in the decisions of the SCC Board in this matter, this fact leads to additional concerns about the perception of undue haste.

Respondent believes that it has been prejudiced and that procedural fairness has been impaired. The precipitous action of the SCC Board is regrettable and leaves Respondent with no alternative but to challenge the appointment of Professor Lebedev and to insist that it be permitted to exercise its right to appoint its own arbitrator.

As the Arbitration is still in its early stages, we raise this issue at this time to avoid a future disruption of the proceedings. The first Procedural Meeting with the parties is scheduled for December 15 in Stockholm, and we have already indicated our intention to attend. In view of the importance of this matter, we request a prompt response from the SCC. We trust that Professor Lebedev will understand the circumstances that led to this request, and that he will respect the concerns expressed by the Republic.

Very truly yours,


Miriam K. Harwood

cc: Professor Karl-Heinz Böckstiegel (Via E-mail: kh@khboeckstiegel.com)
Mr. David Haig, QC (Via E-mail: drh@bdplaw.com)
Professor Sergei Lebedev (Via E-mail: snlebedev@gmail.com)
Ms. Natalia Petrik (Via E-mail: natalia.petrik@chamber.se)
Ms. Christina Franzen-Papazov (Via E-mail: christina.franzen-papazov@chamber.se)
Reginald R. Smith, Esq. (Via E-mail: rsmith@kslaw.com)
Kenneth R. Fleuriet, Esq. (Via E-mail: kfleuriet@kslaw.com)
Adrian Bulboaca, Esq. (Via E-mail: adrian.bulboaca@bulboaca.com)