



SIA "KRAVU SERVISS"

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Reg. No 000340083

PVN LV 40003400839

Rīga, 11.05.2005
Our Ref: VS/002

Dear Sirs,

Our company would like to post here some comments about the situation with VEF Bank.

Kravu Serviss Ltd is the customer of this bank since June of 2001.

Kravu Serviss Ltd fulfils transport and freight forwarding of export, import and transit cargoes via Riga Free Port. The scope of offered services is wide and includes:

- shipment of all kind of goods to any destination,
- arrangement of stevedore services, warehousing, storage and arrangement of survey service,
- container delivery by trucks from the port to a consignee "door",
- intermodal transportation of containers: by sea, railway and road,
- rail transport of all kind of goods in containers to CIS, Europe.

We had chosen this bank because of high professionalism of the staff of the bank, fast payment processing, as well as for a high response speed. VEF Bank is a small bank, therefore they always stress, that their business with the customers is always based on the long term relationships and individual attitude.

Closing of the correspondent accounts of the bank may impact our business. First of all, we have a long and good credit history with the bank. It will be problematic for us to start to work with another bank, because in this case, we will need to start everything from the beginning. The new bank will not know our business and will not understand the nature of it. The second thing is that in a case of closing of the account we will need to reorganize the financial flows, rearrange all the contracts we had signed because in most cases, all the contracts have the banking details for the parties. The same situation is with other financial products we are using with this bank (letters of credit). We had a long time negotiations to find a trustable bank for our business, and the bank which will be accepted by our counterparties for bank guarantees and LC.

We had read the announcements about this bank and can confirm, that before the opening an account the bank asked us about the nature of our business, and then all the time had controlled the flow. We know this, because our partners, which we had attracted to the bank for optimizing the financial flow also was worried about information disclosure about the business and counterparties. However the bank always showed us and informed, that this information is for the bank internal use only and is necessary for the implementing the principles "know your customers".

Thank you in advance for kind understanding,

Best Regards,

Vladislava Stepanova,

Financial director of
Kravu Serviss, SIA