

"APPROVED"

**Minutes of the Board of Directors
Insurance Company Basel JSC
Minutes No 09/25 dated April 01, 2025**

RULES
VOLUNTARY INSURANCE
OF CIVIL LIABILITY
OWNERS OF WATER TRANSPORT
Insurance Company Basel JSC

Almaty, 2025

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1. GENERAL PROVISIONS

- 1.1. These Rules of Voluntary Insurance of Civil Liability of Water Transport Owners of Basel Insurance JSC (hereinafter referred to as the Insurance Rules) have been developed in accordance with the Civil Code of the Republic of Kazakhstan, the Law of the Republic of Kazakhstan "On Insurance Activities" dated December 18, 2000 No. 126-II, other regulatory legal acts of the Republic of Kazakhstan and regulate legal relations arising in the field of voluntary insurance civil liability of owners of water transport, establish the economic and organizational foundations for its implementation.
- 1.2. The purpose of insurance is to ensure the protection of property interests of third parties, whose life, health and (or) property have been damaged as a result of the operation of water transport, by making insurance payments.
- 1.3. Insurers can be legal entities and individuals using water transport on the basis of the right of ownership, the right of economic management or operational management, as well as other property rights, such as rent, leasing, rental, etc.;
- 1.4. If the Insurance Agreement is concluded with a legal entity, the insurance cover applies to the Insured and the Insured's employees. The Insurant is a legal entity shall have the right to indicate in the Insurance Agreement other legal entities and individuals in respect of which the insurance coverage is valid under the Insurance Agreement.
- 1.5. If the Insurance Agreement is concluded with an individual, then the civil liability of the persons specified by the Insured in the Insurance Agreement, as well as the Insured himself, is insured
- 1.6. These Insurance Rules are an integral part of the Voluntary Insurance Agreement for Civil Liability of Water Transport concluded between the Insurer and the Insured on the basis of these Insurance Rules.
- 1.7. By agreement between the Insurer and the Insurant, certain terms and conditions of these Insurance Rules may be amended, supplemented, specified or the Insurance Rules replaced by other terms and conditions that may expand the scope of insurance coverage determined by these Insurance Rules, determined at the conclusion of the Insurance Agreement and not contradicting the requirements of the civil legislation of the Republic of Kazakhstan.
- 1.8. The following terms are used in these Insurance Rules:
 - 1) **Insurer** – Joint-Stock Company Insurance Company "Basel", a legal entity established in accordance with the legislation of the Republic of Kazakhstan and licensed to carry out insurance (reinsurance) activities.
 - 2) **Insured** – a person who has entered into the Insurance Agreement.
 - 3) **Beneficiary** is a person who, in accordance with the Insurance Agreement or legislative acts of the Republic of Kazakhstan, is a recipient of an insurance payment.
 - 4) **Insured** is a person in respect of whom insurance is carried out.
 - 5) **Insurance Rules** shall mean this document containing the terms and conditions of insurance, the procedure for the conclusion, maintenance and performance of the Insurance Agreement and the interaction of the insured entities on the basis of which the Insurance Agreement is concluded.
 - 6) **Insurance Agreement** – an agreement between the Insured and the Insurer, by virtue of which the Insurer undertakes to compensate the Insured for the payment (insurance premium) stipulated by the Insurance Agreement, upon the occurrence of an event (insured event) provided for in the Insurance Agreement, to compensate the Insured for financial losses incurred as a result of the insured event (to make an insurance payment), within the limits of the insurance amount specified in the Insurance Agreement.
 - 7) **Owner of water transport** – a legal entity and/or an individual who owns water transport on the basis of the right of ownership, the right of economic management or operational management, as well as other property rights, such as rent, leasing, rental, etc.;
 - 8) **Civil liability of the owner of water transport** is the obligation of the owner of a water vessel in accordance with the current legislation of the Republic of Kazakhstan or by a court decision to compensate for damage caused to life, health and property of third parties that occurred as a result of the operation of a water vessel;
 - 9) **Dispatch** is the calculation of losses and expenses in general average and their distribution between the parties participating in the general maritime enterprise. Calculation on the

distribution of costs from general average between the vessel, cargo and freight, drawn up by the dispatcher.

- 10) **A dispatcher** is an official who establishes the existence of a general average and makes a calculation (dispatch) for the distribution of losses associated with this accident.
- 11) **Water transport** is a type of transport registered in the territory of the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan or in the territory of another state in accordance with the legislation of the state of registration and carrying out navigation and other navigation-related activities on waterways
- 12) **Waterways** are natural or artificially created means of communication that can be used for navigation;
- 13) **Navigation** is an activity related to the use of vessels for the transportation of goods, passengers and their luggage, mail, towing, prospecting, exploration and production of minerals, fishing and other crafts, construction, track, hydrotechnical, underwater technical and other similar works, pilotage, rescue operations, the implementation of measures to protect water bodies, protect them from pollution and clogging, raise sunken property, state control and supervision, scientific research, with the exception of activities with the use of small vessels;
- 14) **Berth** – a hydraulic structure with devices for safe approach of vessels and intended for safe mooring of vessels, their loading, unloading and servicing, as well as embarkation of passengers on vessels and their disembarkation from vessels;
- 15) **Port** – a complex of structures located on the land plot and water area of inland waterways, equipped and equipped for the purpose of servicing passengers and vessels, loading, unloading, receiving, storing and issuing cargo, interaction with other modes of transport;
- 16) **Depending** on the nature of civil law relations with the Insured, third parties (victims) may be passengers, cargo owners or other persons. legal entities acting on behalf of the Insured.
- 17) **Crew member** is a person serving in water transport and holding a position in accordance with the staff list and having a professional diploma, confirmation of professional diplomas, certificates of training of marine transport specialists, medical reports.
- 18) **Passenger** is an individual or legal entity who uses transport in accordance with the concluded agreement with the carrier, and in case of multimodal transportation in accordance with the concluded multimodal transportation agreement.
- 19) **Cargo** means any items and goods, including items used for packaging or storing goods, in respect of which the shipowner enters into a contract of carriage confirmed by written evidence, with the exception of containers and other equipment owned or leased by the shipowner, as well as live animals.
- 20) **Insurance risk** is an assumed event, in the event of the occurrence of which liability insurance is made. An event considered as an insurance risk must have signs of probability and randomness of its occurrence.
- 21) **Insured event** is an event provided for by the Insurance Agreement and occurred during the term of the Insurance Agreement, upon the occurrence of which the Insurer is obliged to make an insurance payment in accordance with the terms of the Insurance Agreement.
- 22) **Loss** is expenses that have been incurred or should be incurred by the person whose right has been violated, loss or damage to his property (actual damage), as well as lost income that this person would have received under normal conditions of turnover, if his right had not been violated (lost profit).
- 23) **Insurance coverage** is the amount of the Insurer's obligations under the concluded Insurance Agreement.
- 24) **Database formation and maintenance organization** – a non-profit organization with state participation, which forms and maintains a database on compulsory voluntary types of civil liability insurance on the basis of the Law of the Republic of Kazakhstan "On Insurance Activities and Legislative Acts of the Republic of Kazakhstan on Compulsory Types of Insurance".

2. OBJECT OF INSURANCE

- 2.1. The object of voluntary insurance of civil liability of owners of water transport is the property interest of the Insured associated with his obligation established by the civil legislation of the Republic of Kazakhstan to compensate for damage caused to life, health and/or property of third parties as a result of the operation of water transport.

3. INSURED EVENTS

3.1. An insured event is the fact of occurrence of civil liability of the Insured to compensate for harm caused to life, health and (or) property of third parties recognized as victims, as a result of the operation by the Insured of water transport specified in the insurance agreement.

3.2. The Insurer assumes the responsibility of the Insured to compensate for the loss caused to third parties as a result of:

1) collision of water transport specified in the Insurance Agreement with other water transport.

The Insured's expenses related to:

- damage to other water transport (water transports), removal or destruction of obstacles, wreckage of water transport and/or sunken property of the victim;

- damage to any property, except for ships and property on them;

- causing harm to the life and/or health of the victims.

2) Losses that the Insured is obliged to compensate to third parties as a result of damage by water transport to any floating, stationary or other object that is not water transport (including violation of the rights to use this object) are subject to compensation, including:

- navigable and power hydraulic structures, bridges, structures and equipment for mooring vessels and cargo handling, navigation equipment;

- submarine cables, communication systems and their equipment;

- Subsea pipeline transport systems and their equipment;

- underwater and surface navigation and special systems;

- offshore or river facilities for oil and gas exploration and production, as well as storage facilities and other structures designed to support these activities, point (tanker) terminals and their equipment; - buildings on the shore and other property.

3.3. The Insured's liability to a third party is considered to have occurred in the presence of:

1) a court decision that has entered into legal force, obliging the Insurant to compensate for damage caused to the health, life and/or property of a third party.

2) recognition by the Insurant with the prior written consent of the Insurer of the claims of a third party for compensation of harm, which the Insurant must compensate in accordance with the current legislation of the Republic of Kazakhstan.

3.4. Under these Insurance Rules, the following can be insured:

3.4.1. Liability of the shipowner, carrier arising from the terms of passenger transportation agreements, employment agreements for persons engaged in loading and unloading, cargo handling, other civil liability for causing harm to life, health of individuals and their property on board the insured water transport as personal baggage (belongings) is subject to insurance.

3.4.2. The Insurer shall indemnify:

a) amounts to be paid by the Insured as compensation for harm caused to the life and health of individuals: loss of earnings (income), additional expenses caused by damage to health (including expenses for treatment, additional food, purchase of medicines, outside care, sanatorium-resort treatment, and if it is recognized that the victim needs these types of assistance and care and does not receive them free of charge);

compensation for damage to persons who have suffered damage as a result of the death of the breadwinner; reimbursement of funeral expenses. In this case, liabilities in respect of persons other than passengers are subject to compensation only if they arise as a result of errors or omissions that occurred on board the insured water transport or in connection with it, or during the handling of the cargo from the time of receipt of the goods from the shipper or the previous carrier at the port of loading to the time of delivery of the goods to the consignee or the next carrier at the port of discharge.

b) amounts payable by the Insured as reimbursement of expenses of passengers of the insured water transport incurred as a result of an accident or other similar incident on the insured water transport, including the costs of transporting passengers to the place of destination or returning to the port of departure, as well as reasonable and reasonably incurred expenses for the maintenance of passengers ashore.

3.5. Liability for collision of the insured water transport with other vessels.

3.5.1. The Insurer shall indemnify:

The amount of damage that the Insured is obliged to pay for damage caused as a result of collision of the insured water transport with other vessels, except for the following types, damage and costs associated with:

- removal or evacuation of wreckage, remains of ships, cargo or other property of third parties;
- damage to any property, except for the water transport itself, which the insured water transport has encountered;
- damage to cargo or property on the insured water transport,
- salvage costs incurred by the owners of cargo or property;
- pollution of any property, except for vessels collided with by the insured water transport, or property on them.

3.5.2. In the event of a collision of the Insured Water Transports belonging to the same Insured, the Insured shall have the right to receive compensation from the Insurer and, in turn, the Insurer shall have the same rights as if the water transports belonged to different owners.

3.5.3. If the fault for the collision lies with both vessels, and at least one of them can limit its liability by law, the Insurer shall reimburse the share of the amount specified in the insurance contract that the Insured must actually pay to the other party. In all other cases, the share of the amount specified in the insurance contract that the Insured must reimburse to the owner of the other water transport in proportion to the degree of his fault in the collision shall be reimbursed, without taking into account the amount that he could have received from the owner of the other water transport taking into account the degree of the latter's guilt (the actual set-off of the amounts of mutual claims shall not be taken into account).

4. EXCLUSIONS FROM INSURED EVENTS AND LIMITATION OF INSURANCE. GROUNDS FOR EXEMPTION OF THE INSURER FROM INSURANCE PAYMENT.

4.1. The Insurer's liability does not extend to:

- 1) cases of causing damage to members of the Insurant's family, if the Insurant is an individual, crew members, persons working under employment contracts;
- 2) personal property of the crew and/or passengers;
- 3) damage to cargo or other property in water transport and salvage costs incurred by cargo owners of this or property;
- 4) consumables, mooring lines and fishing gear;
- 5) running rigging, sails, covers, awnings – except for the total loss of the insured water transport;
- 6) any equipment, except for permanently installed on the insured water transport;
- 7) accumulator batteries – except for the total loss of the insured water transport;
- 8) additional equipment installed and used on the insured water transport in excess of the standard one, unless otherwise stipulated by the insurance contract;
- 9) pollution of any property, except for water transport vehicles, which water transport collides with, or property on them. At the same time, in the event of a collision of water transport vehicles that belong to the same Insured, he will have the right to receive compensation from the Insured and the Insurer, in turn, will have the same rights if the water transport vehicles belonged to different owners;

4.2. Losses related to:

- a) loss of or damage to cash, securities, bank documents, precious and rare metals, stones and products made of them, works of art and antiques;
- b) causing harm to the life, health or property of passengers, in connection with delays or other indirect losses incurred by the passenger, as well as as due to the use of air transport, except for cases of liabilities arising as a result of: - repatriation by air of sick or injured passengers; - repatriation by air of passengers in the event of a shipwreck; - conducting an excursion from the insured vessel (except for the case specified in subparagraph "c" of this paragraph);
- c) causing harm to the life and health of the passenger during the excursion, if the passenger has entered into a separate agreement for the duration of the excursion with the Insured or another person, or the Insured has waived the right to file a recourse claim with a subcontractor or a third party in connection with the excursion.

4.3. An accident that caused harm to life, health and/or damage to the property of the Victims is not an insured event:

- 1) when driving water transport by a person who has illegally taken possession of it;
- 2) as a result of the impact of a nuclear explosion, radiation or radioactive contamination;
- 3) as a result of military actions, maneuvers or other military measures, civil war, civil unrest of any kind or strikes; confiscation, seizure, requisition, arrest or destruction of water transport by order of authorized bodies;
- 4) if the accident occurred outside the territory or period of validity of the insurance contract or was the result of force majeure; 5) under circumstances that exclude, in accordance with the current

legislation of the Republic of Kazakhstan, the liability of the owner of water transport for the damage caused.

4.4. Insurance payment shall not be made if the insured event occurred when:

- 1) water transport was used in the purposes prohibited by the current legislation of the Republic of Kazakhstan or for purposes other than those specified in the insurance contract;
- 2) the water transport was used outside the geographical limits specified in the insurance contract, if it is not related to an emergency situation or force majeure;
- 3) water transport was transported by any means of transport, except for towing within the boundaries of the port;
- 4) the water transport has been overloaded and/or the total number of passengers has exceeded the maximum number of passengers for this water transport or the maximum loading rates or the rules for the centering of water transport have been violated;
- 5) water transport was tested after major or emergency repairs.
- 6) if the Insurant has submitted a written application for the occurrence of an insured event in violation of the term established by these Insurance Rules or the Insurance Agreement.

4.5. Insurance indemnity shall not be paid in the following cases:

4.5.1. If the Insured's liability and obligations to third parties, losses and expenses of the Insured occurred due to the impact of the following factors (unless otherwise provided by the Agreement):

- 1) war, military actions or measures, civil war, revolution, insurrection, insurrection or civil disturbances inspired by them;
- 2) strikes, lockouts and similar events;
- 3) seizure, arrest or detention as a result of military actions, strikes, etc., as well as attempts to commit these actions;
- 4) the impact of mines, torpedoes, bombs, missiles, shells, explosives or other weapons of war (with the exception of obligations or expenses arising solely in connection with the carriage of such weapons);
- 5) acts of sabotage or terrorist acts committed for political reasons;
- 6) confiscation, requisition or similar measures of state and other bodies or attempts to commit the above acts;
- 7) ionizing radiation, radioactive contamination caused by any nuclear fuel or radioactive waste or the consequences of nuclear fuel combustion;
- 8) toxic, explosive or other dangerous or polluting properties of any nuclear installation, reactor or other nuclear device or its components;
- 9) weapons of war using nuclear or atomic energy.

4.5.2. The vessel is involved in smuggling or other illegal operations, the vessel is in breach of the blockade, its use in illegal trade, or if the transportation, navigation or voyage was unsafe or excessively risky;

4.5.3. Intentional actions or inaction of the Beneficiary aimed at the occurrence of an insured event;

4.5.4. Claims related to compensation for moral damage.

4.5.5. If the following actions or inaction of the Insured took place:

- 1) Reporting incorrect or false information about the degree of risk;
- 2) Failure to notify about an event that was in effect at the time of the conclusion of the contract, which could lead to an insured event;
- 3) Failure to notify about changes in the degree of risk;
- 4) Failure to take measures to prevent and/or reduce liability and losses;
- 5) Failure to notify about an event that may lead to an insured event within the established time limits;
- 6) Provision of knowingly false documents or failure to provide documents necessary for the insurer to make a decision on recognition or non-recognition of the event as insured;
- 7) Failure to provide the insurer with the right of claim to the guilty persons;
- 8) Assignment or transfer of the insurant's rights under the insurance contract to third parties without prior agreement with the insurer;
- 9) Other violation by the insurant of the requirements of these Insurance Rules and the Insurance Agreement.
- (10) Claims made against the insured or by the insured in respect of loss of freight or rent, except where the amount of such loss is part of the claim paid by the insured for shortage of or damage to the goods;
- 11) Claims made by the insured or himself in connection with the demurrage or delay of the insured water transport, except for cases when the amount of such loss is part of the claim paid by the insured for shortage or damage to the cargo;

- 12) Rescue or operations similar in nature to rescue, as well as the costs arising from this (except for cases when the performance of these operations by water transport is provided for by the insurance contract);
- 13) Cancellation of a bareboat charter, time charter or other similar agreement concluded in respect of the insured water transport;
- 14) Debts or insolvency of any person.

5. PROCEDURE FOR DETERMINING INSURANCE AMOUNTS. FRANCHISE

- 5.1. Insurance amount is the amount of money for which the insured object is insured and which is the maximum amount of the Insurer's liability in the event of an insured event.
- 5.2. The sum insured shall be determined by the agreement between the Insured and the Insurer.
- 5.3. Within the limits of the insured amount, the Insurance Agreement may establish additional insurance amounts (liability limits) limiting the amount of insurance payment for each insured event, claims, risks, and individual objects. Limits of liability may be established for each insurance risk, event and/or for the entire term of the Insurance Agreement.
- 5.4. Franchise – the Insurer's exemption from compensation for damage not exceeding a certain amount provided for by the terms of insurance. The insurance contract may establish a conditional or unconditional deductible.
- 5.5. In case of a conditional deductible, the Insurer is exempt from compensation for damage not exceeding the established amount of the deductible, but must compensate for the damage in full if its amount exceeds this amount. In the case of an unconditional deductible, the damage is always compensated for the deduction of the established amount.
- 5.6. The type and amount of the applicable franchise is established by the Insurance Agreement.
- 5.7. By agreement of the parties, the amount of the franchise is set as a percentage of the insured amount or in a fixed amount of money.
- 5.8. A deductible can be established for one insured event or for each insured risk. If there were several insured events or risks, the amount of the franchise is taken into account when calculating the amount of damage for each of them.

6. PROCEDURE FOR DETERMINING INSURANCE PREMIUMS

- 6.1. Insurance premium is the amount of money that the Insured is obliged to pay to the Insurer for the latter's assumption of obligations to make an insurance payment to the Insured in the amount determined by the insurance contract.
- 6.2. The amount of the insurance premium is set depending on the insured amount and is specified in the Insurance Agreement.
- 6.3. The tariff rate is determined as a percentage of the insured amount and is also fixed in the Insurance Agreement.
- 6.4. The amount of the insurance premium is calculated by multiplying the insurance amount by the tariff rate and is determined in monetary terms.
- 6.5. The procedure for payment of the insurance premium is determined in the Insurance Agreement.
- 6.6. If the insurance premium or the first insurance premium is not paid on time, the Insurer has the right to terminate the Agreement early from the date of non-payment of the insurance premium. In this case, a written notification of the Insurer to the Insured is not required.
- 6.7. If by the time of the insured event the insurance premium (first insurance installment) is still not paid, the Insurer:
 - is exempt from fulfilling its obligations under the Agreement and is not responsible for insured events that occurred during the specified period, or
 - has the right to set off the amount of unpaid insurance premium (insurance premium) when determining the amount of insurance payment.
- 6.8. The Insured's obligation to pay the insurance premium/first insurance premium arises from the date of signing the Insurance Agreement by the authorized representatives of the Parties, unless otherwise provided for in the Insurance Agreement.
- 6.9. The day of payment of the insurance premium is the day of receipt of money to the bank account or cash desk of the Insurer.

7. PROCEDURE FOR CONCLUDING AN INSURANCE CONTRACT

- 7.1.** Under the Insurance Agreement, the Insured undertakes to pay the insurance premium to the Insurer within the established time limits, and the Insurer undertakes to make an insurance payment to the Beneficiary in the event of an insured event, within the amount specified in the Insurance Agreement.
- 7.2.** Insurance of the Insured's civil liability is carried out on the basis of the Insurance Agreement drawn up in writing.
- 7.3.** The Insurance Agreement shall be concluded on the basis of a written application of the Insured, in the prescribed form, which is an integral part of the Insurance Agreement.
- 7.4.** The Insurance Agreement shall be drawn up in two copies, one of which shall be handed over to the Insured.
- 7.5.** Upon conclusion of the Insurance Agreement, the Insured shall inform the Insurer of the circumstances known to the Insured, which are essential for determining the probability of occurrence of an insured event and the amount of possible losses from its occurrence, if these circumstances are not known and should not be known to the Insurer.
- 7.6.** When entering into the Insurance Agreement, the Insurer has the right to demand from the Insured, and the Insured is obliged to attach documents confirming the right of ownership (the right to use, possess and (or) dispose of) the water transport, in respect of which the Insured's civil liability is insured, as well as documents characterizing it, as well as documents confirming compliance with the safety requirements in the field of inland water transport, including environmental and fire safety, sanitary and epidemiological rules and standards established by the legislation of the Republic of Kazakhstan;
- 7.7.** When entering into the Insurance Agreement, the Insurer has the right to require the Insured to provide an opportunity to inspect water transport. Inspections of the insured water transport may also be carried out by the Insurer at any other time during the validity period of the Insurance Agreement.
- 7.8.** The Insurer shall have the right to check the availability and condition (inspect) of water transport and (or) property, the correctness of the information on water transport and (or) property reported by the Insured, and, if necessary, appoint an expert examination in order to establish its actual value and degree of risk.
- 7.9.** In case of loss of the Insurance Agreement by the Insured, the Insurer shall issue a duplicate on the basis of the Insured's written application, after which the lost copy of the Insurance Agreement shall be considered invalid.
- 7.10.** The insurance contract is concluded in favor of third parties.
- 7.11.** The Insurer has the right to refuse to conclude the Insurance Agreement with the Insured without giving a reason.
- 7.12.** In case of claimed or known losses before the conclusion of the Agreement, the Insurer shall be exempt from liability for losses that occurred before the insurance.
- 7.13.** Any changes or additions to the insurance contract, which the parties agreed on separately after the entry into force of the contract, are formalized by an additional agreement and signed by the parties on the basis of a written application of the Insured.

8. TERM AND PLACE OF VALIDITY OF THE INSURANCE AGREEMENT

- 8.1.** The Insurance Agreement shall enter into force on the day following the day of payment of the insurance premium, unless otherwise provided by the Insurance Agreement. In this case, the day of payment of the insurance premium is the day of receipt of money to the bank account or cash desk of the Insurer.
- 8.2.** The insurance contract is concluded for 12 months, unless otherwise specified in the insurance contract.
- 8.3.** The Insurance Agreement is valid in the territory of the Republic of Kazakhstan, unless otherwise provided by the Insurance Agreement.
- 8.4.** The Insurance Agreement shall be terminated when the Insurer makes an insurance payment (insurance payments) in the amount of the insurance amount, unless otherwise provided by the Agreement.

- 8.5.** All amendments and additions to the Insurance Agreement are legally binding provided that they are executed in writing and signed by authorized representatives of the parties.
- 8.6.** By agreement of the parties, the Insurance Agreement may be extended for the next term, provided that the Insured notifies the Insurer thereof 30 (thirty) calendar days before the expiration of the Insurance Agreement and payment of the insurance premium.

9. RIGHTS AND OBLIGATIONS OF THE PARTIES

9.1. The insurer is obliged to:

- 9.1.1. familiarize the Insured with the Insurance Rules;
- 9.1.2. make an insurance payment in the amount, procedure and terms established in the Insurance Agreement, in these Insurance Rules;
- 9.1.3. reimburse the Insured for the expenses incurred by him to reduce losses in the event of an insured event;
- 9.1.4. ensure the secrecy of insurance;
- 9.1.5. other obligations provided for by the Insurance Agreement, the Insurance Rules and the current legislation of the Republic of Kazakhstan.

9.2. The insurant is obliged to:

- 9.2.1. to pay the insurance premium in a timely manner and in full;
- 9.2.2. at the conclusion of the Insurance Agreement, inform the Insurer of all the information of interest to it necessary for the purposes of insurance;
- 9.2.3. assist the Insurer's representative in the inspection and examination of the damaged property, clarification of the amount of loss, causes and other circumstances of the occurrence of the insured event;
- 9.2.4. bear the burden of proving the occurrence of the insured event, as well as the losses caused by it, including payment for the examination, the visit of experts to the scene of the accident, the involvement and advice of specialists, the collection of the necessary documents, unless otherwise stipulated by the Insurance Agreement;
- 9.2.5. at the conclusion and during the validity period of the Insurance Agreement, inform the Insurer about all current/concluded insurance contracts for similar risks in relation to this insured object;
- 9.2.6. ensure the transfer to the Insurer of the right of claim to the person responsible for the occurrence of the insured event;
- 9.2.7. other obligations provided for by the Insurance Agreement, the Insurance Rules and the current legislation of the Republic of Kazakhstan.

9.3. The insurer has the right to:

- 9.3.1. to demand from the Insured the information necessary to establish the fact of occurrence of the insured event, the circumstances of its occurrence;
- 9.3.2. to check the information and documents submitted to him;
- 9.3.3. independently find out the causes and circumstances of the event that has signs of an insured event, including requesting from the relevant state bodies and organizations, based on their competence, documents confirming the fact of occurrence of the insured event and the amount of damage caused;
- 9.3.4. upon receipt of a notification of circumstances entailing an increase in the insurance risk, to demand a change in the terms of the Insurance Agreement or payment of an additional insurance premium in proportion to the increase in risk;
- 9.3.5. to challenge the amount of claims against the Insured in accordance with the procedure established by law;
- 9.3.6. postpone the decision to make the insurance payment for 3 (three) months, until all the circumstances are clarified on the basis of the data and documents of the competent authorities with the sending of a written notice to the Insured in the manner and within the time limits provided for by the Insurance Agreement;
- 9.3.7. refuse to make an insurance payment or reduce its amount on the grounds provided for by these Insurance Rules, the Insurance Agreement and the current legislation of the Republic of Kazakhstan, or not recognize the event as an insured event, notifying the Insurant (Insured, Beneficiary) in writing;
- 9.3.8. for early termination of the Insurance Agreement;

9.3.9. perform other actions provided for by these Insurance Rules or the Insurance Agreement or the current legislation of the Republic of Kazakhstan.

9.4. The insurant has the right to:

9.4.1. familiarize yourself with the Insurance Rules before entering into the Insurance Agreement;

9.4.2. increase the insured amount, in case of an increase in the insured value, during the validity period of the Insurance Agreement, subject to the payment of an additional insurance premium;

9.4.3. require the Insurer to explain the terms and procedure of the Insurance Agreement;

9.4.4. check the Insurer's compliance with the requirements and conditions of insurance;

9.4.5. for early termination of the Insurance Agreement;

9.4.6. perform other actions provided for by these Insurance Rules or the Insurance Agreement or the current legislation of the Republic of Kazakhstan.

10. ACTIONS IN THE EVENT OF AN INSURED EVENT

10.1. In the event of an insured event, the Insured shall:

10.1.1. take all necessary measures to find out the causes, course and consequences of the occurrence of the insured event;

10.1.2. immediately, but in any case no later than 3 (three) business days from the date of the occurrence of the event, inform the Insurer in writing about the incident;

10.1.3. immediately notify the Insurer of all claims made to it in connection with the insured event;

10.1.4. to take all possible and appropriate measures to prevent or mitigate damage and to save human lives;

10.1.5. if the Insured has grounds and opportunity to refuse to satisfy the claim or reduce the amount of the claim, to inform the Insurer thereof and take all available measures to terminate or reduce the amount of the claim;

10.1.6. to the extent available to the Insured, to ensure the Insurer's participation in the inspection of the damaged property and the establishment of the amount of damage caused;

10.1.7. provide all possible assistance to the Insurer in judicial and extrajudicial protection in case of substantiated claims for compensation for damage on insured events;

10.1.8. provide the Insurer with all information and documentation available to it, allowing to judge the causes, course and consequences of the insured event, the nature and extent of the damage caused;

10.1.9. if the Insurer deems it necessary to appoint its representative to protect the interests of both the Insurer and the Insured in connection with the occurrence of an insured accident – to issue a power of attorney or other necessary documents to the persons specified by the Insurer to protect such interests. The Insurer has the right, but not the obligation, to represent the interests of the Insured in court or otherwise exercise legal protection of the Insured in connection with the occurrence of an insured event;

10.1.10. immediately notify the Insurer in writing of receipt of any compensation (compensation) for losses caused as a result of the insured accident from third parties who are not victims;

10.1.11. bear the burden of proving the occurrence of the insured event, as well as the losses caused by it, including payment for the examination, the visit of experts to the scene of the accident, the involvement and advice of specialists, the collection of the necessary documents.

10.2. The Beneficiary has the right to notify the Insurer of the occurrence of an insured event under all circumstances, regardless of whether the Insured or the Insured did it or not.

10.3. Failure to notify the Insurer of the occurrence of an insured event gives it the right to refuse the insurance payment, unless it is proved that the Insurer learned about the occurrence of the insured event in a timely manner or the Insurer's lack of information about it could not affect its obligation to make the insurance payment.

11. DOCUMENTS REQUIRED FOR CONSIDERATION OF THE ISSUE ON THE IMPLEMENTATION OF INSURANCE PAYMENT

11.1. In order for the Insurer to make a decision on the insurance payment, the Insurant (Beneficiary) is obliged to provide the Insurer with a written application and documents necessary to establish the causes of the occurrence of the insured event and determine the amount of insurance payment:

1) application for insurance payment;

2) a copy of the Insurance Agreement;

- 3) a written claim to the Insured of third parties, or their successors, with the attachment of documents confirming the occurrence of an insured event;
- 4) documents of competent and specialized bodies, the State Maritime Emergency Rescue Service, port services, establishing the causes and circumstances of the occurrence of the insured event;
- 5) acts of expertise/dispatcher, assessments, other documents drawn up in accordance with the legislation of the country where the insured event occurred, on the amount of damage caused to third parties;
- 6) copies of the Beneficiary's (victim's) documents confirming the ownership of the damaged or destroyed property, the legality of his rights to receive the insurance payment, as well as the rights of his representatives – a duly executed power of attorney for the right to represent the interests of the victim with the Insurer;
- 7) documents confirming the expenses incurred by the Insured in order to prevent or reduce losses in the event of an insured event;
- 8) a court decision that has entered into force on the recovery of the amount of damage from the Insured in favor of third parties;
- 9) documents necessary for the Insurer to exercise the right of reclaim against the person responsible for the damage caused;
- 10) the Beneficiary's application for the insurance payment with bank details;

In case of harm to the life/health of the victim, also:

- 1) the original conclusion of the relevant medical institution indicating the nature of the harm caused to the victim, diagnosis, period of disability; the original and a copy of the conclusion of the authorized medical body on the establishment of disability; the original conclusion of the medical institution that ascertained the death of the victim, indicating the cause of death; notarized copies of the death certificate, certificate of inheritance;
 - 2) originals of documents confirming the expenses caused by damage to health, incl. originals of invoices (fiscal, sales receipts, payment receipts, etc.) from pharmacies and medical institutions, confirming the purchase of medicines, procedures, doctors' appointments, indicating the name of each drug, procedure, intake, their quantity and cost; as well as the prescription of the attending physician for the administration of medicines, procedures, appointments with billed doctors;
 - 3) original documents confirming the expenses necessary for the restoration of health (for enhanced nutrition, sanatorium treatment, outside care, prosthetics, transportation costs, expenses for paid medical care);
 - 4) original invoices (invoices, work orders, fiscal and sales receipts, payment receipts, etc.) confirming funeral expenses.
- 11.2.** The procedure and form of drawing up the submitted documents shall comply with the legislation of the Republic of Kazakhstan, if it is provided for them. Unless otherwise provided for by the Insurance Agreement, the documents shall be submitted to the Insurer in the original or in the form of a copy notarized or certified by the original seal and signed by an authorized person of the competent organization.
- 11.3.** Documents issued by competent authorities or officials of foreign states are subject to legalization or apostille in accordance with the requirements of the legislation of the Republic of Kazakhstan or international treaties ratified by the Republic of Kazakhstan (except for identity documents of an individual who is a non-resident of the Republic of Kazakhstan).

12.PROCEDURE AND CONDITIONS FOR MAKING INSURANCE PAYMENTS

- 12.1.** Determination of the amount of damage and the amount of insurance payment shall be made by the Insurer on the basis of documents of competent authorities (medical institutions, state bodies establishing the degree of loss of general disability, court decision) on the facts and consequences of causing damage, as well as taking into account certificates, invoices and other documents confirming the expenses incurred. To participate in determining the amount of insurance payment, if necessary, the Insured may be invited.
- 12.2.** The procedure for consideration of insured events is carried out in writing and in electronic form by exchanging electronic information resources between the Insurer, the Insured (Insured, Beneficiary) and the organization for the formation and maintenance of the database.

- 12.3.** The procedure for the exchange of electronic information resources between the organization for the formation and maintenance of the database and the Insurer, the Insurer and the Insured (Insured, Beneficiary) shall be determined by the regulatory legal act of the authorized body.
- 12.4.** In the event of a dispute about the circumstances of the occurrence of an insured event, the insurance payment shall be made on the basis of a court decision (sentence) that has entered into force.
- 12.5.** The amount of insurance payment may include:
- 12.5.1.** In case of harm to the health of an individual or death:
- 1) earnings that the Victim has lost due to the loss of the appropriate degree of ability to work as a result of injury or other damage to health, from the moment of the insured event until recovery or disability, but not more than 4 months.
 - 2) additional expenses necessary for the restoration of health (for enhanced nutrition, sanatorium-resort treatment, outside care, prosthetics, transportation costs, expenses for paid medical care, etc.);
 - 3) necessary expenses directly related to the burial, but not more than 70 MCI on the day of burial;
 - 4) necessary and expedient expenses of the Insured to save the lives of persons who suffered damage as a result of the insured accident, or to reduce losses caused by the insured accident.
- 12.5.2.** In case of causing property damage to an individual or legal entity:
- 1) direct actual damage caused by the destruction of or damage to property, which is determined: in case of total loss of property – in the amount of its actual value minus depreciation; in case of partial damage – in the amount of the necessary costs to bring it to the condition in which it was before the insured event;
 - 2) necessary and expedient expenses of the Insured to save the property of persons who suffered damage as a result of the insured accident, or to reduce the damage caused by the insured accident.
- 12.6.** The decision to make the insurance payment or to refuse to make the insurance payment shall be made by the Insurer within 20 (twenty) business days from the date of submission of the last of the necessary documents confirming the occurrence of the insured event, the reason for its occurrence and the right of the recipient to the insurance payment, unless otherwise expressly stipulated in the Insurance Agreement.
- 12.7.** In case of a decision to refuse to make an insurance payment, the Insurer shall inform the Insured in writing with a reasoned justification of the reasons for the refusal within 20 (twenty) business days from the date of submission by the Insured of all necessary documents, unless otherwise expressly stipulated in the Insurance Agreement.
- 12.8.** The deadline for consideration of documents and making insurance payment under voluntary insurance contracts of Insureds - individuals, after submission of all necessary documents to the Insurer, is no more than 15 (fifteen) business days.
- 12.9.** In the event that the decision to make the insurance payment cannot be made within the established time limits, additional information or data to the submitted documents is required, the Insurer shall notify the Insured – individual (Insured, Beneficiary) with an explanation of the reasons for the need to extend the terms of insurance payment. At the same time, the period does not exceed 15 (fifteen) working days from the date of the deadline for consideration of documents for insurance payment, under voluntary insurance contracts of Insureds - individuals.
- 12.10.** The Insured (Insured, Beneficiary) loses the right to insurance payment if the damage is fully compensated by the person responsible for causing the damage and/or third parties by the state, and if the damage is compensated in the amount of less than the due insurance payment, then the insurance payment is made minus the amount received by the Insured (Insured, Beneficiary) from the person responsible for the damage caused and/or third parties by the state.
- 12.11.** The insurance payment is made in favor of the person who suffered harm to life, health and/or property as a result of the insured event, as well as to the Insured, if the Insurance Agreement provides for reimbursement of additional expenses to him.
- 12.12.** If the Insured has compensated for the damage caused in the amount determined by the court, then the insurance payment shall be made to the Insured in case of submission by him of a duly executed refusal of the Beneficiary from the claim against the Insured and the documents specified in the Insurance Rules confirming the occurrence of the insured event and the amount of losses.
- 12.13.** If the damage is caused to several Victims and the total amount of damage exceeds the insurance amount, then the insurance payment to each Victim is made in proportion to the ratio of the amount of damage caused to him to the total amount of damage caused to all Victims.

- 12.14.** In case of damage to the property of third parties, the terms of the Insurance Agreement may provide for the replacement of the insurance payment with compensation for damage in kind within the amount of the insurance payment.

13. CONSIDERATION BY THE INSURER OF THE ISSUE OF INSURANCE PAYMENT

- 13.1.** Based on the results of consideration of the documents submitted by the Insured (Insured, Beneficiary) to confirm the occurrence of the insured event and the amount of damage caused, the Insurer shall take one of the following actions:
- 1) makes an insurance payment.
 - 2) refuses to make an insurance payment
 - 3) makes a decision on the impossibility to make or refuse to make an insurance payment.
- 13.2.** The Insurer shall make the insurance payment or refuse to make the insurance payment in the manner specified in these Insurance Rules.
- 13.3.** The Insurer's decision on the impossibility to make or refuse to make the insurance payment shall be made if it is impossible to establish from the submitted documents the circumstances of the event that has occurred, the amount of damage caused as a result of the occurrence of such an event, the fulfillment by the Insurant (the Insured, the Beneficiary) of its obligations.
- 13.4.** In turn, the impossibility of establishing the circumstances specified in the Insurer's decision does not allow the Insurer to make a decision on making or refusing to make an insurance payment, taking into account the provisions of the Insurance Rules, the terms of the Insurance Agreement.
- 13.5.** In this case, the Insurer in its decision shall indicate which circumstances of the event and/or the amount of damage caused as a result of the occurrence of such an event, the facts of the Insured's (Insured, Beneficiary's) fulfillment of its obligations, cannot be established and what actions the Insured (Insured, Beneficiary) should take.
- 13.6.** The Insurer's decision on the impossibility to make or refuse to make the insurance payment shall be made in writing within 5 (five) business days from the date of submission by the Insurant (Insured, Beneficiary) of the package of documents.

14. DOUBLE INSURANCE

- 14.1.** Double (multiple) insurance is insurance of the same object with several Insurers under independent Insurance Contracts with each.
- 14.2.** In case of double insurance, each Insurer is liable to the Insured within the limits of the Insurance Agreement concluded with him, but the total amount of insurance payments received by the Beneficiary from all Insurers may not exceed the actual damage.
- 14.3.** At the same time, the Beneficiary is entitled to receive an insurance payment from any Insurer in the amount of the insurance amount provided for by the Agreement concluded with him. If the received insurance payment does not cover the actual damage, the Insured has the right to receive the missing amount from another Insurer.
- 14.4.** The Insurer, fully or partially exempt from insurance payment due to the fact that the damage caused is compensated by other Insurers, is obliged to return to the Insured the relevant part of the insurance premiums, minus the costs incurred.
- 14.5.** In case of double insurance, after the occurrence of an insured event, the Insured/Beneficiary is obliged to provide the Insurer with all information regarding the settlement of the issue of insurance payment with other Insurers, including information on the amount of insurance payment received from other Insurers.
- 14.6.** In case of double insurance, the Insurer has the right to find out the causes and circumstances of the event that has signs of an insured event, to determine the amount of losses caused as a result of the insured event, together with other Insurers.

15. SUBROGATION

- 15.1.** The Insurer who made the insurance payment shall receive the right of claim that the Insurant (Insured) has against the person responsible for losses compensated as a result of insurance within the amount paid.

- 15.2.** The Insurant (Insured) is obliged to transfer to the Insurer all the documents and evidence available to him/her upon receipt of the insurance payment, and to inform it of all the information necessary for the Insurer to exercise the right of claim transferred to it.
- 15.3.** If the Insurant (Insured) has waived his/her right of claim to the person responsible for the losses compensated by the Insurer, or the exercise of this right has become impossible due to the fault of the Insurant (Insured), the Insurer shall be released from making the insurance payment in full or in the relevant part, and shall have the right to demand the return of the overpaid amount.

16. AMENDMENTS AND ADDITIONS TO THE INSURANCE AGREEMENT

- 16.1.** Amendments and additions to the Insurance Agreement are made by mutual consent of the parties, on the basis of a written application (notification) of one of the Parties.
- 16.2.** Cases of amendments to the terms of the agreement:
- change of the object of insurance;
 - changes in the information provided at the conclusion of the Insurance Agreement;
 - change in the validity period of insurance coverage;
 - other cases in accordance with the legislation of the Republic of Kazakhstan.
- 16.3.** From the moment of receipt of the application of one of the Parties until the moment of making a decision, the Insurance Agreement is valid on the same terms.
- 16.4.** Amendments and additions to the Insurance Agreement concluded in accordance with these Insurance Rules shall be formalized by drawing up and signing an additional agreement to the Insurance Agreement.
- 16.5.** All changes and additions to the Insurance Agreement are legally binding subject to their written execution and signing of an additional agreement by authorized representatives of both Parties.

17. TERMS OF TERMINATION OF THE INSURANCE CONTRACT

- 17.1.** In addition to the general grounds for termination of obligations provided for by the legislation of the Republic of Kazakhstan, the Insurance Agreement shall be terminated early in the following cases:
- 1) the Insurer makes an insurance payment (insurance payments) in the amount of the insurance amount under the Insurance Agreement.
 - 2) non-payment by the Insured of the next insurance premium when paying the insurance premium in installments;
 - 3) expiration of the Insurance Agreement;
 - 4) cancellation of the Insurance Agreement at the initiative of the Insured;
 - 5) cancellation of the Insurance Agreement at the initiative of the Insurer;
 - 6) in cases established by paragraph 1 of Article 841 of the Civil Code of the Republic of Kazakhstan.
- 17.2.** Upon termination of the Agreement in the cases specified in subcl. 6 clause 17.1 The Insurance Agreement shall be deemed terminated from the moment of occurrence of the circumstance provided for as the basis for termination of the Insurance Agreement, of which the interested party shall immediately notify the other party. The insured is obliged to provide supporting documents on the grounds of termination provided for in this paragraph.
- 17.3.** In case of termination of the Insurance Agreement on the grounds specified in subparagraphs 1) - 4) of paragraph 17.1. of these Insurance Rules, insurance premiums paid to the Insurer are not refundable, unless otherwise provided for in the Insurance Agreement.
- 17.4.** In case of termination of the Insurance Agreement on the grounds specified in subparagraphs 5) - 6) of paragraph 17.1. of these Insurance Rules, the insurance premiums paid to the Insurer shall be refunded: part of the insurance premium for the unexpired insurance period minus the costs incurred for conducting business, the amount of which is 30% of the total amount of the insurance premium, within 30 calendar days from the date of submission to the Insurer of an application for early termination of the Insurance Agreement, unless otherwise provided by the legislation of the Republic of Kazakhstan or the Insurance Agreement.
- 17.5.** The Insurance Agreement may establish a different procedure, term and conditions for termination of the Insurance Agreement.

- 17.6. In case of withdrawal of the Insurance Agreement related to the loan agreement by the Insured-individual within fourteen calendar days from the date of its conclusion, the Insurer shall be obliged to return to the Insurant-individual the received insurance premium (insurance premiums) minus a part of the insurance premium (insurance premiums) in proportion to the time during which the insurance was in effect and the costs associated with the termination of the Insurance Agreement, not exceeding ten percent of received insurance premium (insurance contributions).
- 17.7. In cases where early termination of the Insurance Agreement is caused by failure to comply with its terms through the fault of the Insurer, the latter is obliged to return to the Insured the insurance premium or insurance premiums paid by him in full.

18. LIABILITY OF THE PARTIES

- 18.1. In case of untimely implementation of insurance payment, the Insurer is obliged to pay a penalty to the Beneficiary in the manner and amount established by Article 353 of the Civil Code of the Republic of Kazakhstan.
- 18.2. The Party that has not fulfilled or improperly fulfilled its obligations under the Insurance Agreement shall not be liable for non-fulfillment/improper fulfillment of obligations if it proves that proper performance was impossible due to force majeure, that is, extraordinary and unavoidable circumstances under the given conditions.
- 18.3. Force majeure includes, but is not limited to: floods, fires, earthquakes and other natural disasters, wars or military actions of any nature, blockades, prohibitions of public authorities. A specific list of force majeure circumstances may be provided for in the Insurance Agreement.
- 18.4. The party experiencing force majeure is obliged to notify the other party of the occurrence of such circumstances within 3 (three) business days, unless otherwise provided for in the Insurance Agreement.
- 18.5. The effect of force majeure circumstances must be confirmed by the relevant documents of the competent authorities.
- 18.6. The liability of the parties provided for in this section may be changed (supplemented) in accordance with the terms of the Insurance Agreement.

19. DISPUTE RESOLUTION PROCEDURE

- 19.1. Any disputes and/or disagreements arising out of or in connection with the Insurance Agreement shall be resolved through negotiations.
- 19.2. In the event of disputes, the Parties are obliged to comply with the following pre-trial dispute settlement procedure:
- In the event of a dispute, the Party is obliged to file a written claim with the other Party and receive a response to the claim. If the Party refuses to satisfy the requirements set forth in the claim, or does not give a written response to the claim within 15 (fifteen) business days from the date of receipt of the claim, or fails to take actions evidencing partial or full recognition of the claim, the Party shall apply to the insurance ombudsman to resolve the dispute. Resolution of the dispute, in fact, by the insurance ombudsman is a mandatory stage of compliance with the pre-trial stage of dispute resolution. At the same time, the execution of the decision of the insurance ombudsman for the Insured (Insured, Beneficiary) is not mandatory.
 - In the event of a dispute regarding the contestation of the amount of insurance payment, the Insurant (Insured, Beneficiary) shall be obliged to receive the undisputed part of the insurance payment, after which he shall perform the actions specified in subparagraph 1) of this paragraph.
- 19.3. If an agreement is not reached and it is impossible to settle the dispute in a pre-trial manner, the Parties file a claim with the court of the Medeu district of Almaty (if one party to the dispute is an individual or) or the specialized inter-district economic court of Almaty (if the dispute is between legal entities or individual entrepreneurs), that is, contractual jurisdiction is established.
- 19.4. These Insurance Rules are drawn up in 2 (two) copies in the state and Russian languages. In case of discrepancy between the content of the text of these Insurance Rules drawn up in the state language and the content of the text of these Insurance Rules drawn up in Russian, the Parties shall be guided by the text of these Insurance Rules drawn up in Russian.

20. ADDITIONAL CONDITIONS

- 20.1.** The insurance contract may provide for other conditions that do not contradict the legislation of the Republic of Kazakhstan.
- 20.2.** On the basis of these Insurance Rules, the Insurer has the right to develop insurance programs with a different set of insurance risks and other insurance conditions that do not contradict the legislation of the Republic of Kazakhstan.
- 20.3.** In case of non-compliance of the content of the Insurance Agreement with these Insurance Rules, the terms of the Insurance Agreement shall apply, if it is expressly stipulated in the Insurance Agreement.
- 20.4.** To the extent not regulated by these Insurance Rules, the current legislation of the Republic of Kazakhstan shall apply.