

**"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 MOTOR VEHICLES**  
**Insurance Company Basel JSC**

**Almaty, 2025**

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## 1. GENERAL PROVISIONS

1.1. These Rules of Voluntary Insurance of Civil Liability of Vehicle Owners of Basel Insurance Company JSC (hereinafter referred to as the Rules) have been developed in accordance with the legislation of the Republic of Kazakhstan, internal regulatory documents of Basel Insurance Company JSC (hereinafter referred to as the Insurer) and regulate the terms of insurance, the procedure for conclusion, maintenance and performance of the Voluntary Insurance Agreement for Civil Liability of Vehicle Owners funds (hereinafter referred to as the Insurance Agreement).

1.2. Definitions used in these Rules:

- 1) **Vehicle owner** – an individual or legal entity who owns a vehicle on the basis of the right of ownership, the right of economic management or the right of operational management or any other legal basis (property lease agreement, by virtue of an order of the competent authority on the transfer of the vehicle, etc.);
- 2) **Beneficiary** – a person who, in accordance with the Insurance Agreement, is the recipient of the insurance payment. Unless otherwise provided by the legislative acts of the Republic of Kazakhstan or the Insurance Agreement, the Beneficiary is the insurant;
- 3) **civil liability of the owner of a vehicle** – the obligation of individuals and legal entities established by the civil legislation of the Republic of Kazakhstan to compensate for damage caused to the life, health and (or) property of third parties as a result of the operation of a vehicle as a source of increased danger;
- 4) **road traffic accident (RTA)** – an event that occurred in the process of movement of a vehicle on the road and with its participation, resulting in harm to health, death, damage to a vehicle, structure, cargo or other material damage;
- 5) **Insured** – a person in respect of whom insurance is carried out;
- 6) **Insurant** – a legally capable individual or legal entity that has entered into an Insurance Agreement with the Insurer. Unless otherwise provided by the Insurance Agreement, the Insured is also the Insured;
- 7) **Insurable interest** is the property interest of the Insured (Insured, Beneficiary) in preventing risks and preventing the occurrence of an insured event;
- 8) **Insured event is an event**, upon the occurrence of which the Insurance Agreement provides for the insurance payment.

An event considered as an insured event must have all of the following features (except for events that may be provided for under the Endowment Insurance Agreement):

- ✓ probability and randomness of the occurrence of the event;
  - ✓ unpredictability as to the specific time or place of the occurrence of the event, as well as the amount of losses as a result of the occurrence of the event;
  - ✓ there is no danger that the event must inevitably and objectively occur within the scope of the Insurance Agreement, of which the parties or, at least, the Insured knew in advance or were aware in advance;
  - ✓ the occurrence of the event has negative, unfavorable economic consequences for the property interest of the Insured (Insured, Beneficiary);
  - ✓ the occurrence of the event is not related to the will and (or) intent of the Insured (Insured, Beneficiary) and does not provide for the purpose of deriving benefits and (or) obtaining winnings (speculative risk).
- 9) **vehicle (vehicle)** – a vehicle registered (subject to state registration) in the subdivisions of the authorized body for road safety;

- 10) **other vehicle** – transport that is not subject to registration in the units of the authorized body for road safety, which includes: tractors, including special vehicles and tractors manufactured on their basis, self-propelled chassis and mechanisms, trailers used as technological transport in closed areas;
- 11) **third party** – a person who is not a party to the Insurance Agreement and is recognized as a victim in accordance with the civil legislation of the Republic of Kazakhstan for obligations arising from damage caused during the operation of the Insured Vehicle as a source of increased danger. At the same time, third parties are understood as individuals whose life, health and/or property was damaged, as well as legal entities whose property was damaged as a result of the occurrence of event recognized as an insured event and provided for by the Insurance Agreement. Third parties do not include employees of the Insured (Insured) performing labor (official, official) duties on the basis of an employment contract or a civil law contract, and damage caused by them in the performance of these duties.
- 12) **organization for the formation and maintenance of the database** – a non-profit organization with state participation, which carries out the formation and maintenance of a database on compulsory and 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".
- 1.3. Insurance is carried out on the basis of the Insurance Agreement concluded between the Insurer and the Insured in accordance with the current legislation of the Republic of Kazakhstan.
- 1.4. Unless otherwise provided by the Insurance Agreement, the liability of the owners of the following vehicles may be insured under the Insurance Agreement concluded in accordance with these Insurance Rules:
- ✓ cars and trucks;
  - ✓ buses, trams, trolleybuses, minibuses;
  - ✓ motorcycles, scooters, mopeds;
  - ✓ trailers, semi-trailers;
  - ✓ special vehicles;
  - ✓ tractors, combines and other agricultural machines;
  - ✓ tracked vehicles.
- 1.5. Unlawful interests of the Insured (Insured) are not subject to insurance.
- 1.6. When entering into the Insurance Agreement, the parties may change (exclude) certain provisions of these Insurance Rules and/or supplement the Insurance Agreement with other provisions that do not contradict the current legislation of the Republic of Kazakhstan.

## 2. OBJECT OF INSURANCE

- 2.1. The object of insurance is the property interests of the Insured (Insured) related to his obligation to compensate for damage caused to life, health and/or property of third parties during the operation of the vehicle in the manner prescribed by the civil legislation of the Republic of Kazakhstan.

## 3. INSURED EVENT

- 3.1. An insured event is the fact of occurrence of civil liability of the Insured (Insured) for compensation for harm caused to the life, health and/or property of persons recognized as victims, as a result of a road accident - an event that occurred in the process of movement of a vehicle on the road and with its participation, resulting in harm to health, death of a person, damage to vehicles, structures, cargo or other material damage.

- 3.2. The occurrence of an insured event is confirmed by a court decision that has entered into legal force, obliging the Insured to compensate for the damage caused, or by the Insured's voluntary recognition of liability with the written consent of the Insurer for causing damage by the Insured (Insured). By agreement of the parties, the Insurance Agreement may determine the confirmation of the occurrence of an insured event only by a court decision.
- 3.3. An insurance contract may be concluded in respect of one or a combination of the following insurance risks:
- 1) harm to the life and health of third parties as a result of the operation of the vehicle;
  - 2) causing damage to the property of third parties as a result of the operation of the vehicle.

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

- 4.1. An insured event is not a damage to the life, health and (or) property of third parties as a result of:
- 1) natural disasters;
  - 2) any kind of military actions or military measures and their consequences (civil war, revolution, uprisings, mutiny, seizure or usurpation of power, arrest, civil unrest, riots, strikes, lockouts and their consequences);
  - 3) terrorist acts.
- 4.2. Unless otherwise provided by the Insurance Agreement, the insured event shall not be recognized as a damage to third parties as a result of:
- 1) fire that was not in motion of the vehicle, as well as due to arson of the vehicle;
  - 2) explosion or explosion of a vehicle;
  - 3) throwing objects from under the wheels of the vehicle;
  - 4) loading or unloading of vehicles;
  - 5) use of the vehicle for sports or training purposes, competitions, tests without written consent from the Insurer;
  - 6) environmental pollution;
  - 7) an accident in which a person is not recognized as a victim by the investigation, inquiry or court decision;
  - 8) events that occurred outside the territory or period of validity of insurance coverage under the Insurance Agreement;
  - 9) driving a vehicle by the Insured (Insured) in a state of alcoholic, narcotic or substance intoxication, as well as under the influence of medications, the use of which is contraindicated when driving a vehicle;
  - 10) lack of the right to drive the vehicle by the person who drove it at the time of the accident;
  - 11) driving a vehicle by a person not specified in the Insurance Agreement;
  - 12) technical malfunctions of the vehicle of which the Insured (Insured) knew or should have known;
  - 13) use of the vehicle for purposes not inherent in its technical purpose;
  - 14) use of the vehicle by an employee of the Insured (Insured) – a legal entity, outside of working hours and tasks and/or without a waybill;
  - 15) leasing, leasing or rental of the vehicle without the written consent of the Insurer;
  - 16) circumstances excluding, in accordance with the legislation of the Republic of Kazakhstan, the liability of the vehicle owner for the damage caused;
  - 17) intentional actions of the victim;

- 18) intentional actions of the Insured or the Insured, as well as as a result of gross negligence of the victim in the absence of the fault of the Insured or the Insured;
  - 19) violation by the Insured or the Insured of the rules for the operation of the vehicle, including the use of a technically defective vehicle, a vehicle that has not passed a technical inspection in accordance with the established procedure, as well as violations of fire safety rules, rules for the transportation and storage of flammable and explosive substances and items, safety requirements for the transportation of goods (according to the Traffic Rules).
- 4.3. Insurance payment is not made:
- 1) if the person driving the vehicle fled the scene of the accident;
  - 2) if the person who drove the vehicle and was sent for examination to establish the fact of the use of a psychoactive substance and the state of intoxication, without valid reasons, did not pass such an examination.
- 4.4. The insurer also does not make an insurance payment for:
- 1) damage in excess of the amount of the insured amount (limit of the Insurer's liability) established by the Insurance Agreement;
  - 2) moral damage and indirect losses (lost profits, loss of marketable condition, fines, penalties, penalties), as well as for non-fulfillment/improper fulfillment of contractual obligations;
  - 3) expenses for conducting cases related to the insured event and with its proof in any authorized bodies (state fees, costs for photocopies, notarization, examination, payment for the services of a lawyer, representative, translator);
  - 4) litigation, expert costs, except for cases when these costs were incurred in order to prevent or reduce losses subject to compensation by the Insurer;
  - 5) damage caused to the Insured's (Insured's) vehicle, as well as damage caused to the property (cargo) of third parties located in the Insured's (Insured's) vehicle.
- 4.5. The Insurer has the right to fully or partially refuse the Insurant (Insured, Beneficiary) in the insurance payment, if the insured event occurred as a result of:
- 1) deliberate actions of the Insurant, the Insured and (or) the Beneficiary, aimed at the occurrence of an insured accident or contributing to its occurrence, with the exception of actions committed in a state of necessary defense and extreme necessity;
  - 2) actions of the Insurant, the Insured and (or) the Beneficiary, recognized in accordance with the procedure established by the legislative acts of the Republic of Kazakhstan as intentional criminal or administrative offenses that are in a causal relationship with the insured event.
- 4.6. The grounds for refusal of the Insurer to make the insurance payment may also be the following:
- 1) communication by the Insurant (Insured) to the Insurer of knowingly false information about the object of insurance, insurance risk, insured event and its consequences;
  - 2) failure by the Insurant (Insured) to fulfill the obligations and conditions established by the Insurance Agreement;
  - 3) failure to notify or untimely notification of the Insurer on the occurrence of an event having signs of an insured accident, and (or) the consequence of which may be the occurrence of an insured accident, in the manner and within the terms established by the Insurance Agreement;
  - 4) obstruction of the Insurer in investigation of circumstances of occurrence of insured accident and in establishment of the amount of loss caused by him;
  - 5) deliberate failure by the Insurant (Insured) to take measures to reduce losses from the insured accident;

- 6) occurrence of an insured event outside the period of validity of insurance coverage under the Insurance Agreement;
  - 7) if the relevant compensation is received by the Insurant (Insured, Beneficiary) from the person guilty of causing damage;
  - 8) if at the time of occurrence of the insured event, the Insurance Agreement has not entered into force;
  - 9) in case of failure of the Insurant (Insured, Beneficiary) to provide documents confirming the fact of occurrence of the insured accident specified in Chapter 12 of these Rules;
  - 10) the Insurant's waiver of its right of claim to the person responsible for the occurrence of the insured event, as well as the refusal to transfer to the Insurer the documents necessary for the transfer of the right of claim to the Insurer.
- 4.7. The Insurer shall be exempt from making the insurance payment in terms of those losses that have arisen as a result of the Insurant's (Insured's) deliberate failure to take reasonable and available measures to mitigate losses.
- 4.8. The insurance agreement may establish other exclusions from insured events, insurance restrictions and (or) grounds for exemption of the Insurer from insurance payment in addition to those listed in this Chapter.

## **5. PROCEDURE FOR DETERMINING THE INSURED AMOUNT. 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 insurance amount is established in the Insurance Agreement by agreement of the parties.
- 5.3. The Insurance Agreement may establish the limits of the Insurer's liability:
  - 1) for harm caused to the life and health of third parties;
  - 2) for damage caused to the property of third parties;
  - 3) in relation to each insured event;
  - 4) in relation to each victim;
  - 5) other types of liability limits.
- 5.4. Franchise - the Insurer's exemption from compensation for damage not exceeding a certain amount provided for by the terms of insurance.
- 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.

## **6. INSURANCE PREMIUM. PAYMENT PROCEDURE AND DEADLINES**

- 6.1. Insurance premium is the amount of money that the Insured is obliged to pay to the Insurer for the latter's obligation to make an insurance payment to the Beneficiary in the amount determined by the Insurance Agreement.
- 6.2. The amount of the insurance premium payable under the Insurance Agreement is calculated according to the insurance rates that determine the amount of the insurance premium charged from the unit of the insured amount, taking into account the object of insurance and the nature of the insurance risk.
- 6.3. The insurance premium shall be paid by the Insured in the currency of the Republic of Kazakhstan.

- 6.4. In cases provided for by the current legislation of the Republic of Kazakhstan, the insurance premium may be paid in foreign currency (currency equivalent).
- 6.5. The insurance premium is paid in a lump sum or in installments, by bank transfer or in cash (in compliance with the requirements of the legislation of the Republic of Kazakhstan).
- 6.6. The procedure and terms of payment of the insurance premium are established by the Insurance Agreement.
- 6.7. 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.
- 6.8. 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.
- 6.9. Unless otherwise stipulated by the Insurance Agreement, the Agreement may be concluded for a period of less than 1 (one) year, and the insurance premium is set in the following amounts from the annual premium, where an incomplete month is considered as a full month:

Validity period of insurance coverage	Amount of insurance premium in % of the annual insurance premium
1 month or less	20
2 months	30
3 months	40
4 months	50
5 months	60
6 months	70
7 months	75
8 months	80
9 months	85
10 months	90
11 months	95

## 7. PROCEDURE FOR CONCLUDING AN INSURANCE CONTRACT

- 7.1. The Insurance Agreement is concluded on the basis of the Insured's application.
- 7.2. The form of the application for the conclusion of the Insurance Agreement (hereinafter jointly or separately referred to as the Application) shall be established by the Insurer.
- 7.3. Under the Insurance Agreements concluded in paper form, the Application signed by the Insurant is an integral part of the copy of the Insurer's Insurance Agreement.
- 7.4. Under Insurance Contracts concluded in electronic form, the Application is a list of information provided by the Insured when concluding the Insurance Agreement, while the Application is signed in the manner determined by the Insurer.
- 7.5. The Insurance Agreement is concluded after the Insurer has assessed the insurance risk and reached an agreement between the parties on all essential terms of the Insurance Agreement, in paper or electronic form by drawing up the Insurance Agreement or the Insured's accession to these Rules and issuing an insurance policy to him.



- 7.6. Upon conclusion of the Insurance Agreement, the Insured shall inform the Insurer of all known circumstances that are essential for determining the probability of occurrence of the 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.
- 7.7. In order to conclude the Insurance Agreement, the Insurer may request from the Insured additional documents (information) characterizing the insurance risk.
- 7.8. Amendments and additions to the Insurance Agreement shall be made on the basis of the Insured's application corresponding to the form of conclusion of the Insurance Agreement, by means of execution by the Insurer of an additional agreement to the Insurance Agreement. If insurance is issued by issuing an insurance policy, then when making changes and additions, the insurance policy is subject to early termination and issuance of a new one.
- 7.9. If, after the conclusion of the Insurance Agreement, it is established that the Insured, for the purpose of entering into the Insurance Agreement, knowingly provided the Insurer with false information about the circumstances that are essential for the assessment of the insurance risk and the Insurer's decision to conclude the Insurance Agreement, the Insurer shall have the right to demand that the Insurance Agreement be declared invalid.
- 7.10. If the Insurance Agreement contains conditions that worsen the position of the Insured in comparison with those provided for by the legislative acts of the Republic of Kazakhstan, the rules established by these legislative acts shall apply.
- 7.11. In case of loss of the Insurance Agreement executed in paper form, the Insurer shall issue a duplicate of the Insurance Agreement on the basis of the Insured's written application. At the request of the Insured, the Insurance Agreement executed in electronic form may be re-sent to the Insured to the Insured's e-mail address specified by him when concluding the Insurance Agreement.
- 7.12. The Insurer has the right to recover from the Insured the costs of making a duplicate of the Insurance Agreement, while the total amount of reimbursable expenses is determined by the Insurance Agreement.

## **8. TERM AND PLACE OF VALIDITY OF THE INSURANCE CONTRACT**

- 8.1. The territory of insurance is the territory specified in the Insurance Agreement.
- 8.2. The Insurance Agreement may be concluded both for one year and by agreement of the parties for another period declared by the Insured.
- 8.3. Unless otherwise provided for in the Insurance Agreement, the Insurance Agreement shall enter into force and become binding on the parties from the moment the Insured pays the insurance premium, and if it is paid in installments, the first insurance premium.
- 8.4. Unless otherwise provided for in the Insurance Agreement, the term of validity of the concluded Insurance Agreement shall correspond to the insurance period specified therein.
- 8.5. Unless otherwise provided for in the Insurance Agreement, the insurance cover begins at 00 a.m. of the day following the day of receipt of the insurance premium from the Insured to the Insurer's bank account or cash desk, and if it is paid in installments, the first insurance installment.
- 8.6. In the event that the Insurer provides preliminary insurance coverage, the Insurance Agreement shall enter into force on the date specified in its written confirmation of the provision of such protection, provided that the Insured pays the insurance premium within the terms specified by the Insurer.
- 8.7. The Insurer shall not compensate for the damage caused to the Insured as a result of an insured event that occurred before the commencement of the insurance coverage under the Insurance Agreement.

- 8.8. The period of validity of the insurance cover ends within the period specified in the Insurance Agreement.

## **9. RIGHTS AND OBLIGATIONS OF THE PARTIES**

### **9.1. The Insurer shall have the right to:**

- 1) during the insurance validity period, check the state of the insurance risk, its compliance with the information provided by the Insured when concluding the Insurance Agreement;
- 2) participate in measures to reduce the amount of losses. At the same time, the Insurer's participation in these events is not a confirmation of the recognition of the event as an insured event;
- 3) independently find out the causes and circumstances of the event that has signs of an insured event, including the inspection of property and actions to determine the amount of damage caused;
- 4) request 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;
- 5) require from the Insurant (Insured) the documents necessary to establish the fact of the insured event, the causes and circumstances of its occurrence, the amount of damage caused, specified in Chapter 12 of these Rules;
- 6) postpone the decision to make the insurance payment for a period of 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;
- 7) refuse to make an insurance payment or reduce its amount on the grounds provided for by these 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;
- 8) to file a right of recourse against the person responsible for causing the damage;
- 9) to early termination of the Insurance Agreement in case of violation by the Insured (Insured) of the terms of these Rules and/or the Insurance Agreement;
- 10) perform other actions provided for by these Rules or the Insurance Agreement or the current legislation of the Republic of Kazakhstan.

### **9.2. The Insurer shall:**

- 1) familiarize the Insured with the terms and conditions of insurance (these Rules), submit (send) a copy of these Rules, if the Insurance Agreement is concluded by acceding to these Rules with the issuance of an insurance policy to the Insured;
- 2) ensure the secrecy of insurance;
- 3) in the event of an insured event, make an insurance payment in the amount, procedure and terms established by these Rules and the Insurance Agreement;
- 4) reimburse the Insured (Insured) for reasonable and reasonable expenses incurred by him/her to reduce losses in the event of an insured event;
- 5) in cases where the Insured (Insured) or the victim (Beneficiary) or their representative fails to submit all the documents necessary for making the insurance payment, notify them of the missing documents within the period established by the Insurance Agreement;
- 6) in case of loss of the Insurance Agreement executed in paper form, on the basis of the Insured's application, issue a duplicate of the Insurance Agreement to him/her or, at the request of the Insured, re-send the electronic Insurance Agreement to the Insurant's e-mail address specified by him/her when concluding the Insurance Agreement;

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

#### **9.3. The insurant has the right to:**

- 1) when entering into the Insurance Agreement, familiarize himself with the annual financial statements of the Insurer, if they are not confidential information;
- 2) to familiarize themselves with these Rules, to demand from the Insurer an explanation of the terms of insurance, their rights and obligations under the Insurance Agreement, to receive a copy of these Rules;
- 3) receive a duplicate of the Insurance Agreement executed in paper form in case of its loss or re-receive the electronic Insurance Agreement to the Insured's e-mail address specified by him/her when concluding the Insurance Agreement;
- 4) use the services of an independent expert to assess the extent of the damage caused;
- 5) get acquainted with the course of the investigation of the insured event by the Insurer;
- 6) to demand the insurance payment in favor of the Beneficiary in the amount, procedure and terms established by the Insurance Agreement;
- 7) early terminate the Insurance Agreement in the manner prescribed by these Rules, the Insurance Agreement and/or the legislation of the Republic of Kazakhstan;
- 8) to challenge in the manner established by the legislation of the Republic of Kazakhstan, the decision of the Insurer on refusal to make insurance payment or reduction of its amount;
- 9) perform other actions provided for by these Rules or the Insurance Agreement or the current legislation of the Republic of Kazakhstan.

#### **9.4. The Insurant shall:**

- 1) when entering into the Insurance Agreement, inform the Insurer of all circumstances known to it that are essential for determining the probability of occurrence of an insured event and the amount of possible losses from its occurrence;
- 2) notify the Insurer of all Insurance Contracts concluded and being concluded in relation to the insured object with other insurance companies;
- 3) pay the insurance premium in the amount, procedure and terms established by the Insurance Agreement;
- 4) inform the Insurer about the state of insurance risk;
- 5) comply with the terms of these Rules and the Insurance Agreement;
- 6) familiarize the Insured with the terms and conditions of insurance. Violation of the terms of the Insurance Agreement by the Insured shall be regarded as their violation by the Insured;
- 7) upon occurrence of an event that has signs of an insured event and (or) the consequence of which may be the occurrence of an insured event, notify the Insurer thereof and take the necessary actions in the manner and within the time limits established by these Rules and/or the Insurance Agreement;
- 8) to make a decision on the insurance payment, provide all the necessary and required documents by the Insurer in accordance with Chapter 12 of these Rules and/or the terms and conditions of the Insurance Agreement;
- 9) ensure the transfer to the Insurer of the right of claim to the person responsible for the occurrence of the insured event, including the provision of documents necessary for the exercise of such right;
- 10) maintain confidentiality about the terms of the Insurance Agreement and the amount of insurance premiums and payments;
- 11) take measures to reduce losses from the insured event;

- 12) to immediately inform the Insurer of significant changes in the circumstances that have become known to him/her in the circumstances communicated to the Insurer at the conclusion of the Insurance Agreement, if these changes may significantly affect the increase in the insurance risk during the validity period of the Insurance Agreement;
  - 13) provide all documents and information requested by the Insurer necessary to comply with the requirements of the legislation of the Republic of Kazakhstan;
  - 14) perform other actions provided for by these Rules or the Insurance Agreement and the current legislation of the Republic of Kazakhstan.
- 9.5. The list of rights and obligations of the parties to this section is not exhaustive, certain obligations of the parties are provided for in other sections of these Rules, and may be supplemented / expanded / reduced / changed in the Insurance Agreement.

## **10. CONSEQUENCES OF THE INCREASE IN INSURANCE RISK DURING THE PERIOD OF VALIDITY OF THE INSURANCE CONTRACT**

- 10.1. During the validity period of the Insurance Agreement, the Insured (Insured) shall immediately, but not later than within 3 (three) business days from the date when he became aware, inform the Insurer in writing of significant changes in the circumstances reported to the Insurer when entering into the Insurance Agreement, unless another period is provided for by the Insurance Agreement.
- 10.2. In any case, the following changes are recognized as significant:
  - 1) change in the territory of insurance;
  - 2) transfer of the vehicle for use, possession, disposal of persons not specified in the Insurance Agreement;
  - 3) change in the nature of the use of the vehicle, including use for commercial purposes;
  - 4) transfer of the vehicle for rent, rental, leasing, pledge or other encumbrance;
  - 5) use of the vehicle for testing, sports or training purposes;
  - 6) significant damage or destruction of the vehicle, regardless of the occurrence of an insured event;
  - 7) the presence of double insurance;
  - 8) changes in the information specified in the insurance application and in the Insurance Agreement.
- 10.3. The Insurer, notified of the circumstances entailing an increase in the insurance risk, has the right to demand a change in the terms of the Insurance Agreement and payment of an additional insurance premium in proportion to the increase in the insurance risk.
- 10.4. If the Insured or the Insured objects to changing the terms of the Insurance Agreement or paying an additional insurance premium, the Insurer has the right to demand termination of the Insurance Agreement in accordance with the norms provided for by the civil legislation of the Republic of Kazakhstan.
- 10.5. If the Insured (Insured) fails to comply with the provisions provided for in clause 8.1. of this Chapter of the Obligation, the Insurer has the right to demand termination of the Insurance Agreement and compensation for losses caused by its termination.
- 10.6. The Insurer shall not be entitled to demand termination of the Insurance Agreement if the circumstances leading to an increase in the insurance risk have already disappeared.

## **11. ACTIONS IN THE EVENT OF AN INSURED EVENT**

- 11.1. In the event of an event that has signs of an insured event and (or) the consequence of which may be the occurrence of an insured event, the Insurant (Insured) shall:

- 1) immediately, but not later than 3 (three) business days from the moment when he became aware or should have become aware of any event that has signs of an insured accident and/or the consequence of which may be the occurrence of the Insurer's obligation to pay insurance payment, to inform the Insurer about it in any available way that allows to establish the date of sending the message, indicating the place, time and circumstances of the incident;
  - 2) immediately inform the relevant bodies, based on their competence, about the occurrence of an insured accident;
  - 3) take measures to document the event by the competent authorities in the manner and within the time limits established by the legislation of the Republic of Kazakhstan;
  - 4) in case of referral by an employee of the competent body or representative of the Insurer to undergo a medical examination to establish the fact of use of psychoactive substance and state of intoxication;
  - 5) not to pay compensations, not to accept in part or in full the claims presented in connection with the insured accident, as well as any direct or indirect obligations to settle such claims without the consent of the Insurer;
  - 6) transfer to the Insurer all documents and information related to the circumstances of occurrence of insured accident and necessary for making a decision on insurance payment;
  - 7) perform all actions necessary for the Insurer to exercise the right of claim to the person responsible for the occurrence of the insured accident, including the provision of the necessary documents;
  - 8) take reasonable and available measures in the circumstances to prevent the insured accident. Taking appropriate measures, the Insured (Insured) shall follow the instructions of the Insurer, if they were communicated to him by the latter.
- 11.2. 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.
- 11.3. 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.

## **12. DOCUMENTS REQUIRED FOR CONSIDERATION OF THE ISSUE ON THE IMPLEMENTATION OF INSURANCE PAYMENT**

- 12.1. The claim for insurance payment shall be submitted to the Insurer by the Insured (Insured, Beneficiary) in writing with the attachment of documents substantiating this claim.
- 12.2. Unless otherwise provided by the Insurance Agreement, the following documents must be attached to the application for insurance payment:
- 1) a copy of the Insurance Agreement (its duplicate);
  - 2) documents confirming the Beneficiary's interest in the property that has been damaged;
  - 3) documents of the competent authorities confirming the fact and circumstances of the occurrence of the insured event, as well as allowing to determine the liability of the Insured (Insured);
  - 4) a copy of the driver's license of the person driving the vehicle, a copy of the waybill of the person driving the vehicle (for a legal entity);
  - 5) power of attorney for the right to conduct business in an insurance company (for a legal entity);

- 6) documents for due diligence of the Insured, the Insured and the Beneficiary (his/her representative) and the beneficial owner in accordance with the legislation of the Republic of Kazakhstan;
  - 7) a copy of the medical examination of the participants in the accident (if any);
  - 8) documents confirming the expenses incurred by the Insured (Insured) in order to prevent or reduce losses (if any);
  - 9) a copy of the certificate of the health care organization on the period of temporary disability of the victim in the event of harm to the life, health of the victim or a certificate of a specialized institution on the establishment of the disability of the victim - if it is established, in the event of the death of the victim - a notarized copy of the death certificate;
  - 10) bank details of the Beneficiary for the transfer of insurance payment.
- 12.3. The Insurer shall have the right to independently reduce the list of documents required to make a decision on the status of the insured event, and limit itself to documents that are sufficient, in the opinion of the Insurer, to make this decision.
- 12.4. The specific list of documents is determined by the Insurance Agreement.
- 12.5. The insurer that accepted the documents is obliged to issue to the applicant a certificate indicating the full list of documents provided and the date of their acceptance. One copy of the certificate shall be issued to the applicant, the second copy with the applicant's mark of its receipt shall be kept by the Insurer. In case the insurant (beneficiary) sends a claim for insurance payment in electronic form, the insurer may submit this certificate to him in electronic form.
- 12.6. If the Insurant, the Insured or another person who is the Beneficiary fails to provide all the documents necessary to consider the issue of making the insurance payment, the Insurer is obliged to notify the applicant of the missing documents within the time limits established by the Insurance Agreement.

### **13. PROCEDURE AND CONDITIONS FOR INSURANCE PAYMENT**

- 13.1. The insurance indemnity shall be made within the limits of the actual damage caused to the victim as a result of the occurrence of the insured event, but not more than the insured amount (limit of the Insurer's liability) established by the Insurance Agreement, taking into account the franchise. Only direct property damage caused as a result of the occurrence of an insured event is subject to compensation.
- 13.2. 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.
- 13.3. 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 Insurant (Insured, Beneficiary) shall be determined by the regulatory legal act of the authorized body.
- 13.4. The amount of insurance payment in case of harm to the life and health of the victim is determined on the basis of the insurance amount and the limits of the Insurer's liability determined by the Insurance Agreement. If the Insurance Agreement does not determine the insurance amount (limit of liability) for causing harm to the life and health of one victim, the amount of damage to the victim is established on the basis of the requirements of the civil legislation of the Republic of Kazakhstan.

- 13.5. The amount of damage caused shall be determined by the Insurer or an independent appraiser (expert) appointed by the Insurer, unless otherwise provided for by the insurance agreement.
- 13.6. The beneficiary, whose property has been damaged, is obliged to keep this property in the condition in which it was after the traffic accident, and provide the Insurer with an opportunity to inspect the damaged property.
- 13.7. The amount of damage in case of partial damage to property is determined in the amount of costs for its restoration; in case of total loss of property - in the amount of its market value on the day of the insured event, taking into account depreciation depreciation minus the value of existing balances suitable for use or sale, but not higher than the amount of the insurance amount (the Insurer's liability limit), unless otherwise provided for by the Insurance Agreement. Total loss (destruction) of property is such damage to property, in which an independent expert or the Insurer will establish the inexpediency of restoration repairs, or when the cost of restoration repairs exceeds 80% of the actual (market) value of the property.
- 13.8. 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 the amount of a share of the insurance amount corresponding to the share of damage to the total amount of damage caused to all victims. The amount of insurance payments for all insured events that occurred during the term of the Insurance Agreement may not exceed the insurance amount established by the Insurance Agreement. If the amount of damage caused exceeds the insurance amount, then the difference between the actual amount of damage and the insurance payment made must be compensated by the person guilty of causing damage.
- 13.9. If, with the written consent of the Insurer or in the amount determined by the court, the Insurant (Insured) has compensated for the damage caused, then the insurance payment shall be made to the Insurant (Insured) in case of submission by him/her of a duly executed waiver of the claim against the Insured and the documents specified in these Rules confirming the occurrence of the insured event and the amount of losses.
- 13.10. After the insurance payment is made, the Insurer continues to be liable within the insurance amount reduced by the amount of the insurance payment made, unless otherwise provided by the Insurance Agreement.
- 13.11. Expenses incurred by the Insurant (Insured) in order to prevent or mitigate losses are subject to reimbursement by the Insurer, if such expenses were necessary or were incurred to fulfill the instructions of the Insurer, even if the relevant measures were unsuccessful. Such expenses shall be reimbursed in actual amounts, however, so that the total amount of insurance payment and compensation of expenses does not exceed the insurance amount (maximum amount of liability) provided for by the Insurance Agreement, as well as subject to the provision of documents confirming such expenses to the Insurer.
- 13.12. In the event of disputes between the parties about the causes and amount of damage, each of the parties has the right to demand an independent examination. The examination is carried out at the expense of the party that requested it.
- 13.13. Unless otherwise provided by the Insurance Agreement, the Insurer shall make a decision on the insurance payment within 15 (fifteen) business days after receipt of all documents regulated by Chapter 11 of these Rules, unless otherwise specified in the Insurance Agreement.
- 13.14. The deadline for consideration of documents and making insurance payment under voluntary insurance contracts of Insurants - individuals, after submission of all necessary documents to the Insurer, is no more than 15 (fifteen) business days.
- 13.15. 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 Insurant – 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 Insurants - individuals.

- 13.16. Unless otherwise provided by the Insurance Agreement, if the insured event is recognized as an insured event, the Insurer shall make the insurance payment to the Beneficiary within 5 (five) business days after the decision on the insurance payment is made, unless otherwise specified by the Insurance Agreement.
- 13.17. Unless otherwise provided by the Insurance Agreement, in case of refusal of insurance payment, the Insurer shall, within 5 (five) business days from the date of the decision, inform the Insured (Beneficiary) thereof in writing with a reasoned justification of the reasons for the refusal, unless the Insurance Agreement establishes another period.
- 13.18. The Insurer has the right to suspend the period for making a decision on insurance payment for 6 (six) months, with a written notification of the applicant thereof in the event that the relevant competent authorities have initiated a criminal case or initiated an administrative investigation of the circumstances that led to the occurrence of the insured event, until the issuance of a legally binding verdict in the criminal case or the end of the investigation, and the submission of relevant documents to the Insurer. Also, the term for making a decision on insurance payment may be suspended by the Insurer if it is necessary to obtain additional documents and (or) information on the claimed insurance event; if it is necessary to apply to law enforcement agencies and other organizations that have information about the circumstances of the claimed insurance event; as well as in order to comply with the legislation on the claimed insurance event; countering the legalization (laundering) of proceeds from crime and the financing of terrorism.
- 13.19. Unless otherwise provided by the Insurance Agreement, the Insurer shall make the insurance payment minus the amounts to be paid to the victim (beneficiary) within the framework of compulsory insurance of civil liability of vehicle owners, regardless of whether the Insured (Insured) has entered into such an Insurance Agreement or not.
- 13.20. Refusal of the Insurer to make insurance payment may be appealed in the manner established by the legislation of the Republic of Kazakhstan.

#### **14. CONSIDERATION OF THE ISSUE BY THE INSURER ON THE IMPLEMENTATION OF INSURANCE PAYMENT**

- 14.1. 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.
- 14.2. The insurer shall make the insurance payment or refuse to make the insurance payment in the manner specified in these Rules.
- 14.3. 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.
- 14.4. 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/Appendices to these Rules.

- 14.5. 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.
- 14.6. 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.

## **15. DOUBLE INSURANCE**

- 15.1. Double (multiple) insurance is insurance of the same object with several insurers under independent Contracts with each.
- 15.2. In case of double insurance, each insurer shall be 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.
- 15.3. 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 indemnity does not cover the actual damage, the Insured has the right to receive the missing amount from another insurer.
- 15.4. The Insurer, fully or partially exempt from insurance payment due to the fact that the damage caused has been compensated by other insurers, shall be obliged to return to the Insured the relevant part of the insurance premiums, minus the expenses incurred.
- 15.5. In case of double insurance after the occurrence of an insured event, the Insurant shall be obliged to provide the Insurer with all information related to the settlement of the issue of insurance payment with other insurers, including information on the amount of insurance payment received from other insurers.
- 15.6. In case of double insurance, the Insurer has the right to find out the causes and circumstances of the event having signs of an insured event, to determine the amount of losses caused as a result of the insured event, together with other insurers.

## **16. SUBROGATION**

- 16.1. 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.
- 16.2. 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.
- 16.3. 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.

## **17. AMENDMENTS AND ADDITIONS TO THE INSURANCE AGREEMENT**

- 17.1. 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.
- 17.2. Cases of amendments to the terms of the agreement:
  - change of the object of insurance;

- change in the information provided at the conclusion of the insurance contract;
  - change in the validity period of insurance coverage
  - other cases in accordance with the legislation of the Republic of Kazakhstan.
- 17.3. 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.
- 17.4. Amendments and additions to the Insurance Agreement concluded in accordance with these Rules shall be formalized by drawing up and signing an additional agreement to the Insurance Agreement.
- 17.5. 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.

## **18. TERMS OF TERMINATION OF THE INSURANCE CONTRACT**

- 18.1. In addition to the general grounds for termination of obligations, as well as the grounds for early termination of the Insurance Agreement 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 for the first insured event. If it is expressly stipulated by the Insurance Agreement, it shall cease to be effective when 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 the legislation of the Republic of Kazakhstan or the Insurance Agreement.
- 18.2. In these cases, the Insurance Agreement shall be deemed terminated from the moment of occurrence of the circumstance provided for as a ground 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.
- 18.3. Upon termination of the Insurance Agreement on the grounds specified in subparagraphs 1) - 4) of paragraph 18.1. of these Rules, the insurance premiums paid to the Insurer shall not be refunded, unless otherwise provided for in the Insurance Agreement.
- 18.4. In case of termination of the Insurance Agreement on the grounds specified in subparagraphs 5) - 6) of paragraph 18.1. of these 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. The Insurance Agreement may establish a different procedure, term and conditions for termination of the Insurance Agreement.
- 18.5. In case of refusal of the Insured-individual from the Insurance Agreement, within fourteen calendar days from the date of its conclusion, the Insurer shall be obliged to return to the Insurant-individual the insurance premium (insurance premiums) received 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 the insurance (received) received premiums (insurance contributions).

- 18.6. 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.

## **19. LIABILITY OF THE PARTIES**

- 19.1. In case of untimely implementation of insurance payment, the Insurer shall be 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.
- 19.2. 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 fulfillment was impossible due to force majeure, i.e. extraordinary and unavoidable circumstances under the given conditions.
- 19.3. 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 state authorities. A specific list of force majeure circumstances may be provided for in the Insurance Agreement.
- 19.4. 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.
- 19.5. The effect of force majeure circumstances shall be confirmed by the relevant documents of the competent authorities.
- 19.6. The liability of the parties provided for in this section may be changed (supplemented) in accordance with the terms of the Insurance Agreement.

## **20. DISPUTE RESOLUTION PROCEDURE**

- 20.1. Any disputes and/or disagreements arising out of or in connection with the Insurance Agreement shall be resolved through negotiations.
- 20.2. 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 Insured (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.
- 20.3. 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.

- 20.4. 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 Rules drawn up in the state language and the content of the text of these Rules drawn up in Russian, the Parties shall be guided by the text of these Rules drawn up in Russian.

## **21. ADDITIONAL CONDITIONS**

- 21.1. The Insurance Agreement may provide for other conditions that do not contradict the legislation of the Republic of Kazakhstan.
- 21.2. On the basis of these 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.
- 21.3. In case of non-compliance of the content of the Insurance Agreement with these Rules, the terms of the Insurance Agreement shall apply, if it is expressly stipulated in the Insurance Agreement.
- 21.4. To the extent not regulated by these Rules, the current legislation of the Republic of Kazakhstan shall apply.