

Annex 12 to the minutes
of the Board of Directors
of EIC "KazakhExport" JSC
No. 6 dated July 10, 2020

"Approved"
with the Resolution of the Board of Directors
of EIC "KazakhExport" JSC
Minutes No. 6 dated July 10, 2020

**Regulations on Finance Leasing Voluntary Insurance of Export Insurance
Company "KazakhExport" Joint Stock Company**

IRD SUMMARY

IRD name	Regulations on Finance Leasing Voluntary Insurance of Export Insurance Company "KazakhExport" Joint Stock Company
IRD owner	Insurance Department
Access level	Public
Measures to familiarize all employees of the Company with IRD	Distribution by e-mail within 1 (one) business day from the date of IRD publication on the network resource "Internal portal"
In accordance with the Decision of the Board of Directors of EIC "KazakhExport" JSC the amendments and additions are made:	

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Chapter 1. General provisions

1. These Regulations on Finance Leasing Voluntary Insurance of Export Insurance Company "KazakhExport" Joint Stock Company (hereinafter - Regulations) developed in accordance with the Civil Code of the Republic of Kazakhstan, Law of Republic of Kazakhstan "On Insurance Activity", Law of the Republic of Kazakhstan "On Finance Leasing", the Charter of Export Insurance Company "KazakhExport" JSC, internal normative documents of Export Insurance Company "KazakhExport" JSC, normative legal acts of the Republic of Kazakhstan. The rules define the procedure for conclusion of voluntary insurance of finance leasing contracts on projects that are supported in accordance with the goals and objectives of the Insurer in accordance with its Charter.

2. Basic definitions and terms used in these Regulations:

1) **Bankruptcy** - is an insolvency of the Lessee recognized by a court decision that has entered into legal force, which is the basis for its liquidation;

2) **Unconditional Franchise** - is an amount established in the Insurance Contract deductible from the Insurance Benefit. Unconditional Franchise is set either as a percentage of the sum insured or in absolute amount;

3) **Insurance Contract** - is the contract of voluntary insurance of finance leasing, according to which the Insurant undertakes to pay the Insurance Premium and the Insurer undertakes in the Insured Event to pay Insurance Benefit to the Insurant within Insured Amount determined by the Insurance Contract;

4) **Finance Leasing Agreement** - is an agreement between the Lessor and the Lessee, in accordance with which the Lessor undertakes to acquire ownership of the property specified by the Lessee from the Seller and provide the Lessee with this property for temporary possession and use for business purposes for a certain fee;

5) **Foreign Counterparty** - is a legal entity or individual of a foreign country acting as a buyer or customer and concluding an Export Contract with an Exporter;

6) **Lessor** - is a legal entity that undertakes to acquire ownership of the property specified by the Lessee from the Seller and provide the Lessee with this property for temporary possession and use for business purposes for a certain fee, according to the Finance Leasing Agreement;

7) **Lessee** - is a participant in a Finance Leasing Agreement that receives ownership and use of property from the Lessor and being:

- an Exporter who purchases a leasing item for the purpose of producing export products;
- a Foreign Counterparty that purchases goods produced in Kazakhstan as a subject of leasing.

8) **Lease payments** - are periodic payments that represent the total amount of payments under the Finance Leasing Agreement for the entire term of its validity, which must be calculated taking into account the reimbursement of all or a significant part of the cost of the leasing item at the price at the time of conclusion of the Finance Leasing Agreement and paid during the term of the Finance Leasing Agreement, which include:

- reimbursement to the Lessor of the costs of purchasing the leasing item and any other expenses directly related to the acquisition, delivery of the leasing item and bringing it into working condition for its intended use in accordance with the Finance Leasing Agreement;
- lease remuneration stipulated in the Finance Lease Agreement;

9) **Proper performance of obligations** means that the obligation shall be performed by the proper entities, the proper object of insurance, in the proper place, manner and proper time period. In other cases, non-performance (improper performance) of obligations occurs;

10) **Insolvency** - is the inability of the Lessee to fulfil financial obligations and other requirements of monetary nature;

11) **Principal debt** - is the actual amount of the Lessor's expenses for the purchase of the leasing item and any other expenses directly related to the purchase, delivery of the leasing item and bringing it into working condition for its intended use in accordance with the Finance Leasing Agreement. Principal Debt does not include the amount of accrued and overdue lease remuneration stipulated in the Finance Lease Agreement;

12) **Deferred period** - is the period of time established by the Insurance Contract, after which the Insured Event is considered to have occurred. The deferred period shall start on the next day upon receipt of the notification on occurrence of the Insured Event by the Insurer from the Insurant;

13) **Insurer** - is Export Insurance Company "KazakhExport" Joint-Stock Company, which carries out insurance, i.e., is obliged to pay an Insurance Benefit to the Insurant in the event of an Insured Event, within the Insurance Amount specified in the Insurance Contract;

14) **Insurant** - is a Lessor who has entered into an Insurance Contract with the Insurer. Under the Insurance Contract, the Insurant is both the Insured and the Beneficiary;

15) **Insurance Payment** - is the amount of money, expressed in Kazakhstani tenge, paid by the Insurer to the Insurant within the Insured Amount upon the occurrence of an Insured Event;

16) **Insurance premium** - is the amount of money expressed in Kazakhstani tenge, which the Insurant is obliged to pay to the Insurer for the latter's acceptance of obligations to pay an Insurance Benefit to the Insurant in the amount determined by the Insurance Contract upon the occurrence of an Insured Event;

17) **Insurance Amount** - is the amount of money for which the insurance object is insured and which represents the maximum amount of liability of the Insurer in the event of an Insured Event. The type of currency of the Insurance Amount is determined in the Insurance Contract;

18) **Insurance Risk** - is an expected event (Insured Event) that entails Losses for the Insurant, in the event of which the Insurance Contract is concluded;

19) **Insured Event** - is an event under which the Insurance Benefit is to be paid according to the Insurance Contract;

20) **Insurance Interest** - is the property interest of the Insurant in preventing risks and preventing the occurrence of an Insured Event;

21) **Loss** - is a loss of the Insurant that occurs due to the Lessee's failure to fulfill its obligations under the Finance Leasing Agreement. The definition of Loss does not include the occurrence of the Lessee's debt to the Insurant for the repayment (payment) of lost profits; forfeits, fines, penalties; accrued and overdue remuneration, commissions and other similar payments that are in the nature of a monetary payment that is not payment of the Principal Debt; moral damage; legal costs in connection with applying, including to the judicial authorities, for the recovery of any debt under the Finance Leasing Agreement; as well as losses caused by the misuse of other people's money. For the purposes of these Regulations, a Loss should only be understood as the amount of the Principal Debt under a Finance Lease Agreement;

22) **Finance Leasing** - is a type of investment activity in which the Lessor undertakes to transfer the leasing item purchased from the seller and stipulated in the Lease Agreement to the Lessee for a certain fee and under certain conditions for temporary possession and use for a period of at least three years for business purposes. In this case transfer of the leasing item under the Leasing Agreement shall comply with one or several of the following conditions:

- transfer of the Leasing Item to the Lessee's ownership and/or granting the right to the Lessee to purchase the Leasing Item at a fixed price are determined by the Leasing Agreement;
- leasing period exceeds 75% of the useful life of the Leasing Item;
- current (discounted) value of lease payments for the entire leasing period exceeds 90 percent of the value of transferred Leasing Item;

23) **Exporter** - is a legal entity or individual entrepreneur that exports Kazakhstani goods, works, and services;

24) **Export contract** - is a written agreement between an Exporter and a Foreign Counterparty for export of Kazakhstani goods, works, and services.

The above concepts are understood in the meaning in which they are defined in this clause, regardless of their use in the text of the Regulations in the singular or plural, with uppercase or lowercase letters, unless otherwise provided by the Regulations.

Chapter 2. The Insured Object

3. Insurance Object - is the property interest of the Insurant related to the Lessee's obligation to compensate for the Loss as a result of violation of obligations to repay the Principal Debt in accordance with the schedule of Lease Payments under the Finance Leasing Agreement. The Insurance Objects can only be justified and not contradicting the legislation of the Republic of Kazakhstan claims for payment of overdue Principal Debt in the terms and amounts stipulated by the Finance Leasing Agreement.

4. The Insurant must be the owner of the Leasing Item.

5. The Leasing item can be buildings, structures, machinery, equipment, inventory, vehicles, land plots and any other non-consumable items.

Chapter 3. Insured Events

6. Under an Insurance Contract concluded in accordance with these Regulations, the Insurer provides insurance coverage in the event of non-performance and/or improper performance by the Lessee of its obligations to repay the Principal Debt in accordance with the schedule of Lease Payments under the Finance Leasing Agreement in connection with:

- 1) insolvency (bankruptcy) of the Lessee;
- 2) non-return of the Leasing Item by the Lessee in cases stipulated by the Finance Lease Agreement (for example, in case of early termination of the Finance Leasing Agreement);
- 3) non-payment of Lease Payments within the terms and in the amounts stipulated in the schedule, if the duration of the delay exceeds the period established by the Insurance Contract.

7. The list of Insured events may include all or some of the above cases by agreement of the Parties.

8. The following losses are not subject to compensation by the Insurer:

1) Loss caused by force majeure: war, civil unrest, riots of a mass nature, seizure of property, confiscation, destruction of leasing items, unforeseen action of a state body that restricts or prohibits the conversion into freely convertible currency and/or transfer of payment by other state-political measures that prevent the implementation of trade and payments, changes in legislation, as well as natural disasters. At that, the Insurer shall be liable for proving occurrence of force majeure;

2) Loss caused by deliberate actions of the Insurant or Lessee under the Finance Leasing Agreement, including bankruptcy and material violation of the terms of the Finance Leasing Agreement that define the purpose and procedure for using the Leasing Item;

3) indirect losses of the Insurant.

9. An event considered as an Insured Event shall have all of the following characteristics:

1) probability and randomness of the event occurrence;

2) unpredictability regarding the specific time or place of occurrence of the event, as well as the amount of losses as a result of the event;

3) absence of the risk that the event is inevitable and objectively shall occur within the scope of the Insurance Contract, which the Parties or, at least, the Insurant knowingly knew or were aware of in advance;

4) occurrence of an event has negative, unprofitable economic consequences for the property interest of the Insurant;

5) occurrence of the event is not related to the will and/or intent of the Insurant and does

not provide for the purpose of extracting benefits and/or obtaining winnings (speculative risk).

Chapter 4. Exceptions from Insured Events and insurance limits

10. Unless otherwise provided in the Insurance Contract, the coverage shall not protect the losses resulting from the impact of a nuclear explosion, radiation or radioactive contamination, as well as the insurance cover shall not apply to the events arising prior to conclusion of the Insurance contract.

11. The Insurer shall not be liable:

1) for any claims for indemnity of losses exceeding the Insured Amount or not stipulated by the Insurance Contract;

2) for claims for reimbursement of losses caused beyond the territory of insurance specified in the Insurance Contract;

3) for claims for reimbursement of losses caused due to the removal of the Insurant within the agreed insurance period of circumstances that increase the risk for the need to address, which were pointed out by the Insurer to the Insurant as per common rules;

4) for losses caused due to violation of provisions and requirements of the legislation of the Republic of Kazakhstan by the Insurant;

5) if fulfillment of contractual obligations has become impossible due to the seizure, confiscation, requisition, nationalization, seizure or destruction of property by order of state bodies.

12. Insurance Contract may provide for other exceptions from insurance events, exemptions from insurance payments, and other insurance restrictions.

Chapter 5. Procedure for concluding an Insurance Contract

13. Insurance Contract is concluded on the basis of a written application of the Insurant.

14. To conclude the Insurance Contract, the Insurer may request from the Insurant any documents characterizing the insurance risk:

15. The Insurant is responsible for the accuracy and completeness of the data provided for conclusion of the Insurance Contract, including the answers to the Insurer's written requests.

16. By agreement between the Insurant and the Insurer, on the basis of these Insurance Regulations and by resolution of the collegial body of the Insurer, insurance contracts may be concluded that provide for changes or exceptions to certain provisions of the Insurance Regulations, as well as additional conditions determined at the conclusion of the Insurance Contract.

17. The Insurance Contract shall contain obligatory conditions provided by the regulations and laws of the Republic of Kazakhstan.

18. In case of loss of the Insurance Contract, the Insurer shall issue a duplicate of the Insurance Contract on the basis of a written application of the Insurant, after which the lost Insurance Contract shall be deemed invalid.

Chapter 6. Period and place of validity of the Insurance Contract

19. The Insurance Contract shall enter into force and become binding for the parties from the date of payment of Insurance Premium by the Insurant, and in the case of instalment payment, the first insurance instalment, unless otherwise stipulated by the Insurance Contract.

20. The Insurance Contract shall be terminated in accordance with Chapter 16 of these Regulations.

21. Validity period of insurance coverage corresponds with duration of the Insurance Contract, unless otherwise stipulated by the Insurance Contract.

22. Place of validity of the Insurance Contract (insurance territory) shall cover only the territory or territories specified in the Insurance Contract.

Chapter 7. Insurance amount determination procedure

23. The insurance amount is set by agreement of the parties in the amount of the Principal Debt under the Finance Leasing Agreement.

Chapter 8. Insurance Premium

24. The amount of the Insurance Premium payable under the Insurance Contract is calculated according to the insurance rates determined by the Insurer.

25. The Insurance Premium is subject to payment by the Insurant in a lump sum in non-cash form or in installments, i.e. by means of Insurance contributions.

26. In case of non-payment of the Insurance Premium in full before the term specified in the Insurance Contract, the coverage under the Insurance Contract shall be suspended unilaterally by the Insurer from the day following the day of the overdue payment of the next Insurance Contribution. In this case, the Insurer shall not be liable for Insured Events that occurred during the suspension of Insurance Coverage. The Insurer is entitled to claim a penalty for untimely execution of monetary obligations by the Insurant as per article 353 of the CC of the RK.

27. The Insurance Contract is terminated by the Insurer unilaterally if, within 30 (thirty) days after the suspension of the Insurance Contract, the Insurant has not received payment of the overdue insurance contribution, as well as the next insurance contribution, if such payment is due. In this case, the Insurer shall notify the Insurant and the Beneficiary in writing of the termination of the Insurance Contract in accordance with Chapter 16 of the Regulations.

28. Suspension of the coverage does not release the Insurant from full payment of the Insurance Premium for the period of coverage until the date of termination of the Insurance Contract.

29. The Insurer has the right to renew the insurance coverage on the basis of a written application of the Insurant after payment of the overdue Insurance Contribution or Insurance Premium, as well as the next insurance contribution, if such payment is due. In this case, Insurance Contract validity is not extended while Insurance Premium (Insurance Contribution) paid for the period of suspension of Insurance Coverage is not returned.

30. If an Insured Event occurs before the Insurant pays the Insurance Premium (or the next Insurance Contribution), if the Insurant has violated the obligation to pay the Insurance Premium on time, the Insurer has the right to refuse to pay the Insurance Benefit.

Chapter 9. Rights and obligations of the Parties

31. The Insurant is entitled to:

- 1) to require the Insurer to provide information on its solvency and financial stability;
- 2) require the Insurer to pay an Insurance Benefit in accordance with the terms of the Insurance Contract.

32. The Insurant is obliged to:

- 1) inform the Insurer when signing the Insurance Contract of all circumstances known that are essential for assessment of the Insurance Risk and Insurer's decision to conclude the Insurance Contract;

- 2) pay Insurance Premium in the amount, procedure and terms established by the Insurance Contract;

3) inform the Insurer about the change in the state of the Insurance Risk within the Insurance Contract validity period, immediately, but not later than 3 (three) business days from the moment when it became known;

4) to comply with the terms of the Insurance;

5) to notify the Insurer about the occurrence of an event that has the signs of an Insured Event and/or which may result in an Insured Event, within the terms established by the Insurance Contract;

6) take measures to reduce the losses from the Insured Event;

7) provide the Insurer with all information available, allowing to judge the causes, progress and consequences of the Insured Event, the nature and extent of the loss caused;

8) ensure that the right of claim to the person responsible for the occurrence of the Insured Event is transferred to the Insurer;

9) immediately notify the Insurer of any significant changes in the circumstances reported to the Insurer at the conclusion of the Insurance Contract, if these changes may significantly affect the increase in the Insurance Risk during the term of the Insurance Contract;

10) be interested in preventing risks and preventing the occurrence of an Insured Event.

33. The Insurer is entitled to:

1) request required documents, significant for risk assessment, at conclusion of the Insurance Contract;

2) check information and documents provided by the Insurant, as well as check the compliance of the Insurant with the requirements and conditions of the Insurance Contract;

3) independently find out the causes and circumstances of an event that has signs of an Insured Event, including sending requests to the competent authorities;

4) demand information from the Insurant necessary to establish the fact of the Insured Event, circumstances of its occurrence;

5) take decision on refusal to reimburse losses, if the Insurant presents misleading information, significant for judgement on insurance risk at the conclusion of the Insurance Contract, to the Insurer, or if the Insurant fails to inform the Insurer on significant changes on risk levels during validity period of the Insurance Contract;

6) terminate the Insurance Contract in accordance with Chapter 16 of these Regulations;

7) demand changes of provisions of the Insurance Contract or payment of additional Insurance Premium in proportion with risk increase in case of increasing of risk level;

8) postpone payment prior to clarification of all circumstances and causes of occurrence of the Insured Event. In this case, the Insurer must notify the Insurant in writing of the delay in payment of Insurance Benefit, indicating the reasons, within 10 (ten) business days from the date of receipt of all documents specified in Chapter 13 of these Regulations.

34. The Insurer is obliged to:

1) familiarize the Insurant with these Regulations and, upon request, submit (send) a copy of these Regulations;

2) pay the Insurance Benefit in case of recognition of the event as an Insured Event in the amount, procedure and terms established by the Insurance Contract;

3) ensure the secrecy of insurance;

4) notify the Insurant of the missing documents within 30 (thirty) calendar days if the policyholder or its representative fails to submit all the documents required for payment of the Insurance Benefit.

35. The Lessee has the right to:

1) require the Insurer to explain the terms of insurance, their rights and obligations under the Insurance Contract;

2) inform the Insurer of all circumstances known to it that are essential for the assessment of the Insurance Risk and the Insurer's decision to enter into an Insurance Contract;

36. The Lessee is obliged to:

1) immediately notify the Insurer of any significant changes in circumstances that may

significantly affect the increase in the Insurance Risk during the term of the Insurance Contract;

2) inform the Insurer about the change in the state of the Insurance Risk within the Insurance Contract validity period, immediately, but not later than 3 (three) business days from the moment when it became known;

3) to notify the Insurer about the occurrence of an event that has the signs of an Insured Event and/or which may result in an Insured Event, within the terms established by the Insurance Contract;

4) take measures to reduce the losses from the Insured Event;

5) provide the Insurer with all information available, allowing to judge the causes, progress and consequences of the Insured Event, the nature and extent of the loss caused;

6) properly fulfill their obligations under the Insurance Contract and in the occurrence of Insured Event;

7) pay off the Insurance Benefit arrears to the Insurer at the first request of the Insurer within the period specified in its written notification by transferring money to the Insurer's bank account, including paying off the arrears to the Insurer by self-sale of property owned by the Insurer with the prior written consent of the Insurer, which is not security for the Lessee's obligations to the Insurant, or after satisfying the Insurant's claims for the sale of collateral on other obligations;

8) not to prevent the Insurer from exercising the right of claim transferred to It;

9) provide the Insurer, within 3 (three) business days from the date of receipt of the Insurer's request, with all documents and information related to the repayment of the debt incurred by the Lessee to the Insurer;

10) upon request of the Insurant and/or the Insurer, provide its members with opportunity to check the target use of the Leasing Item, its availability and financial and economic activities of the Lessee by direct inspection of its production (commercial) objects and/or provision of documents and information about financial and economic activities, volume of exports, on the terms (time, volume) required for the Insurant and/or the Insurer;

11) immediately, but in any case no later than 5 (five) business days following the day of violation of the terms of the Finance Leasing Agreement, notify the Insurer and the Insurant in writing of all violations of the Finance Leasing Agreement, including the delay in payment (refund) of the Principal Debt and/or benefit provided for in the Finance Leasing Agreement;

12) if the Insurant submits claims for performance of obligations under the Finance Leasing Agreement, take all reasonable and available measures in the current situation to properly perform their obligations;

13) upon receipt of a written request from the Insurer to provide information on the performance of obligations under the Finance Leasing Agreement, including violations of the terms of the concluded Finance Leasing Agreement, within 5 (five) business days from the date of its receipt, submit the information specified in the request to the Insurer in writing;

14) if the Bank details and/or location change, notify the Insurer and the Insurant in writing within 3 (three) business days;

15) be liable to the Insurer with all its property (in the amount of the right of claim to the Lessee), after the Insurance Benefit is paid, including with the property that is collateral for the Lessee's obligations to the Insurant under the Finance Leasing Agreement;

16) transfer to the Insurer as a part of the Insurance Benefit paid, the entire amount of money received from non-judicial/judicial sale of the pledged property of the Lessee, but not more than the amount of the Insurance Benefit;

17) pay the Insurer a penalty of 0.01% (zero-zero one-hundredth of a percent) for each day of delay of the Insurance Benefit amount, in case of late repayment of debt on Insurance Benefit;

18) during the term of insurance coverage, fulfill all special conditions (specify special conditions, if they are not present, this condition is not filled in);

19) during the term of the Insurance Contract, the Lessee's authorized body should not make a decision on the payment of dividends/distribution of net profit, or actually pay dividends/distribution of net profit without obtaining the written consent of the Insurant and the

Insurer;

20) during the entire term of insurance coverage, not to release collateral under the Finance Leasing Agreement;

21) not to perform the following actions without the consent of the Insurant and the Insurer:

- conclusion of credit agreements, loan agreements, leasing agreements or other forms of raising funds on a refundable basis, surety agreements, guarantees, and third-party collateral;
- encumbrance of assets;
- reorganization in any form;
- making changes to the constituent documents;
- changing types of activities;
- payment of dividends;
- participation in any investment projects, except for the obligations of the Insurant.

37. The list of rights and obligations of the Parties to this Chapter is not exhaustive, individual obligations of the Parties are provided for in other chapters of these Regulations, and may be expanded in the Insurance Contract.

Chapter 10. Monitoring

38. Leasing agreement, for which the insurance coverage is provided in the framework of these Regulations, shall contain provisions stipulating right of the Lessor to execute control over performance of provisions of the Leasing Agreement by the Lessee during the whole validity period of the Insurance Contract, and to request documents from the Lessee, complying with requirements for confidentiality of a commercial secret.

39. The Insurance Contract must contain conditions stipulating the obligations of both the Lessor and the Lessee to provide copies of contracts, payment orders, and other documents requested by the Insurer for monitoring purposes, certified by the Lessor, upon the written request of the Insurer.

Chapter 11. Consequences of increased Insurance Risk within the Insurance Contract validity period

40. During the period of validity of the Insurance Contract, the Insurant is obliged to inform the Insurer in writing no later than 5 (five) business days from the moment when it became aware of significant changes in the circumstances reported to the Insurer at the conclusion of the Insurance Contract, if these changes may affect the increase in the Insurance Risk.

41. Significant changes in any case are the following:

- 1) changes of provisions of the Leasing Agreement;
- 2) change of parties under the Leasing Agreement.

Insurance Contract may also stipulate other significant changes affecting the increase of Insurance Risk.

42. The Insurer, notified on circumstances leading to increase of the Insurance Risk, has the right to demand changes of provisions of the Insurance Contract and payment of an additional Insurance Premium in proportion to the increase of the insurance risk.

43. If the Insurant has objections in relation to changes of the Insurance Contract or additional Insurance Premium, the Insurer is entitled to demand termination of the Insurance Contract in accordance with the legislation of the Republic of Kazakhstan. In this case the Insurer shall return to the Insurant a part of the premium in proportion of the remaining insurance period less of 20% (costs for the case).

44. If the Insurant fails to comply with the obligation provided for in clause 40 hereof, the Insurer shall be entitled to demand termination of the Insurance Contract and compensation for

losses caused by termination of the Insurance Contract, or upon the occurrence of an Insured event, to reduce the amount of the Insurance Benefit in proportion to the increase in the Insurance Risk, or refuse to pay the Insurance Benefit.

45. The Insurer has the right to refuse to pay the Insurance Benefit if the cause of the Insured Event was the changes specified in paragraph 41 of these Regulations, and the Insurant did not notify the Insurer of them within the period specified in clause 40 of these Regulations.

Chapter 12. Actions of the Insurant in case of occurrence of the insured event

46. The Insurant shall be liable for proving occurrence of Insured Event and caused losses.

47. Upon the occurrence of any event that has signs of an Insured Event and/or which may result in occurrence of an Insured Event - non-performance (improper performance) of obligations by the Lessee under the Leasing Agreement, the Insurant is obliged:

1) within a period not exceeding 15 (fifteen) calendar days to inform the Insurer in a way that allows to determine the date of sending a message about any event that has the signs of an Insured Event and/or which may result in occurrence of the Insurer's obligation to pay the Insurance Benefit (about the claims of the Lessor, summons to the court, claim statement issue on non-performance (improper performance) of the Leasing Agreement), and to provide the Insurer with required information and documentation regarding all circumstances of the case, in particular, the information, documents received in connection with this event, including the names and addresses of persons, involved in the event, including plaintiffs;

2) in case of judicial settlement of the dispute, not to interfere with the right of the Insurer to enter into the case as a "Third person who does not declare independent claims" before the court's decision, as well as to apply to the court for involvement of the Insurer in the case as a "Third person who does not declare independent claims";

3) before and during the trial not to perform any actions, not to make declarations on the merits of the case in relation to the Insured Item without prior approval of the Insurer;

4) within 30 (thirty) days from the date of occurrence of the Insured Event (effective date of the court act), to inform the Insurer on that fact in form of the application on occurrence of the Insured Event with attachment of documents listed in clause 52 of these Regulations.

48. Failure to notify or untimely notification of the Insurer about Insured Event gives the Insurer the right to deny Insurance Benefit, unless proven that the Insurer has learned timely about the occurrence of the Insured Event or the Insurer's lack of information about it could not affect its obligation to pay Insurance Benefit, as well as in the presence of valid reasons and provide appropriate documents.

49. The Insurant is obliged not to take any actions directed against the interests of the Insurer, as well as: not to accept any obligations, not to recognize liability, not to accept any offers, not to make any compromise payments related to this Insured Event, without the written consent of the Insurer.

50. The Insurant is obliged to provide the Insurer (at the request of the latter) with its powers in the settlement of claims in pre-trial and judicial proceedings.

Chapter 13. List of documents confirming the occurrence of an Insured Event and the amount of losses

51. The claim for Insurance Benefit to the Insurer is submitted by the Insurant in writing with the attachment of documents justifying the corresponding claim,

52. Documents confirming the occurrence of the Insured Event and the amount of Loss are the following:

1) claim for an Insured Event in accordance with the form posted on the Insurer's corporate

Internet resource;

- 2) copy of the Insurance Contract;
- 3) copy of the Finance Leasing Agreement;
- 4) notarized copy of the Insurant's written request (notification) to the Lessee about the need for compensation (payment) by the Lessee of the Loss in accordance with the terms of the Finance Leasing Agreement, with the attachment of documents provided for in the terms of the Finance Leasing Agreement;
- 5) certificate of the Insurant on the loan debt of the Lessee under the Finance Leasing Agreement;
- 6) notarized copies/copies of materials from the credit dossier if there is a corresponding requirement of the Insurer. In this case the Insurer shall provide the specified list of documents required, at the opinion of the Insurer, for consideration of the application for occurrence of the Insured Event;
- 7) calculation of the amount of Loss with indication of the Insurant's Bank details for payment of the Insurance Benefit;
- 8) copy of contracts of pledge, mortgage, guarantee, surety, and other agreements that are collateral under a Finance Leasing Agreement (if any);
- 9) copy of the statement of claim (if any);
- 10) court ruling on initiation of civil proceedings on the claim of the Insurant, on recovery from the Lessee of the amount owed under the Finance Leasing Agreement (if any);
- 11) original court decision on recovery of the amount of the Lessee's debt under the Finance Leasing Agreement (if any);
- 12) other documents confirming the cause and amount of the Loss.

Chapter 14. Insurance Benefits payment procedure and conditions

53. Upon the receipt of the written statement from the Insurant about the occurrence of an event that has the signs of an Insured Event and providing the documents necessary for Insurance Benefit, after the expiration of the Deferred Period specified in the Insurance Contract, the Insurer shall perform the following actions within 10 (ten) business days:

- 1) establishes the fact of occurrence of the event having the signs of the Insured Event; checks the compliance of the information given in the application of the Insurant; determines the fact and causes of the event;
- 2) determines the amount of Insurance Benefit and draws up the certificate on the Insured Event when the case is recognised as the Insured Event.

54. The Insurance Benefit is paid by the Insurer on the basis of the Insurant's written application for payment, submitted documents and the Insured Event report.

55. The Insurance Benefit is paid in the amount of the Loss caused to the Insurant, minus the Unconditional Franchise. The procedure for deducting an Unconditional Franchise is determined by the Insurance Contract.

56. The Insurer shall be exempted from paying Insurance Benefit in respect of those losses that have arisen due to the fact that the Insurant had not intentionally taken reasonable and available measures to reduce possible losses.

57. The Loss is determined in the amount of no more than the amount of the Principal Debt under the Finance Leasing Agreement.

58. Expenses incurred by the Insurant for prevention or reduction in losses shall be indemnified by the Insurer, if such expenses were necessary or incurred to implement the Insurer's instructions, even if the relevant measures proved to be unsuccessful. Such expenses are reimbursed in actual amounts, but so that the total amount of Insurance Benefit and compensation for expenses does not exceed the Insurance Benefit stipulated in the Insurance Contract, if the expenses arose as a result of the Insurant's execution of the Insurer's instructions, they are reimbursed in full,

regardless of the Insured Amount.

Chapter 15. Terms for taking decision on insurance payment or refusal in Insurance Benefit

59. The Insurer, after receiving the necessary documents for decision making about Insurance Benefit or refusal to pay it, within 10 (ten) business days, shall make a decision on Insurance Benefit or refusal to pay the Insurance Benefit, as reported to the Insurant in writing. If the Insurer decides to refuse in payment of the Insurance Benefit, it justifies the reason for the refusal in writing.

60. The Insurer shall pay the Insurance benefit to the Insurant within 10 (ten) business days upon taking the decision on Insurance Benefit, or within the period agreed by the Parties.

61. The following may be grounds for the Insurer's refusal to pay Insurance Benefit, in addition to other grounds specified in these Regulations:

- 1) communication by the Insurant to the Insurer of knowingly false information about the Insured Object, Insurance Risk, Insured Event and its consequences;
- 2) deliberate failure of the Insurant to take measures for reduction in losses occurred due to the Insured Event;
- 3) receipt of relevant reimbursement of loss by the Insurant from a person guilty of losses;
- 4) the Insurant impeding the Insurer from investigating the circumstances of the Insured Event and determining the amount of the loss caused;
- 5) the Insurant impeding the right of the Insurer to enter into the case as a "Third party who does not make independent claims";
- 6) violation by the Insurant of the provisions of these Regulations or the Insurance Contract.

62. The Insurer shall be liable for late payment of the Insurance Benefit in accordance with Article 353 of the Civil Code of the Republic of Kazakhstan.

63. The Insurer may spread the payment of the Insurance Benefit in case the law enforcement bodies instituted criminal case against the Insurant or its representatives, and there is an investigation of circumstances, up to the dismissal of criminal case at the stage of inquiry or preliminary investigation in case of unproven participation of the Insurant in committing a crime, entry of judgement of acquittal to the Insurant, and the absence of illegality in actions of the Insurant in accordance with the Criminal Legislation of the Republic of Kazakhstan, if such actions are associated with the circumstances that caused the Insured Event. A deferral in the Insurance Benefit also occurs when the courts of appeal, higher instances of the court decisions of a lower instance re-examine the case.

64. The Insurer's refusal to pay an Insurance Benefit may be appealed by the Insurant in court under the jurisdiction of the actual location of the Insurer's office.

Chapter 16. Conditions of termination of the Insurance Contract

65. After payment of the Insurance Benefit the Insurance Contract effect continues during the period of coverage. The Insurance Amount is reduced by the amount of Insurance Benefit paid, and cannot be more than the amount of the Principal Debt under Finance Leasing Agreement at the time of payment of Insurance Benefit. The Insurance Contract shall be terminated in case of payment of the Insurance Benefit in full amount of coverage.

66. The Parties have the right to terminate the Insurance Contract with the consent of the other parties to the Contract by concluding a separate agreement of the Parties.

67. The Insurance Contract is terminated prematurely under one of the following circumstances:

- 1) Insurance Object ceased to exist;

- 2) likelihood of occurrence of Insured Event has disappeared, and the existence of the insured risk has ceased due to circumstances other than the Insured Event;
- 3) entry into force of the court decision on compulsory liquidation of the Insurer, except for the cases provided by the Law of the Republic of Kazakhstan "On Insurance Activities";
- 4) if within 30 (thirty) calendar days after the suspension of Insurance Coverage under the Insurance Contract, the Insurant has not received the Insurance Benefit (overdue Insurance Premium and/or the next Insurance Premium, if such payment is due);
- 5) in other cases stipulated by the legislation of the Republic of Kazakhstan.

In these cases, the Insurance Contract shall be deemed terminated from the moment of occurrence of the circumstances provided for by this clause as a basis for termination of the Insurance Contract, for which an interested party shall immediately, but not later than 10 (ten) business days notify the other party in writing with the provision of copies of supporting documents. In this case, such a written notification is sufficient documentary evidence of the termination of the Insurance Contract, and the Insurer shall have the right for a part of the Insurance Premium, in proportion to the time during which the coverage was valid.

68. In cases when early termination of the Insurance Contract is caused by failure to comply with terms and conditions due to the fault of the Insurer, the latter shall return paid Insurance Premium or Insurance Payments to the Insurant in full.

Chapter 17. Subrogation

69. The Insurer who has paid the Insurance Benefit shall be entitled to claim up to the amount paid by the Insurant to the person responsible for the losses, reimbursed as a result of the insurance.

70. Upon receipt of the Insurance Benefit, the Insurant shall hand over to the Insurer all documents and evidence available without delay and provide all information required to the Insurer to exercise the assigned right of claim.

71. The indemnities, made by the person responsible for the losses or by a third party for repayment of the loss arising from the Insured Event, shall belong to the Insurer upon payment of the Insurance Benefit. The Insurant is obliged to inform the Insurer on such indemnities and to transfer them to the Insurer within 5 (five) calendar days from the date of receipt;

72. If the Insurant waives his right to claim against the person responsible for the losses reimbursed by the Insurer, or the exercise of this right becomes impossible due to the fault of the Insurant, the Insurer is exempted from paying the Insurance Benefit in full or in the corresponding part and is entitled to demand the return of the excessively paid amount.

Chapter 18. Additional Conditions.

73. By agreement of the Parties, the Insurance Contract concluded in accordance with these Regulations may include additional conditions (insurance clauses, definitions, exceptions, etc.).

74. All changes and additions to the Insurance Contract are legally binding provided that they are made in writing and signed by authorized representatives of the Parties.

Chapter 19. Dispute settlement procedure

75. Disputes arising from the Insurance Contract concluded based on these Regulations shall be considered directly by the Parties through negotiations.

76. The Parties to the Insurance Contract in case of non-settlement of the dispute by negotiations before applying to the judicial authorities are obliged to send the other Party a written

claim, with justification of the reasons for the dispute.

77. The claim is subject to review within two weeks.

78. If the claim was rejected in full or in part, or the response to the claim was not received after the expiration of the period specified in clause 77 of these Regulations, the Party has the right to apply to the court of jurisdiction at the actual location of the Insurer's executive body.