



On approval of the standard insurance agreement of professional liability of lawyers

Unofficial translation

Order of the Minister of Justice of the Republic of Kazakhstan of September 27, 2018 No. 1455. Registered with the Ministry of Justice of the Republic of Kazakhstan on October 9, 2018 No. 17514.

Unofficial translation

In accordance with subparagraph 19) of Article 23 of the Law of the Republic of Kazakhstan dated July 5, 2018 "On Advocacy and Legal Assistance" **I HEREBY ORDER:**

1. To approve the enclosed Lawyers Professional Liability Insurance Standard Agreement .
2. In accordance with the procedure established by legislation, the Department for Registration Service and the Organization of Legal Services of the Ministry of Justice of the Republic of Kazakhstan shall ensure:
 - 1) state registration of this Order;
 - 2) within ten calendar days from the date of state registration of this Order, sending the copy hereof both in Kazakh and Russian languages to the Republican State Enterprise on the Right of Economic Management "Republican Center of Legal Information" for official publication and inclusion in the Reference Control Bank of Regulatory Legal Acts of the Republic of Kazakhstan;
 - 3) the placement of this Order on the Internet resource of the Ministry of Justice of the Republic of Kazakhstan after its official publication.
3. Control over the execution of this Order shall be entrusted to the supervising Deputy Minister of Justice of the Republic of Kazakhstan.
4. This Order shall enter into force on January 1, 2020 and shall be subject to official publication.

The Minister

M. Beketayev

"AGREED"

the National Bank of the
Republic of Kazakhstan
" ____ " _____ 2018.

Approved by Order
Minister of Justice of the
Republic of Kazakhstan № 1455
of September 27, 2018,

Standard agreement of lawyers professional liability insurance

City, region _____ series _____ № _____ " ____ " _____ 20 _____
_____, hereinafter referred to as

(name of the insurer)

Insurer "acting on the basis of _____, represented by

(last name, first name, patronymic (if any) of the representative of the insurer) as the party
of the first part, and the lawyer, hereinafter referred to as the “Insurer”, represented by

(last name, first name, patronymic (if applicable) of the lawyer)

Member of the Bar _____

(name of board)

as the party of the second part, collectively referred to as the Parties, and separately - the
Party

on the basis of the Civil Code of the Republic of Kazakhstan (the Special Part) (hereinafter referred to as the Civil Code) of July 1, 1999, Law of the Republic of Kazakhstan dated July 5, 2018 "On Advocacy and Legal Assistance", (hereinafter referred to as the Law), the Law of the Republic Kazakhstan dated December 18, 2000 "On Insurance Activities" have concluded this Lawyers Professional Liability Insurance Agreement (hereinafter referred to as the Agreement) as follows.

Chapter 1. Basic concepts used in the Agreement

1. This Agreement shall use the following basic concepts:

1) Beneficiary - a person who, in accordance with this Agreement, is the recipient of the insurance payment;

2) Insurer - a legal entity registered as an insurance organization and having a license to carry out insurance activities, is obliged to make an insurance payment to the person in whose favor this Agreement (Beneficiary) is reached, within the limits of the amount (sum insured);

3) Insurant is a lawyer who has entered into this Agreement with the Insurer;

4) Insured - the person in respect of whom the insurance is provided. In this agreement, the Insurant is also the insured.

4-1) Insurable interest is the property interest of the policyholder (insured person, beneficiary) in preventing risks and preventing the occurrence of an insured event, except for events that may be provided for in the accumulation insurance contract.

5) insurance object - the property interests of the Insurant (insured person) related to his/her duty in the manner prescribed by the legislation of the Republic of Kazakhstan to compensate for damage caused to a person who is provided with legal assistance in accordance with the agreement in connection with the implementation of advocacy;

6) insurance amount - the amount of money for which the insured object is insured and which represents the insurer's maximum amount of liability in case of an insured event;

7) insurance premium - the amount of money that the Insurant is obliged to pay to the Insurer for the latter to make an obligation to arrange an insurance payment to the Beneficiary in the amount specified by this Agreement;

8) an insurance payment - the amount of money paid by the Insurer to the Beneficiary within the insured amount upon the occurrence of the insured event;

9) a third party is a person who is not a party to the Agreement, to whom a lawyer has been provided legal assistance in accordance with the agreement, and an unintentional violation of professional obligations by the lawyer caused damage to property interests.

Footnote. Paragraph 1 as amended by Order № 539 of the acting Minister of Justice of the Republic of Kazakhstan dated 08.11.2019 (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Chapter 2. Subject of the agreement

2. Under this Agreement, the Insurant shall transfer, and the Insurer shall accept for insurance the property interests of the Insurant (insured person) related to his/her duty in the manner prescribed by the legislation of the Republic of Kazakhstan to compensate the damage caused to third parties who receive legal assistance in accordance with the agreement as the result of the implementation of advocacy.

Chapter 3. Size of the amount insured and insurance premium

3. The insurance amount under this Agreement shall be established KZT at _____ (amount in words) in accordance with paragraph 5 of Article 36 of the Law.

4. The insurance premium in the amount of KZT _____ (amount in words) will be paid in a lump sum payment within 5 (five) working days from the date of signing of the Agreement by the Parties or their authorized representatives by transferring money to the Insurer's bank account or in cash to the Insurer's cashier.

5. The day of payment of the insurance premium shall be the day when the money is received in the bank account or in the cash office of the Insurer.

Chapter 4. Conditions and procedure for the payment of insurance

6. The claim for insurance payment to the Insurer shall be made by the Insurant or by a third party in writing with the attachment of documents confirming the occurrence of the insured event.

7. Insurance payment shall be made in the national currency of the Republic of Kazakhstan (tenge).

8. Insurance payment shall be made by the Insurer within 15 (fifteen) business days after receipt of all necessary documents from the Insurant.

Chapter 5. Insurance Cases

9. The insured event under this Agreement shall be the occurrence of civil liability of the Insurant for compensation for damage to the property interests of third parties who are provided with legal assistance in accordance with the agreement as a result of professional mistakes made by the insured person in rendering legal assistance.

10. Professional errors shall be understood to mean:

- 1) failure to meet procedural deadlines;
- 2) incorrect preparation of documents;
- 3) failure to inform the person to whom legal assistance is provided under the contract of the consequences of legal actions taken that have caused him/her harm;
- 4) loss or damage to documents received by the Policyholder (Insured Person) from the client for the purpose of providing legal assistance;
- 5) unlawful disclosure of information constituting attorney-client privilege.

Footnote. Paragraph 10 revised by Order of the Acting Minister of Justice of the Republic of Kazakhstan dated 08.11.2019 № 539 (shall enter into force ten calendar days after the date of its first official publication).

11. An insured event shall be considered to have occurred if the harm caused to third parties who receive legal assistance in accordance with the agreement is the result of an unintentional violation by the Insurant (Insured) of professional duties.

12. The burden of proving the occurrence of an insured event and the losses caused by it lies with the policyholder (beneficiary, insured person).

Footnote. Paragraph 12 as revised by Order of the Acting Minister of Justice of the Republic of Kazakhstan dated 08.11.2019 № 539 (shall take effect ten calendar days after the date of its first official publication).

Chapter 6. Rights and Obligations of the Parties

13. The Insurer shall be entitled to:

- 1) request from the competent organizations the documents confirming the fact of the insured event;
- 2) upon the occurrence of an insured event, determine the amount of damage caused and determine the amount of insurance payment;

14. The Insurer shall:

- 1) ensure the secrecy/confidentiality of insurance;
- 2) provide the opportunity to pay the insurance premium by a wire transfer via the Insurer's Internet resource (in case of entering into an insurance agreement in electronic form) ;
- 3) upon the occurrence of an insured event, to make an insurance payment;
- 4) pay for the services of the appraiser (independent expert) involved by him/her;

5) if there are insufficient documents confirming the occurrence of the insured event and the amount of damage to be compensated by the Insurer, within 3 (three) working days from the date of their receipt, inform the applicant about this with an indication of the full list of missing and (or) incorrectly executed documents;

6) if the Insurant or a third party who is the Beneficiary fails to submit all the documents necessary for making the insurance payment, the Insurer is obliged to notify the Policyholder in writing of the missing documents within 3 (three) working days;

7) upon receipt of the application from the Insurant (Beneficiary), consider the requirements of the Insurant (Beneficiary) and provide a written response indicating the further procedure for settling the dispute within 5 (five) business days;

8) upon receipt from the Insurant (Beneficiary) of the application sent to the insurance ombudsman, redirect this application, as well as the documents attached thereto to the insurance ombudsman within 3 (three) working days from the date of receipt.

15. The Insurant shall be entitled to:

1) require the Insurer to clarify the insurance conditions, its rights and obligations under the Agreement;

2) send a written application to the Insurer (including through a branch, representative office) stating the requirements and attaching documents confirming its requirements, or send a statement to the insurance ombudsman (directly to the insurance ombudsman, either through the Insurer, including its branch, representative office) or court to resolve disputes arising from the agreement.

16. The Insurant shall:

1) pay insurance premiums in the amount, manner and terms established by the Agreement;

2) take measures to reduce losses from the insured event;

3) immediately, but no later than 5 (five) working days, as he/she becomes aware of the fact that the third party filed claims for compensation for the harm/damage caused by the provision of legal aid by the lawyer, notify the Insurer in an accessible way (verbally, in writing). The verbal message shall be subsequently (within seventy-two hours) confirmed in writing. If the Insurant for valid reasons has not been able to perform these actions, he/she shall confirm this by providing supporting documents;

4) provide the Insurer with all the documents necessary for receiving the insurance payment;

5) to provide the information necessary for concluding an insurance agreement (history of losses paid to a third party in connection with the provision of legal aid, documents identifying the Insurant and confirming his powers as a lawyer);

6) provide documentation of the insured event, including documents confirming the payment for legal assistance of a lawyer.

17. The Insurer shall also have other rights and obligations provided for by the legislative acts of the Republic of Kazakhstan and this Agreement.

18. The Insurant shall have other rights and obligations provided for by the legislative acts of the Republic of Kazakhstan and this Agreement;

Chapter 7. Grounds for exemption of the Insurer from insurance payments

19. The Insurer shall have the right to fully or partially refuse the insurance payment if the insured event occurred as a result of:

1) intentional actions of the Insurant, the Insured and (or) the Beneficiary, aimed at the occurrence of the insured event or contributing to its occurrence, with the exception of actions performed in the state of necessary defense and (or) extreme necessity;

2) the Insurant, the Insured and (or) the Beneficiary, recognized in the manner prescribed 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;

3) actions of third parties aimed at the occurrence of an insured event or contributing to its occurrence;

4) actions of third parties recognized in the manner prescribed by the legislative acts of the Republic of Kazakhstan, intentional criminal or administrative offenses that are in a causal relationship with the insured event;

5) the provision by a lawyer of legal assistance without concluding an agreement on the provision of legal assistance, as well as without other documents within the framework of the provision of legal services within the framework of state guaranteed legal assistance;

6) the implementation of advocacy in the period of termination or suspension of a license or membership in a bar association.

20. The following may also be grounds for the Insurer's refusal to make insurance payments:

1) the Insurant shall inform the Insurer of knowingly false information about the insurance object, insurance risk, insurance case and its consequences;

2) the deliberate failure of the Insurant to take measures to reduce losses from the insured event;

3) the Insurant hinders the Insurer in investigating the circumstances of the insured event and in determining the amount of harm/damage caused;

4) failure to notify the Insurer of the occurrence of the insured event;

5) the failure of the Insurant of his/her right to claim 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 to the Insurer of the right of claim. If the insurance indemnity has already been paid, the Insurer has the right to demand its return in full or in part;

6) other cases stipulated by legislative acts.

21. Failure to notify or untimely notify the Insurer on the occurrence of the insured event shall give him/her the right to refuse the insurance payment, unless it is proved that the Insurer learned of the occurrence of the insured event in a timely manner or the Insurer's lack of information about it, cannot not affect his/her obligation to make the insurance payment.

22. If there are grounds for refusal of the insurance payment, the Insurer shall, within 7 (seven) working days from the date of receipt of the documents, send to the person who submitted the insurance payment application the corresponding decision on the full or partial refusal of the insurance payment in written form with a justified reasons for failure.

Chapter 8. Force Majeure

23. The parties shall be exempt from the liability for partial or complete non-fulfillment of obligations under this Agreement if proper performance is impossible due to force majeure, including natural disasters, military actions, effects of a nuclear explosion, strikes, public unrest, as well as prohibitive measures provided for in legal acts of state bodies of the Republic of Kazakhstan, if these circumstances directly affect the fulfillment by the Parties of their obligations specified hereunder.

24. The Party for which the impossibility of fulfilling obligations under this Agreement due to force majeure circumstances is created, shall be obliged to notify the other Party in writing no later than 5 (five) working days from the moment of their occurrence and to provide relevant evidence.

25. The effect of force majeure shall be confirmed by the relevant documents of the competent state bodies and organizations or through official state media.

26. Inadequate notification shall deprive the Party of the right to refer to any of the above circumstances as a basis for exemption from liability for failure to fulfill or improper performance of obligations under this Agreement.

27. If force majeure circumstances continue for more than one month, either of the Parties shall have the right to terminate this Agreement unilaterally.

Chapter 9. Term and place of validity of the agreement

28. This Agreement shall enter into force and shall become obligatory for the Parties from the date of the payment of the insurance premium by the Insurant and shall be valid until "___" _____ 20__.

29. The period of validity of insurance protection shall coincide with the term of the Agreement.

30. In accordance with this Agreement, the venue of the Agreement shall be the territory of the Republic of Kazakhstan.

Chapter 10. Amendment and Termination of an Agreement

31. All amendments and additions to the Agreement shall be legally binding subject to their written execution and signing by the Parties or their authorized representatives.

32. The validity of this Agreement shall terminate in the following cases:

1) the expiration of this Agreement;

2) the payment of insurance in the event of an insured event specified in Chapter 5 of this Agreement during its term.

33. Termination of this Agreement shall not relieve the Insurer from the obligation to make insurance payments to the Beneficiary for insured events recognized in subsequent insurance cases that occurred during the term of this Agreement. The insurance payment shall be made by the Insurer who enters into this Agreement, during which the insured event occurred.

34. The agreement may be terminated prematurely in cases established by the Civil Code.

Chapter 11. Liabilities of the Parties

35. In case of non-fulfillment or improper fulfillment by the Parties of their obligations undertaken under this Agreement, the Parties shall bear responsibility established by the legislative acts of the Republic of Kazakhstan.

Chapter 12. Final Position

36. All disputes arising between the Parties under this Agreement shall be resolved through negotiations.

37. Disagreements on which the Parties do not reach an agreement shall be resolved in court in accordance with the legislation of the Republic of Kazakhstan.

Chapter 13. Details of the parties

"INSURER"

Name: _____

Address: _____

Business - identification number _____

Individual identification code _____

Bank identification code _____

Type of economic activity _____

Sector code _____

"INSURANT"

Surname, name, patronymic (if any): _____

Address: _____

Individual identification number _____

Contact phone number _____

Number and date of issue of a lawyer's certificate _____

Number and date of issuance of an identity document _____

Number and date of issue of a license to practice law _____

Contact phone number _____

(signature, surname, initials)

(signature, surname, initials)

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the Republic of Kazakhstan