



**On the establishment of requirements for the minimum size of the authorized and equity capital of an insurance broker, the procedure for forming the assets of a branch of an insurance broker-a non-resident of the Republic of Kazakhstan, accepted as a reserve, and their minimum size, and approval of the Rules for carrying out the activities of an insurance broker**

*Unofficial translation*

Resolution of the Board of the National Bank of the Republic of Kazakhstan of October 29, 2018 No. 270. Registered in the Ministry of Justice of the Republic of Kazakhstan on November 30, 2018 No. 17836.

Unofficial translation

**Footnote. Title as amended by Resolution No. 28 of the Board of the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan dated 12.02.2021 (shall be enforced from the date of its first official publication).**

In accordance with the Law of the Republic of Kazakhstan “On Insurance Activity” as of December 18, 2000, the Board of the National Bank of the Republic of Kazakhstan hereby **RESOLVES:**

1. Establish the following requirements for the formation of the authorized and equity capital of an insurance broker:

1) the minimum size of the authorized capital of a newly created insurance broker in the organizational and legal form of a limited liability partnership or joint-stock company is not less than the size provided for in paragraph 2 of Article 23 of the Law of the Republic of Kazakhstan "On Limited and Additional Liability Partnerships "and Article 10 of the Law of the Republic of Kazakhstan" On Joint-Stock Companies", respectively;

2) the minimum amount of equity capital of an insurance broker is not less than the following values (in monthly calculation indices, the amount of which is established by the Law of the Republic of Kazakhstan on the republican budget for the corresponding financial year)::

for an insurance broker that mediates the conclusion of insurance contracts on its own behalf and on behalf of the policyholder – 3,500 (three thousand five hundred);

for an insurance broker that mediates the conclusion of reinsurance contracts on its own behalf and on behalf of the reinsurer (assignor) – 80,000 (eighty thousand);

3) in the case of a combination of two types of insurance contracts: types of brokerage activities the minimum amount of equity capital of an insurance broker is not less than the amount established in relation to the activities of an insurance broker for the conclusion of reinsurance contracts.

A footnote. Item 1 - as amended by Resolution No. 72 of the Board of the Agency for Regulation and Development of the Financial Market of № 72 the Republic of Kazakhstan dated 14.06.2021 (shall be enforced upon the expiry of ten calendar days after the date of its first official publication).

1-1. For the purposes of applying paragraph 1 of this Resolution to a branch of a non-resident insurance broker of the Republic of Kazakhstan, authorized and own capital are understood as assets accepted as a reserve.

A footnote. The Resolution is supplemented by paragraph 1-1 in accordance with the resolution of the Board of the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan dated 12.02.2021 No. 28 (shall be enforced from the date of its first official publication).

2. To approve the appended Rules for the insurance broker's activity.

3. To invalidate regulatory legal acts of the Republic of Kazakhstan, as well as structural elements of some regulatory legal acts of the Republic of Kazakhstan from the List in the appendix to this resolution.

4. Insurance brokers with a license for the insurance broker's activity issued by the National Bank of the Republic of Kazakhstan shall bring their activity in compliance with subparagraph 3) of paragraph 1 of this resolution before May 1, 2019.

5. In accordance with the procedure established by the legislation of the Republic of Kazakhstan, the Department of Regulation of Non-Bank Financial Institutions (A. M. Kosherbayeva) shall:

1) together with the Legal Department (N.V.Sarsenova) ensure state registration of this resolution with the Ministry of Justice of the Republic of Kazakhstan;

2) within ten calendar days of the state registration of this resolution, send it in Kazakh and Russian to the Republican State Enterprise with the Right of Economic Management "Republican Center of Legal Information" for its official publication and inclusion into the Reference Control Bank of Regulatory Legal Acts of the Republic of Kazakhstan;

3) place this resolution on the official website of the National Bank of the Republic of Kazakhstan after its official publication;

4) within ten working days of the state registration of this resolution, submit information on the implementation of measures, provided for in subparagraphs 2), 3) of this paragraph and paragraph 6 of this resolution, to the Legal Department.

6. Within ten calendar days of the state registration of this resolution, the Directorate of Protection of the Rights of Consumers of Financial Services and External Communications (A.L. Terentyev) shall send its copy to print periodicals for official publication.

7. Control over execution of this resolution shall be entrusted to the Deputy Chairman of the National Bank of the Republic of Kazakhstan, Zh.B. Kurmanov.

8. This resolution comes into force on January 1, 2019, with the exception of subparagraph 2) of paragraph 1 of the resolution, which comes into force on July 1, 2021, and is subject to official publication.

**A footnote. Item 8 - as amended by Resolution No. 72 of the Board of the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan dated 14.06.2021 № 72 (shall be enforced upon the expiry of ten calendar days after the date of its first official publication).**

*Chairman of the National Bank*

*D.Akishev*

Approved by  
Resolution № 270  
of the Board of the  
National Bank of the  
Republic of Kazakhstan  
as of October 29, 2018

## **Rules for the insurance broker's activity**

### **Chapter 1. General provisions**

1. These Rules for carrying out the activities of an insurance broker (hereinafter referred to as the Rules) are developed in accordance with the Law of the Republic of Kazakhstan dated December 18, 2000 "On Insurance Activities" (hereinafter referred to as the Law) and define the conditions and procedure for carrying out the activities of an insurance broker.

The provisions of the Rules applicable to insurance brokers apply to branches of non-resident insurance brokers of the Republic of Kazakhstan operating in the territory of the Republic of Kazakhstan on the basis of a license issued by the authorized body.

**A footnote. Paragraph 1 as amended by Resolution No. 28 of the Board of the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan dated 12.02.2021 (shall be enforced from the date of its first official publication).**

2. The Rules use the concepts provided for in Resolution № 203 of the Board of the National Bank of the Republic of Kazakhstan as of August 27, 2018 "On Approval of the Rules for and Peculiarities of Reinsurance Activity, as well as Insurance (Reinsurance) Pool", registered in the Register of State Registration of Regulatory Legal Acts under № 17460, and also the concepts such as:

1) reinsurance cover - a document issued by an insurance broker to confirm the acceptance of a reinsurance slip with regard to the risk portion (part of insurance coverage) and reinsurance conditions, for which reinsurance coverage is provided by a reinsurer (group of reinsurers, reinsurance pool), where the insurance broker makes a relevant note confirming the risk placement on the conditions specified therein;

2) reinsurance slip - a document issued by an insurance broker or an insurance broker that is a non-resident of the Republic of Kazakhstan and sent to a potential reinsurer (group of reinsurers, reinsurance pool) as an offer of providing reinsurance coverage for the risk portion

(part of insurance coverage) on reinsurance conditions specified in this document, where each reinsurer or a lead reinsurer (with the largest risk portion), or a person acting as a lead reinsurance company (if risk is transferred to the reinsurance pool), in case of acceptance, makes a relevant note confirming risk acceptance.

The note of a reinsurer, a lead reinsurer, a person acting as a lead reinsurer (if risk is transferred to the reinsurance pool) confirming risk acceptance stands for a signature and a stamp (if any), a seal (if any, for reinsurers that are non-residents of the Republic of Kazakhstan, insurance brokers that are non-residents of the Republic of Kazakhstan);

3) insurance cover - a document issued by an insurance broker to confirm the acceptance of an insurance slip with regard to the risk portion (part of insurance coverage) and insurance conditions, for which insurance coverage is provided by an insurer (group of insurers), where the insurance broker makes a relevant note confirming the risk placement on the conditions specified therein;

4) insurance slip - a document issued by an insurance broker and sent to a potential insurer (group of insurers, insurance pool) as an offer of providing insurance coverage for the risk portion (part of insurance coverage) on insurance conditions specified in this document, where each insurer or a person managing and conducting business affairs of all the insurance pool participants (if risk is transferred to the insurance pool), in case of acceptance, makes a relevant note confirming risk acceptance.

The note of an insurer, a person managing and conducting business affairs of all the insurance pool participants (if risk is transferred to the insurance pool), confirming risk acceptance stands for a signature and a stamp (if any), a seal (if any, for insurers that are non-residents of the Republic of Kazakhstan);

5) authorized body - an authorized body for regulation, control and supervision of the financial market and financial institutions;

6) facultative reinsurance - a form of reinsurance whereby a ceding insurer (cedent), at its own discretion, transfers the insured risk for reinsurance to a reinsurer, and the latter either accepts this risk or refuses to do so.

## **Chapter 2. Conditions and procedure for the insurance broker's activity**

3. The insurance broker carries out types of the brokerage activity and other insurance broker's activity provided for in paragraphs 2 and 3 of Article 17 of the Law, given a relevant license.

4. The insurance broker fulfills his/her/its obligations exactly as required by a contract he/she/it entered into with clients and in compliance with the requirements of the legislation of the Republic of Kazakhstan on insurance and insurance activity.

5. The itemized list of the insurance broker's rights and obligations, as well as his/her/its liability for their fulfillment to the policyholder, the ceding insurer (cedent) is specified by the contract concluded by them.

6. The binding terms of the contract concluded between the insurance broker and the policyholder, ceding insurer (cedent) are as follows:

1) the insurer's provision of information in the manner and on the conditions provided for by Article 832 of the Civil Code of the Republic of Kazakhstan (Special Part) as of July 1, 1999;

2) dates of transferring insurance premiums from the policyholder, the ceding insurer (cedent) to the bank account of the insurer (reinsurer, reinsurer that is a non-resident of the Republic of Kazakhstan) and insurance benefits from the insurer (reinsurer, reinsurer that is a non-resident of the Republic of Kazakhstan) to the bank account of the policyholder, ceding insurer (cedent), beneficiary;

3) the procedure for mutual settlements between the insurance broker and the policyholder, ceding insurer (cedent);

4) the conditions and procedure for paying the commission to the insurance broker.

7. To enter into an insurance contract on his/her/its own behalf and by order of the policyholder, the insurance broker shall receive information specified in paragraph 16 of the Rules from at least three insurers licensed for the class (type) of insurance required to enter into this contract.

The insurance broker shall ensure the conclusion of an insurance (reinsurance) contract with an insurer (reinsurer) having a stable financial position, on the best terms for the policyholder, the ceding insurer (cedent) with account of the requirements of the legislation of the Republic of Kazakhstan on insurance and insurance activity.

8. The insurance broker may not place insured risks for reinsurance through insurance brokers that are non-residents of the Republic of Kazakhstan if an insurance broker that is a non-resident of the Republic of Kazakhstan has no insurance contract of its civil liability to third parties, the object of which is the property interest of the insurance broker related to his/her/its obligation to compensate for property damage caused to third parties as a result of his/her/its professional activity as an insurance broker, the minimum insurance coverage for which shall be equivalent to the amount indicated below, in the national currency:

for each claim per year - 263,000 (two hundred and sixty-three thousand) monthly calculation indices, the amount of which is established by the law of the Republic of Kazakhstan on the republican budget for a relevant financial year;

for all the claims per year - 330,000 (three hundred and thirty thousand) monthly calculation indices, the amount of which is established by the law of the Republic of Kazakhstan on the republican budget for a relevant financial year.

9. An insurance broker uses a bank account for the purpose of collecting insurance premiums from policyholders, reinsurers (assignors) and (or) collecting insurance payments from insurers (reinsurers), which does not carry out any other operations, except for

operations to withdraw the amount of commission remuneration of an insurance broker in the framework of intermediary activities for the conclusion of insurance contracts and insurance contracts. (or) reinsurance (hereinafter referred to as the insurance broker's bank account).

The insurance broker ensures the availability of the amount of money on current accounts and deposits in second-tier banks of the Republic of Kazakhstan, branches of non-resident banks of the Republic of Kazakhstan, minus the money on the insurance broker's bank account, in the amount of at least 40 (forty) percent of its own capital.

**A footnote. Paragraph 9 as amended by the Resolution of the Board of the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan dated 12.02.2021 No. 28 (shall be enforced from the date of its first official publication).**

10. The insurance broker shall provide necessary assistance to insurers (reinsurers) in paying insurance benefits if an insured event occurs, in assessing the insured risk accepted for insurance (reinsurance), and in paying the insurance premium by the policyholder (cedent) in full and within the time frames specified in the insurance (reinsurance) contract.

11. The insurance broker shall provide full and reliable disclosure of all insurance (reinsurance) conditions in insurance (reinsurance) contracts concluded through his/her/its mediation.

The words and expressions contained in the texts of documents the insurance broker draws up when carrying out his/her/its mediation activity on concluding insurance (reinsurance) contracts shall be understood in their literal meaning. If special insurance terms are used in the texts, it is necessary to provide their full and unambiguous interpretation.

12. Upon receipt of insurance premiums, insurance benefits to the insurance broker's bank account, the insurance broker immediately, within 3 (three) working days at the latest, transfers them to the bank account of the insurer (reinsurer), policyholder, ceding insurer (cedent), beneficiary, unless otherwise provided for in the contract between the insurance broker and the policyholder, the cedent.

### **Chapter 3. Participation in insurance transactions**

13. When brokering insurance contracts on his/her/its own behalf and by order of the policyholder, the insurance broker shall draw up the documents such as:

- 1) an insurance slip;
- 2) an insurance cover.

14. An insurance slip and an insurance cover issued by the insurance broker shall contain the following data:

- 1) the class (type) of insurance;
- 2) the policyholder's full name or last and first names, patronymic (if any), place of residence or location;
- 3) the insurer's full name, contact phone number, website and location;
- 4) the insurance broker's full name, contact phone number, website and location;

5) information on the number and the date of issuance of the license for the right to operate as an insurance broker issued by the authorized body;

6) the insurer's financial reliability rating as of the date of conclusion of the insurance contract and the name of the rating agency (for an insurer that is a non-resident of the Republic of Kazakhstan);

7) the date of conclusion and the period of validity of the insurance contract;

8) coverage territory (route);

9) the amount of the insurance premium and the procedure for its payment under the insurance contract;

10) the insurance coverage under the insurance contract;

11) the portion of responsibility of an insurer (each insurer - if the risk under the insurance contract is allocated among several insurers);

12) the insured object, the terms of the insurance contract agreed upon by the policyholder, description of the insured event, exceptions to and conditions for the insurer's full or partial exemption from compensation for damages (if any);

13) the amount of the insurance broker's commission;

14) the applicable franchise figure (if any);

15) the insurance broker's signature;

16) the signatures of authorized persons and the insurer's stamp (if any) (for an insurance slip).

If the insurer under the insurance contract is a non-resident of the Republic of Kazakhstan, it is necessary to additionally use his/her/its stamp (if any) as a note on the risk portion for which he/she/it provides insurance coverage.

15. The insurance broker, on his/her/its own behalf and by order of the policyholder, conducts negotiations with insurers to agree on the amount of the insurance premium (insurance value), insurance conditions and the possibility of providing insurance coverage for insured risks by them.

16. The insurance broker receives from insurers data on insurance rates and equity capital, insurance conditions, availability of the license (its registration number, which is issued by the authorized body of the country of the insurer's place of registration if the insurer is a non-resident of the Republic of Kazakhstan) for insurance activity (the date and number of the license (registration number), as well as other data necessary for the policyholder.

The insurer shall provide the insurance broker with reliable, complete and objective data the insurance broker needs to carry out his/her/its mediation activity.

The insurance broker, if necessary, uses available information sources to obtain these data. If the submission of unreliable data, or incomplete and biased data provided for in part one of this paragraph, resulted in the damage to the policyholder's material benefits and property rights, the insurance broker shall compensate for the damage caused to the policyholder in the manner prescribed by the civil legislation of the Republic of Kazakhstan.

For the purposes of the Rules, available sources shall be understood to mean websites containing information on insurers (reinsurers) that are non-residents of the Republic of Kazakhstan.

17. An insurance slip with an offer to participate in insuring relevant risks shall be sent by the insurance broker to potential insurers for acceptance or rejection (refusal to accept) of the risk offered for insurance coverage.

18. If the insurer accepts insurance conditions specified in the insurance slip, the latter shall indicate the risk portion and the limit of liability accepted for insurance coverage, which are confirmed by the insurer's note.

When entering into an insurance contract with an insurer that is a non-resident of the Republic of Kazakhstan, the insurance broker may also recognize electronic or scanned copies of an insurance slip in case of receiving these copies from an e-mail address with the fully qualified domain name of the insurer that is a non-resident of the Republic of Kazakhstan.

19. If the insurance broker transfers one insured risk (group of insured risks) to several insurers, he/she/it, if necessary, shall draw up a signature sheet confirming the insurers' provision of insurance coverage for these risks on the conditions specified in the insurance slip and the signature sheet.

If the signature sheet is executed in a separate document as an addendum to the insurance slip, the signature sheet shall indicate the details of the insurance slip, the insured object, the list of insured risks, the insurance coverage under the insurance contract and the portion of liability of each insurer.

If the signature sheet is executed in a section (element) of the insurance slip as its integral part, the signature sheet shall indicate the portion of liability of each insurer.

20. After receiving the insurance slip confirmed by the insurer (insurers), the insurance broker shall inform the policyholder of the insurance conditions contained in the insurance slip.

If the policyholder accepts the insurance conditions, the insurance broker shall inform the insurer in writing of the policyholder's consent to accept the insurance value and terms offered by the insurer.

To confirm the conclusion of the insurance contract, the insurance broker shall draw up an insurance cover and give it to the policyholder together with an insurance slip.

21. The insurance slip together with the insurance cover issued by the insurance broker shall be treated as the insurance contract and comply with the requirements of the civil legislation of the Republic of Kazakhstan set to the subject matter of the insurance contract.

#### **Chapter 4. Participation in reinsurance transactions**

22. When brokering reinsurance contracts on his/her/its own behalf and by order of the cedent, with account of common business practice in the global insurance market, the insurance broker shall draw up the documents such as:

- 1) a reinsurance slip;
- 2) a reinsurance cover.

In case of the insurance broker's transfer and placement of risks for reinsurance through an insurance broker that is a non-resident of the Republic of Kazakhstan, a reinsurance slip shall be issued by the latter. In this case, the reinsurance cover shall be issued by the insurance broker and comply with the requirements established in paragraph 23 of the Rules.

23. A reinsurance slip, a reinsurance cover issued by the insurance broker shall contain the following data:

- 1) the policyholder's full name or last and first names, patronymic (if any), place of residence or location;
- 2) the details of the insurance contract, the coverage territory of the insurance contract (for facultative reinsurance) (for reinsurance cover);
- 3) the cedent's full name, website and location;
- 4) the insurance broker's full name, contact phone number, website and location;
- 5) the full name, website (if any), location and information on the availability of a license (its registration number, issued by the authorized body of the country of registration of the insurance broker) for the right to operate as an insurance broker (in case of transfer of insured risk through an insurance broker that is a non-resident of the Republic Kazakhstan);
- 6) the reinsurer's (reinsurers') full name and location;
- 7) the type and form of reinsurance (proportional or non-proportional, facultative or obligatory);
- 8) the reinsured object, the terms of the reinsurance contract agreed upon by the cedent, including the cedent's own withholding, description of the insured event, exceptions to and conditions for the reinsurer's (reinsurers') full or partial exemption from compensation for damages (if any);
- 9) the offered portion and limit of liability of the reinsurer (reinsurers) (for reinsurance slip);
- 10) the validity term of the insurance and reinsurance contracts;
- 11) the currency and settlement procedure under the reinsurance contract;
- 12) the portion and limit of liability of a reinsurer (each reinsurer - if the risk under the reinsurance contract is allocated among several reinsurers) (for reinsurance cover);
- 13) the applicable franchise figure (if any);
- 14) the amount of the reinsurer's (reinsurers') gross reinsurance premium with the indication of the amount of each deduction (the insurance broker's, cedent's commission, taxes, bonuses, discounts and other possible deductions) provided by the reinsurer (reinsurers), the amount of the net reinsurance premium (for reinsurance slip);

15) the amount of the reinsurer's (reinsurers') reinsurance premium (for reinsurance cover );

16) the insurance broker's signature;

17) the authorized persons' signatures and the reinsurer's (reinsurers') stamp (if any) (for reinsurance slip).

If the reinsurer participating in the risk placement is a non-resident of the Republic of Kazakhstan, it is necessary to additionally use its stamp (if any) as a note on the risk portion for which it provides reinsurance coverage.

If the reinsurer has a financial reliability rating of one of the rating agencies recognized by the authorized body in accordance with the comparative table of long-term ratings in accordance with Appendix 2 to the Regulatory values and calculation methods of prudential standards of an insurance (reinsurance) organization and insurance group and other mandatory standards and limits established by the resolution of the Board of the National Bank of the Republic of Kazakhstan Kazakhstan dated December 26, 2016 No. 304 "On Establishing regulatory values and methods for Calculating Prudential Risks in the Russian Federation". standards of an insurance (reinsurance) organization and insurance group and other mandatory norms and limits, requirements for shares (shares of participation in the authorized capital) of legal entities purchased by insurance (reinsurance) organizations, subsidiaries of insurance (reinsurance) organizations or insurance holdings, the list of bonds of international financial organizations purchased by insurance holdings, the minimum required amount of money to be paid for the purchase of insurance (reinsurance) organizations, the rating for bonds purchased by insurance holdings and the list of rating agencies, as well as the list of financial instruments (with the exception of shares and shares in the authorized capital) purchased by insurance (reinsurance) organizations", registered in the Register of State Registration of Regulatory Legal Acts under No. 14794, then the reinsurance cover note indicates the financial reliability rating of one of the following companies: agency data.

If the insurance broker transfers and places insured risks for reinsurance through an insurance broker that is not a resident of the Republic of Kazakhstan, the insurance broker shall ensure the issuance of a reinsurance slip signed by the reinsurer (reinsurers) with the indication of the signatory's last and first names.

**A footnote. Item 23 as amended by Resolution No. 127 of the Board of the Agency for Regulation and Development of the Financial Market of № 127 the Republic of Kazakhstan dated 23.12.2020 (shall be enforced upon the expiry of ten calendar days after the date of its first official publication).**

24. On behalf and by order of the cedent, the insurance broker conducts negotiations with reinsurers to determine the amount of the reinsurance premium (reinsurance value), reinsurance conditions and the possibility of providing reinsurance coverage for insured risks by them.

25. The insurance broker receives from reinsurers data on reinsurance rates, equity capital, reinsurance conditions, availability of a license (its registration number, which is issued by the authorized body of the country of the reinsurer's place of registration if the reinsurer is a non-resident of the Republic of Kazakhstan) for reinsurance activity on specific classes of reinsurance, availability of the financial reliability rating, and other data necessary for the ceding insurer (cedent).

The reinsurer shall provide the insurance broker with reliable, complete and objective data the insurance broker needs to carry out his/her/its mediation activity.

The insurance broker, if necessary, uses available information sources to obtain these data. If the submission of unreliable data, or incomplete and biased data provided for in part one of this paragraph, resulted in the damage to the ceding insurer's material benefits and property rights, the insurance broker shall compensate for the damage caused to the ceding insurer in the manner prescribed by the civil legislation of the Republic of Kazakhstan.

26. A reinsurance slip with an offer to participate in reinsuring relevant risks shall be sent by the insurance broker to potential reinsurers for acceptance or rejection (refusal to accept) of the risk offered for reinsurance coverage.

27. If the reinsurer accepts reinsurance conditions specified in the reinsurance slip, it shall indicate the risk portion and the limit of liability accepted for reinsurance coverage confirmed by the reinsurer's note.

When entering into a reinsurance contract with a reinsurer that is a non-resident of the Republic of Kazakhstan, the insurance broker may have electronic or scanned copies of a reinsurance slip in case of receiving these copies from an e-mail address with the fully qualified domain name of the reinsurer that is a non-resident of the Republic of Kazakhstan, having a subsidiary in the Republic of Kazakhstan operating as an insurance broker under a license issued by the authorized body.

When the insurance broker transfers risks for reinsurance, an electronic statement from insurance information exchange systems Exchange-Lloyd's or Placing Platform Limited may also be used, which is received from authorized insurance brokers that are non-residents of the Republic of Kazakhstan with the rating not lower than "BBB-", or their subsidiary insurance brokers. In this case, the electronic statement shall be sent to the insurance broker from the e-mail address with the fully qualified domain name of the reinsurer or the insurance broker that is a non-resident of the Republic of Kazakhstan.

28. If the insurance broker transfers one insured risk (group of insured risks) to several reinsurers, he/she/it shall draw up a signature sheet confirming the reinsurers' coverage for these risks on the conditions specified in the reinsurance slip and (or) the signature sheet.

If the signature sheet is executed in a separate document as an addendum to the reinsurance slip, the signature sheet shall indicate the details of the reinsurance slip, the reinsured object, the list of insured risks, the limit of liability of the reinsurer (reinsurers), and the portion of liability of each reinsurer.

If the signature sheet is executed in a section (element) of the reinsurance slip as its integral part, the signature sheet shall indicate the portion of liability of each reinsurer.

29. After receiving the reinsurance slip confirmed by the reinsurer, the insurance broker shall get the approval of reinsurance conditions from the cedent.

If the cedent accepts the reinsurance conditions, it shall inform the insurance broker thereon and give him/her/it a written order to transfer the insured risks to reinsurance within the time frames set by agreement of the parties.

If the insurance broker receives the cedent's order, he/she/it shall inform the reinsurer thereon and confirm the cedent's consent to accept the reinsurance value and conditions offered by the reinsurer in writing.

To confirm the conclusion of the reinsurance contract, the insurance broker shall draw up a reinsurance cover and give it to the cedent together with a reinsurance slip.

30. The reinsurance slip, issued by the insurance broker or an insurance broker that is a non-resident of the republic of Kazakhstan, together with the reinsurance cover, issued by the reinsurance broker, shall be treated as the reinsurance contract and the documents evidencing the placement of insured risks for reinsurance by the insurance broker.

31. The insurance broker transfers insured risks for reinsurance to one reinsurer that is a non-resident of the Republic of Kazakhstan in case of consistent participation of only one insurance broker that is a non-resident of the Republic of Kazakhstan.

## **Chapter 5. Recording of documents**

32. The insurance broker maintains separate accounting for his/her/its own funds and insurance premiums, insurance benefits received from the policyholder (cedent), insurer (reinsurer).

33. The authorized body of the insurance broker approves the following internal rules for the insurance broker's activity:

1) internal rules providing for the procedure for brokering the conclusion of insurance (reinsurance) contracts, and also the collection of insurance premiums and insurance benefits;

2) the procedure for maintaining documents, the terms of customer service and management of documents on contracts of insurance (reinsurance) concluded through his/her/its mediation;

3) internal documents providing for technical equipment for his/her/its activity, the conduct of annual audit, measures to ensure the safety of contracts concluded by him/her/it, financial statements and other documentation, the procedure and periods for document retention;

4) the conditions and procedure for the commission payment.

34. Annually, on or before April 30, the insurance broker shall submit to the authorized body:

1) a valid insurance contract of his/her/its civil liability to third parties, the object of which are risks associated with professional liability of the insurance broker;

2) internal rules provided for in subparagraph 1) of paragraph 33 of the Rules, and the accounting policy (in case of first submission or alterations and (or) additions after the date of their most recent submission to the authorized body).

Appendix to  
Resolution № 270  
of the Board of the  
National Bank of the  
Republic of Kazakhstan  
as of October 29, 2018

**The list of regulatory legal acts of the Republic of Kazakhstan, and also structural elements of some regulatory legal acts of the Republic of Kazakhstan recognized as invalidated**

1. Resolution of the Board of the National Bank of the Republic of Kazakhstan № 85 as of March 31, 2001 “On Approval of the Minimum Authorized Capital of an Insurance Broker” (registered in the Register of State Registration of Regulatory Legal Acts under № 1504).

2. Resolution of the Board of the Agency of the Republic of Kazakhstan on Regulation and Supervision of the Financial Market and Financial Institutions № 6 as of January 19, 2004 “On Approval of the Instruction on the Conditions for the Insurance Broker’s Activity” (registered in the Register of State Registration of Regulatory Legal Acts under № 2715, published in June 2005 in the Bulletin of Regulatory Legal Acts of the central executive and other state bodies of the Republic of Kazakhstan under № 15, Article 103).

3. Resolution of the Board of the Agency of the Republic of Kazakhstan on Regulation and Supervision of the Financial Market and Financial Institutions № 37 as of February 19, 2005 “On Alterations to the Resolution of the Board of the Agency of the Republic of Kazakhstan on Regulation and Supervision of the Financial Market and Financial Institutions № 6 as of January 19, 2004 “On Approval of the Instruction on the Conditions for the Insurance Broker’s Activity” (registered in the Register of State Registration of Regulatory Legal Acts under № 3503).

4. Resolution of the Board of the Agency of the Republic of Kazakhstan on Regulation and Supervision of the Financial Market and Financial Institutions № 82 as of March 25, 2006 “On Additions and Alterations to the Resolution of the Board of the Agency of the Republic of Kazakhstan on Regulation and Supervision of the Financial Market and Financial Institutions № 6 as of January 19, 2004 “On Approval of the Instruction on the Conditions for the Insurance Broker’s Activity” (registered in the Register of State Registration of Regulatory Legal Acts under № 4200).

5. Item 1 of the List of amended regulatory legal acts of the Republic of Kazakhstan on regulation of the insurance activity, approved by Resolution of the Board of the National Bank of the Republic of Kazakhstan № 127 as of May 30, 2016 “On Amendments to Certain

Regulatory Legal Acts of the Republic of Kazakhstan on Regulation of the Insurance Activity” (registered in the Register of State Registration of Regulatory Legal Acts under № 14277, published on October 24, 2016 in the “Adilet” Information and Legal System).

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