On insurance activities

Unofficial translation

The Law of the Republic of Kazakhstan dated 18 December, 2000 № 126.

Unofficial translation

Footnote. The words “authorized state body”, “authorized state body”, “authorized state body”, “authorized state body” are replaced with the words “authorized body”, “authorized body”, “authorized body”, “authorized body” in the text by the Law of the Republic of Kazakhstan dated 10 July, 2003 № 483 (shall be enforced from 1 January, 2004).

Throughout the text, the words “and financing of terrorism” shall be replaced with the words “financing of terrorism and financing of the proliferation of weapons of mass destruction” pursuant to the Law of the Republic of Kazakhstan dated 19.09.2025 № 219 (effective sixty calendar days after the date of its first official publication).

Throughout the entire text, the words “electronic government”, “Law of the Republic of Kazakhstan ‘On Informatization’”, “electronic information resources”, “electronic information resources”, “information system”, “information systems”, “information systems”, “information systems”, “information system”, “information technologies”, “information technologies”, “information security” shall be replaced by the words “digital government”, “ Digital Code of the Republic of Kazakhstan”, “digital resources”, “digital resources”, “digital system”, “digital systems”, “digital systems”, “digital systems”, “digital system”, “digital technologies”, “digital technologies”, “cybersecurity”, respectively, in accordance with the Law of the Republic of Kazakhstan dated 09.01.2026 № 256-VIII (shall be enforced six months after the day of its first official publication).

Chapter 1. General Provisions

Article 1. Legislation of the Republic of Kazakhstan on insurance and insurance activities

Footnote. Title, as amended by the Law of the Republic of Kazakhstan dated 30.12.2009 № 234 -IV

1. The legislation of the Republic of Kazakhstan on insurance and insurance activities is based on the Constitution of the Republic of Kazakhstan and consists of the Civil Code of the Republic of Kazakhstan, this Law and other regulatory legal acts of the Republic of Kazakhstan.

2. Relations, arising out of insurance and related to the scope of other legislative acts of the Republic of Kazakhstan shall be regulated by these acts, with the exception of the relationship, directly regulated by this Law.

2-1. This Law does not regulate relations related to the activities of the Export Credit Agency of Kazakhstan, with the exception of paragraph 8 of Article 9 of this Law, as well as relations related to compulsory social health insurance, compulsory social insurance.

3. If an international treaty, ratified by the Republic of Kazakhstan establishes the rules other than those contained in this Law, the rules of the international treaty shall be applied.

Footnote. Article 1, as amended by the Laws of the Republic of Kazakhstan dated 20.02.2006 № 128 (the order of enforcement see Article 2), dated 30.12.2009 № 234 –IV; dated 16.11.2015 № 406-V (shall be enforced dated 01.01.2016); № 287-VI as of 26.12.2019 (shall be enforced from 01.01.2020); dated 23.01.2024 № 54-VIII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 1-1. Main objectives of state regulation in the field of insurance

The main objectives of state regulation in the field of insurance are the establishment of the legal framework for the activities of professional participants of the insurance market, the creation and maintenance of a stable insurance system in the Republic of Kazakhstan, the development of the infrastructure of the national insurance market, and the protection of the rights and legitimate interests of policyholders, insured persons, and beneficiaries.

Footnote. Chapter 1 was supplemented with Article 1-1 in accordance with the Law of the Republic of Kazakhstan dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication).

Article 2. Relations, regulated by this Law

1. This Law shall define the basic provisions for the implementation of insurance as a form of entrepreneurial activity, peculiarities of the creation, licensing, regulation, termination of the activities of insurance (reinsurance) organizations, insurance brokers, peculiarities of opening, licensing regulation, termination of the activities of the branches of non-resident insurance (reinsurance) organizations of the Republic of Kazakhstan, branches of non-resident insurance brokers of the Republic of Kazakhstan the activity conditions in the insurance market of other individuals and legal entities, the tasks of state regulation of the insurance market and the principles of control and supervision of the insurance activities.2. Regulatory legal acts of the authorized body for the regulation, control and supervision of the financial market and financial organizations (hereinafter referred to as the authorized body) and the National Bank of the Republic of Kazakhstan (hereinafter referred to as the National Bank), adopted in accordance with this Law, are binding on all participants in the insurance market.

2. Regulatory legal acts of the authorized body for the regulation, control and supervision of the financial market and financial organizations (hereinafter referred to as the authorized body) and the National Bank of the Republic of Kazakhstan (hereinafter referred to as the National Bank), adopted in accordance with this Law, are binding on all participants in the insurance market.

3. For insurance (reinsurance) organizations, insurance brokers and other legal entities, carrying out activities within the framework of special regime of regulation, introduced in accordance with the Law of the Republic of Kazakhstan "On the National Bank of the Republic of Kazakhstan", the norms of this Law and regulatory legal acts of the authorized body, adopted in accordance with this Law shall be spread within the limits provided by the terms of special regime of regulation.

4. The provisions of this Law applicable to insurance (reinsurance) companies, and insurance brokers (except for Articles 10-1, 10-2, 10-3, 13, 16-2, 16-3, 21, 24, 25, 25-1, 26, 27, 28, 30, 31, 32, 35, 40, 48, 49, 50, 51, 52, 52-3, 53-4, 62, 63, 65, 68, 69, 71, 72, 73, 74-1), shall apply to branches of insurance (reinsurance) companies - non-residents of the Republic of Kazakhstan, branches of insurance brokers - non-residents of the Republic of Kazakhstan, taking into account the specifics established by this Law.

The powers of the authorized body and the National Bank in the field of regulation of legal relations related to insurance (reinsurance) companies and insurance brokers, including the powers to adopt regulatory legal acts to implement this Law, provided for in Articles, 9, 11-1, 12, 15-1, 15-2, 16, 17, 18, 18-1, 19, 20, 34, 36-2, 36-3, 37, 37-1, 46, 47, 52-1, 53, 53-1, 54-1, 55-2, 56, 72-1, 75, 75-1, 77, 79, 81, 82 of this Law, shall apply to legal relations associated with branches of insurance (reinsurance) companies - non-residents of the Republic Kazakhstan, branches of insurance brokers - non-residents of the Republic of Kazakhstan.

Footnote. Article 2 is in the wording of the Law of the Republic of Kazakhstan dated 05.07.2012 № 30 -V (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced upon expiry of ten calendar days from the date of its first official publication); № 262-VI as of 03.07.2019 (shall be enforced from 01.01.2020); as amended by the laws of the Republic of Kazakhstan dated 24.11.2015 № 422-V (shall come into force from 16.12.2020); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 16.01.2026 № 259-VIII (for the procedure of enactment see Art. 2).

Article 3. The basic concepts, used in this Law

The following concepts shall be used in this Law:

1) an adjuster - an employee of the insurance (reinsurance) company, whose functions include the consideration of the application for insurance payment and the damage assessment of the insured event;

1-1) an actuary – an individual, who has passed exams on the minimum mandatory training program of actuaries established by the regulatory legal act of the authorized body;

1-2) professional judgment of an actuary - judgment of an actuary based on their professional training, knowledge and experience in performing actuarial activities;

1-3) association of actuaries - a self-regulatory organization based on voluntary membership of actuaries, created to ensure and protect the interests of its members, create conditions for professional activities and perform other functions;

1-4) underwriter - an employee of an insurance (reinsurance) company, whose functions include assessing insurance risks accepted for insurance and determining the terms of insurance (reinsurance) contracts;

2) assistance - a provision of assistance by insurance companies, legal entities to the policyholder (the insured, the beneficiary), who got in trouble during his (her) travels or his (her) location away from the residence, in the form of money and (or) natural-material form through technical, medical assistance as a result of the insured event;

3) control - the ability to determine the decisions of the legal entity or an organization that is not a legal entity, that occurs when one of the following conditions is happened:

direct and (or) indirect ownership and (or) use and (or) disposal by one person of more than fifty percent of voting shares, participation interests, units, or other forms of equity participation in a legal entity or an organization that is not a legal entity;

having the ability of one person, directly or indirectly, to elect at least half of the governing body or the executive body of the legal entity or an organization that is not a legal entity;

inclusion of financial statements of a legal entity, with the exception of the financial statements of the special finance company, incorporated under the legislation of the Republic of Kazakhstan on project financing and securitization or an organization that is not a legal entity in the financial statements of another legal entity or an organization that is not a legal entity, in accordance with the auditor’s report;

having the ability of one person independently or together with one or more other persons determine the decisions of a legal entity or an organization that is not a legal entity, by treaty (supporting documents) or otherwise in the cases, established by the authorized body;

4) a parental organization is the legal entity (an organization that is not a legal entity) carrying out control over the other legal entity or another organization that is not a legal entity ;

Notice!

Subparagraph 4-1) shall enter into force from 01.01.2027 in accordance with the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII.

4-1) data mart – a structured set of data of an insurance (reinsurance) organization, a branch of an insurance (reinsurance) organization – a non-resident of the Republic of Kazakhstan, organized and updated in accordance with the requirements of the authorized body, intended for storage and transfer in the established format to the authorized body for the purpose of supervising the activities of an insurance (reinsurance) organization, a branch of an insurance (reinsurance) organization – a non-resident of the Republic of Kazakhstan and (or) fulfilling reporting requirements;

5) a subsidiary is a legal entity (an organization that is not a legal entity), in relation to which another legal entity or an organization that is not a legal entity, has control;

6) indirect ownership - the ability to influence a decision of a legal entity or an organization that is not a legal entity by a major participant of the legal entity or the organization that is not a legal entity, and (or) by persons jointly constituting a major participant of the legal entity or the organization that is not a legal entity, through ownership of voting shares, participation interests, units, or other forms of equity participation in the legal entity or the organization that is not a legal entity;

7) an organization that is not a legal entity - a foundation, partnership, trust, company, partnership, organization or other corporate entity created (registered) in accordance with the legislation of a foreign state, considered as independent organizational and legal forms regardless of whether they have the status of a legal entity in a foreign state;

7-1) the Islamic insurance (reinsurance) organization is the insurance (reinsurance) organization performing an Islamic insurance activity taking into account the features established by the legislation of the Republic of Kazakhstan on insurance and an insurance activity on the basis of the corresponding license of authorized body;

7-2) indirect participation in capital – the ability to determine decisions of a legal entity or an organization that is not a legal entity by a major participant of the legal entity or the organization that is not a legal entity, and (or) by persons jointly constituting a major participant of the legal entity or the organization that is not a legal entity, through ownership and (or) use, and (or) disposal of voting shares, participation interests, units, or other forms of equity participation in another legal entity or another organization that is not a legal entity;

8) excluded by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication);

8-1) branch of a non-resident insurance broker of the Republic of Kazakhstan – a separate subdivision of an insurance broker – non-resident of the Republic of Kazakhstan, which is not a legal entity located in the territory of the Republic of Kazakhstan and does not carry out activities of an insurance broker under a license of the authorized body;

8-2) branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan – a separate subdivision of an non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, which is not a legal entity located in the territory of the Republic of Kazakhstan and does not carry out insurance (reinsurance) activities under a license of the authorized body;

9) a reinsurance is the activities and related to it relations, arising in connection with the transfer of all or part of the insurance risks in reinsurance by the reinsured, on the one hand, and the acceptance of these risks by the reinsurance company, on the other hand, in accordance with the reinsurance contract, concluded between them;

10) a reinsurance company (a reinsurer) - a legal entity, carrying out the activities on the conclusion and execution of reinsurance contracts on the basis of a license of the authorized body;

11) a reinsured (cedant) - the insurance or reinsurance company, carrying out the transfer of insurance risks it has taken to reinsurance;

11-1) trust management agreement for rights (claims) – a trust management agreement for rights (claims) under a bank loan agreement or a microcredit agreement, concluded between a servicing company and a person specified in paragraph 1 of Article 63 of the Law of the Republic of Kazakhstan "On Banks and Banking Activities in the Republic of Kazakhstan", or a person specified in part one of paragraph 5 of Article 9-1 of the Law of the Republic of Kazakhstan "On Microfinance Organizations", or an insurance (reinsurance) organization;

12) spotless business reputation – professionalism and integrity of a person, confirmed, inter alia, by the absence of the following facts:

commission by the said person of unlawful acts (omissions) that resulted in insolvency, which led to the compulsory liquidation of a financial organization, or in the application of a resolution regime to a bank;

an outstanding or unexpunged criminal record of the said person, including the absence of a judicial act that has entered into legal force on the imposition of a criminal penalty on the person in the form of deprivation of the right to hold the position of a senior executive of a financial organization, a bank holding company and (or) an insurance holding company, and to be a major participant (major shareholder) of a financial organization for life;

existence of relations with third parties (control and influence of third parties), whose actions facilitated the legalization (laundering) of proceeds of crime, the financing of terrorism, and the financing of the proliferation of weapons of mass destruction, based on the information of the authorized financial monitoring body;

13) co-insurance (joint reinsurance) – activity and the relations related to it, arising in connection with acceptance of insurance risks under the co-insurance (joint reinsurance) contract by several insurance (reinsurance) organizations simultaneously with distribution of their responsibility in accordance with the contract on joint activity concluded between them;

13-1) co-insurance (joint reinsurance) contract – an insurance (reinsurance) contract, concluded between the participants of insurance (reinsurance) pool and the insurant (assignor) within the framework of the contract on joint activity of participants of insurance (reinsurance) pool;

14) net retention - a part of the responsibility, in which the insurer or reinsured (cedant) shall be responsible for its own account in accordance with the contract of insurance or reinsurance;

15) prudential standards - the standards, established by the authorized body and mandatory to comply with by the insurance (reinsurance) companies;

16) insurance agent - an individual or legal entity, a branch of a bank that is not a resident of the Republic of Kazakhstan, included in the register of insurance agents and engaged in intermediary activities for the conclusion of insurance contracts on behalf of and at the request of one or more insurance organizations on the basis of a commission agreement;

17) an insurance broker – a legal entity, representing the insurant in relations related to conclusion and execution of insurance contracts with the insurer on behalf of the insurant, or carrying out on its own behalf mediatory activities for conclusion of insurance contracts on behalf of the insurant and (or) reinsurance contracts on behalf of the reinsurer (assignor);

18) rules of insurance - the document of an insurance company that defines the conditions of the insurance for a particular type of insurance;

18-1) an insurance report - a form of full or partial release of information, contained in the database;

18-2) a single database of insurance (hereinafter - the database) - a set of information (including in electronic form) about the insurer, the policyholder, the insured person and the beneficiary;

18-3) insurance (reinsurance) pool - an association of insurance (reinsurance) companies jointly carrying out insurance activities for a separate class, type of insurance or a certain insurance risk based on a joint activity agreement concluded for a certain period between its participants or between its participants and insurance broker;

18-4) an insurance (reinsurance) pool – an association of insurance (reinsurance) companies, jointly carrying out insurance activities for certain classes (types) of insurance or certain insurance risks on the basis of a joint venture contract, concluded for a certain period between its participants;

19) subjects of insurance activities - the insurance and reinsurance companies;

19-1) insurance liabilities – liabilities of an insurance (reinsurance) organization under insurance (reinsurance) contracts, assessed on the basis of actuarial calculations in accordance with international financial reporting standards;

20) professional participants of the insurance market – insurance (reinsurance) organization, insurance broker, branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, branch of a non-resident insurance broker of the Republic of Kazakhstan, actuary, carrying out their activities under relevant licenses of the authorized body;

21) is excluded by the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication);

22) insurance portfolio - the total liabilities of an insurance (reinsurance) company for risks assumed under insurance (reinsurance) contracts, including under insurance (reinsurance) contracts, the terms of which have expired, for which the insurance (reinsurance) company is liable or there is a possibility the emergence of obligations to policyholders (insured, beneficiaries, reinsurers);

23) insurance reserves - the obligations of an insurance (reinsurance) organization under insurance (reinsurance) contracts, assessed on the basis of actuarial calculations, for the purposes of calculating prudential ratios;

23-1) an insurance risk - the probability of occurrence of the insured event;

23-2) insurance group – a group of the legal entities and organizations that are not legal entities, which are not banking conglomerate consisting of an insurance holding (if any) and an insurance (reinsurance) organization as well as subsidiaries of an insurance holding and (or) subsidiaries of an insurance (reinsurance) organization, and (or) organizations, in which an insurance holding and (or) its subsidiaries, and (or) insurance (reinsurance) organization have considerable equity participation.

The insurance group does not include the national management holding, the insurance holding that is a non-resident of the Republic of Kazakhstan, as well as subsidiaries and organizations in which the insurance holding that is a non-resident of the Republic of Kazakhstan has a significant participation in the capital, which are non-residents of the Republic of Kazakhstan;

24) insurance organization (insurer) - a legal entity carrying out activities for the conclusion and execution of insurance contracts based on the relevant license of the authorized body;

25) excluded by the Law dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication);

25-1) association of insurance (reinsurance) companies, insurance brokers - a non-commercial organization, established in the form of association (union) to protect the interests of its members and the coordination of their professional activities;

26) a major participant of insurance (reinsurance) company – an individual or a legal entity, which is in accordance with the written consent of the authorized body shall have the right to:

own, directly and (or) indirectly, use and control, in aggregate, ten percent or more of the voting shares of an insurance (reinsurance) organization, including through derivative securities issued in accordance with the laws of the Republic of Kazakhstan or a foreign state, where the underlying asset is the voting shares of the insurance (reinsurance) organization;

influence, directly and (or) indirectly, to decisions made by an insurance (reinsurance) organizations (to vote) by ten or more percent of voting shares of the insurance (reinsurance) organization under the contract (supporting documents) or otherwise in cases provided for by the regulatory legal act of the authorized body.

The following shall not be recognized as a major participant of an insurance (reinsurance) organization:

the Government of the Republic of Kazakhstan;

a national managing holding;

the Unified Accumulative Pension Fund, an investment portfolio manager, holding voting shares of an insurance (reinsurance) organization and (or) derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is voting shares of an insurance (reinsurance) organization, at the expense of pension assets;

a person performing the functions of a nominal holder of voting shares of an insurance (reinsurance) organization and (or) derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is voting shares of an insurance (reinsurance) organization, as well as the issuer of the said derivative securities;

a person holding the right exclusively to receive dividends and (or) other income on shares of an insurance (reinsurance) organization without the ability to influence decisions taken by the insurance (reinsurance) organization;

other persons specified in paragraph 19 of Article 9-5 of the Law of the Republic of Kazakhstan "On the State Regulation, Control and Supervision of the Financial Market and Financial Organizations";

26-1) an insurance holding company - a legal entity, which is in accordance with the written consent of the authorized body shall have the right to:

directly and (or) indirectly own, use and control, in the aggregate, twenty-five or more percent of voting shares of an insurance (reinsurance) organization, including through derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is voting shares of an insurance (reinsurance) organization;

directly and (or) indirectly influence decisions taken by the insurance (reinsurance) organization (to vote) with twenty-five or more percent of voting shares of the insurance (reinsurance) organization by virtue of an agreement (supporting documents) or otherwise in cases provided for by a regulatory legal act of the authorized body.

The following shall not be recognized as an insurance holding company:

the Government of the Republic of Kazakhstan;

a national managing holding;

the Unified Accumulative Pension Fund, an investment portfolio manager, holding voting shares of an insurance (reinsurance) organization and (or) derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is voting shares of an insurance (reinsurance) organization, at the expense of pension assets;

a person performing the functions of a nominal holder of voting shares of an insurance (reinsurance) organization and (or) derivative securities issued in accordance with the

legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is voting shares of an insurance (reinsurance) organization, as well as the issuer of the said derivative securities;

a person holding the right exclusively to receive dividends and (or) other income on shares of an insurance (reinsurance) organization without the ability to influence decisions taken by the insurance (reinsurance) organization;

other persons specified in paragraph 19 of Article 9-5 of the Law of the Republic of Kazakhstan "On State Regulation, Control and Supervision of the Financial Market and Financial Organization".

27) redemption amount - the amount of money that the policyholder is entitled to receive upon early termination of the endowment insurance contract;

27-1) service company – an organization engaged in distressed asset management or a collection agency that, under a trust management agreement for rights (claims), has the authority to manage rights (claims) under a bank loan agreement or a microloan agreement, including with respect to:

amending the terms of a bank loan agreement or a microcredit agreement;

representing in court the interests of the party with whom the trust management agreement for rights (claims) has been concluded;

accepting money and (or) other property from the debtor;

other powers provided for by the laws of the Republic of Kazakhstan and (or) the trust management agreement for rights (claims);

28) a surveyor is an employee of the insurance (reinsurance) company or a legal entity, providing services to the insurance (reinsurance) company in accordance with the paid services contract, whose functions include the preliminary inspection and assessment of the object of insurance, taken to the insurance;

29) an independent actuary – an individual, complying with the requirements of this Law and attracted for conducting assessment of the actuary's calculations;

29-1) affiliated persons - individuals or legal entities (except for state bodies exercising control and supervisory functions within the powers granted to them, and the national managing holding, as well as legal entities, one hundred percent of voting shares (stakes in the authorized capital) of which belong to such a national managing holding), having the ability to directly and (or) indirectly determine decisions and (or) influence decisions made by each other (one of the persons), including by a concluded transaction. The affiliated persons of the insurance (reinsurance) company, the major shareholder of which is the national management holding, shall not include:

a national managing holding that is a major shareholder of an insurance (reinsurance) company;

legal entities, one hundred percent of the voting shares (stakes in the authorized capital) of which belong to the specified national management holding;

officials of the specified national managing holding and legal entities, one hundred percent of voting shares (stakes in the authorized capital) of which belong to such a national managing holding;

29-2) A significant interest in the capital of an organization – direct and (or) indirect ownership and (or) use, and (or) control, either independently or jointly with one or more persons, pursuant to a contract (supporting documents) or otherwise in cases established by the authorized body, of twenty or more percent of the voting shares, equity interests, shares, or other forms of equity interest in a legal entity or an organization that is not a legal entity.

The following shall not be recognized as persons holding a significant interest in the capital of an organization:

The Government of the Republic of Kazakhstan;

the national holding company;

subsidiaries of the National Bank of the Republic of Kazakhstan;

a unified accumulative pension fund managing an investment portfolio that holds voting shares of an insurance (reinsurance) organization and (or) derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is voting shares of an insurance (reinsurance) organization, using pension assets;

other persons in cases provided for by this Law;

29-3) a major participant – an individual, a legal entity, or an organization that is not a legal entity, which directly and (or) indirectly owns and (or) uses, and (or) disposes of ten or more percent of voting shares, participation interests, units, or other forms of equity participation in a legal entity or an organization that is not a legal entity.

The following shall not be recognized as a major participant of a legal entity or an organization that is not a legal entity:

the Government of the Republic of Kazakhstan;

a national managing holding;

subsidiary organizations of the National Bank of the Republic of Kazakhstan;

the Unified Accumulative Pension Fund, an investment portfolio manager, holding voting shares of an insurance (reinsurance) organization and (or) derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is voting shares of an insurance (reinsurance) organization, at the expense of pension assets;

30) is excluded by the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Footnote. Article 3 is in the wording of the Law of the Republic of Kazakhstan dated 30.12.2009 № 234-IV, as amended by the Laws of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2), dated 05.07.2011 № 452-IV (shall be enforced from 13.10.2011), dated 28.12.2011 № 524-IV (shall be enforced upon

expiry of ten calendar days after its first official publication), dated 12.01.2012 № 539-IV (shall be enforced upon expiry of ten calendar days after its first official publication); dated 21.06.2013 № 106-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication); dated 24.11.2015 № 422-V (shall be enforced dated 01.01.2016); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 30.06.2025 № 205-VIII (for the procedure of enactment see Art. 2); dated 18.07.2025 № 215-VIII (shall be enforced from 01.01.2026); dated 19.09.2025 № 219-VIII (effective sixty calendar days after the date of its first official publication); dated 16.01.2026 № 259-VIII (for the procedure of enactment see Art. 2).

Article 4. Insurance and insurance activities

1. Insurance represents a complex of the relations on protection of legitimate valuable interests of physical person or legal entity at a loss occurrence or other event defined by the insurance contract by means of the insurance payment performed by insurance company.

2. Insurance activities shall be the activities of insurance (reinsurance) organization, branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, related to the conclusion and execution of insurance (reinsurance) contracts, carried out under the license of the authorized body in accordance with the legislation of the Republic of Kazakhstan, as well as the activities of mutual insurance associations, related to the conclusion and execution of insurance contracts, carried without the license in accordance with the Law of the Republic of Kazakhstan “On Mutual Insurance”.

3. An Islamic insurance activity is the activity of the Islamic insurance (reinsurance) organization, branch of an islamic non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, connected with the conclusion and performance of agreements of Islamic insurance (reinsurance), performed on the basis of the license of authorized body according to requirements of the legislation of the Republic of Kazakhstan.

Footnote. Article 4, as amended by the Laws of the Republic of Kazakhstan dated 20.02.2006 № 128 (the order of enforcement see Art. 2), dated 05.07.2006 № 164 (the order of enforcement see Art. 2), dated 30.12.2009 № 234 – IV; dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020).

Article 5. Insurance of foreign individuals and legal entities and stateless persons

1. Foreign citizens, stateless persons, foreign legal entities, including those, who are carrying out their activities in the territory of the Republic of Kazakhstan, are entitled to insurance coverage as citizens and legal entities of the Republic of Kazakhstan.

2. (Is excluded – dated 20 February, 2006 № 128 (the order of enforcement see Art. 2).

Article 5-1. Insurance by insurance organizations - non-residents of the Republic of Kazakhstan and insurance (reinsurance) organizations - participants of the Astana International Financial Center

Footnote. The heading of Article 5-1 - as amended by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

1. Insurance of the property interests of the legal entity or its separate divisions, located in the territory of the Republic of Kazakhstan and the property interests of an individual, who is the resident of the Republic of Kazakhstan, may be carried out only by an insurance organization - resident of the Republic of Kazakhstan, branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan.

2. It shall be allowed to conclude and execute insurance contracts with insurance organizations - non-residents of the Republic of Kazakhstan and insurance (reinsurance) organizations - participants of the Astana International Financial Center in the following cases :

1) individuals - residents of the Republic of Kazakhstan, temporarily staying outside the Republic of Kazakhstan for work, study, treatment or rest, only for the period of temporary stay of these persons outside the Republic of Kazakhstan;

2) by residents of the Republic of Kazakhstan in terms of risks associated with maritime transport services (except for ships providing cabotage services), commercial aviation, space flight launch and charter services (including satellites), and related services (transportation of goods, insurance of transport means of transporting goods and any resulting liability), catastrophic risks, climate risks, cyber risks, terrorism risks, civil unrest and strikes;

3) residents of the Republic of Kazakhstan in terms of risk insurance in accordance with the principles of Islamic insurance;

4) residents of the Republic of Kazakhstan in terms of risks covered within the insurance classes in a voluntary form, provided for in subparagraphs 15), 17) and 18) of paragraph 3 of Article 6 of this Law.

Insurance of risks in accordance with subparagraph 4) of part one of this paragraph by an insurance company - a non-resident of the Republic of Kazakhstan shall be allowed only when the object of insurance is located outside the territory of the Republic of Kazakhstan.

Residents of the Republic of Kazakhstan shall be permitted to conclude (execute) insurance contracts with state insurance organizations that are non-residents of the Republic of Kazakhstan in terms of insuring loans, investments, and transactions related to lending to residents of the Republic of Kazakhstan by foreign organizations or banks.

3. Banks of the Republic of Kazakhstan, branches of banks - non-residents of the Republic of Kazakhstan and organizations engaged in certain types of banking operations shall be prohibited from making payments and money transfers, except for the cases provided for in paragraph 2 of this Article, related to the payment of insurance premiums (contributions

) in favour of non-residents of the Republic Kazakhstan and participants of the Astana International Financial Center from individuals and legal entities - residents of the Republic of Kazakhstan.

4. The requirements of paragraphs 2 and 3 of this Article shall not apply to the cases of conclusion of agreements with the branches of non-resident insurance (reinsurance) organizations of the Republic of Kazakhstan in cases established by the laws of the Republic of Kazakhstan.

Footnote. Chapter 1 is supplemented by Article 5-1 in accordance with the Law of the Republic of Kazakhstan dated 20.02.2006 № 128 (the order of enforcement see Art. 2), in the wording of the Law of the Republic of Kazakhstan dated 15.07.2010 №338-IV (the order of enforcement see Art. 2); as amended by the Laws of the Republic of Kazakhstan dated 02.07.2018 № 166-IV (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.07.2018 № 168-VI (shall be enforced from 16.12.2018); dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the laws of the Republic of Kazakhstan dated 24.11.2015 № 422-V (shall come into force from 16.12.2020); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

Chapter 2. The organization of insurance activities

Article 6. Sectors, classes and types of insurance

1. For the organization and implementation of the state regulation and licensing of insurance activities, the insurance coverage is divided into sectors, classes and types. Insurance activities of the insurance company are carried out by sectors “life insurance” and “ general insurance”.

2. The "life insurance" industry shall include compulsory insurance of an employee against accidents in the performance of their labour (service) duties and the following classes in the voluntary form of insurance:

1) life insurance, except for the class specified in subparagraph 3) of this paragraph;

2) annuity insurance, except for the class specified in subparagraph 4) of this paragraph;

3) life insurance within the framework of the state educational funded system;

4) pension annuity insurance.

3. The sector “general insurance” includes the following classes in the voluntary form of insurance:

1) an accident insurance;

2) a health insurance;

3) a motor vehicle insurance;

4) an insurance of railway transport;

5) an air transport insurance;

6) a water transport insurance;

6-1) insurance of space objects;

7) a cargo insurance;

8) an insurance against property damage, except for the classes specified in subparagraphs 3) - 7) of this paragraph;

9) an insurance of civil liability of motor vehicle owners;

10) an insurance of civil liability of owners of air transport;

11) an insurance of civil liability of owners of water transport;

11-1) insurance of civil liability of space objects owners;

11-2) insurance of professional liability;

12) insurance of civil liability, except for the classes, specified in subparagraphs 9), 10), 11), 11-1) and 11-2) of this paragraph;

13) insurance of loans of legal entities;

14) a mortgage insurance;

15) a guarantees and warranties insurance;

15-1) an insurance of losses of financial institutions, with the exception of the classes specified in paragraphs 13), 14), 15) and 16) of this paragraph;

16) an insurance against other financial losses;

17) a legal expenses insurance;

18) a title insurance.

4. Additional requirements under the terms of a separate class (type) of insurance, including prudential standards within the framework of certain classes (types) of insurance, shall be established by regulatory legal acts of the authorized body.

5. Type of insurance - an insurance product, developed and provided by insurance company to the policyholder within one or more classes of insurance by conclusion of the insurance contract.

6. Each type of compulsory insurance, contents and conditions of which are determined by the legislation of the Republic of Kazakhstan, regulating compulsory type of insurance is a separate class of insurance.

7. Imputed insurance is compulsory insurance, in which the requirement for compulsory insurance, types and minimum conditions of insurance (including the object of insurance, insurance risks and minimum amounts of insurance amounts) are established by the laws of the Republic of Kazakhstan, and other conditions and insurance procedure are determined by agreement of the parties.

Imputed insurance shall be carried out within one or more classes of insurance specified in paragraph 3 of this Article, and shall not be a separate class of insurance.

The minimum requirements for standard contracts for imputed insurance shall be established by the regulatory legal act of the authorized body.

Model contracts for imputed insurance shall be developed and approved by the authorized state body that regulates the type of activity that is subject to imputed insurance, in agreement with the authorized body.

By agreement of the parties, standard contracts for imputed insurance may be supplemented with provisions that shall not contradict the requirements of the legislation of the Republic of Kazakhstan.

Footnote. Article 6, as amended by the Laws of the Republic of Kazakhstan dated 10.07.2003 № 483 (shall be enforced from 01.01.2004), dated 20.02.2006 № 128 (the order of enforcement see Art. 2), dated 07.05.2007 № 244, dated 30.12.2009 № 234-IV; dated 15.07.2010 № 338 -IV (the order of enforcement see Art. 2); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 7. The content of the classes of insurance

1. Life insurance is a set of types of insurance that provide for the implementation of insurance payments in the event of the death of the insured or their survival until the end of the insurance period or the age specified in the insurance contract, except for the type of insurance specified in paragraph 2-3 of this Article.

2. Annuity insurance is a set of types of accumulative insurance that provide for the implementation of periodic insurance payments in the form of periodic payments in favour of the beneficiary within the period established by the contract, except for the type of insurance specified in paragraph 2-4 of this Article.

2-1. Is excluded by the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2).

2-2. Is excluded by the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2).

2-3. Life insurance within the framework of the state educational funded system is a type of insurance that provides for the implementation of insurance payments in cases of death of the insured or disability due to disability of the first or second group or survival until the end of the insurance period in accordance with the Law of the Republic of Kazakhstan "On state educational accumulative system".

2-4. Pension annuity insurance is a type of accumulative insurance that provides for periodic insurance payments in accordance with the Social Code of the Republic of Kazakhstan.

3. Accident insurance is a set of types of insurance that provide for the implementation of an insurance payment in a fixed amount and (or) in the amount of partial or full compensation for the expenses of the insured in cases of death, loss (full or partial) of working capacity (

general or professional) or other damage to the health of the insured as a result of an accident, occupational disease, except for the insurance of risks associated with illness and (or) other health disorders.

By accident is understood a sudden, short-term event (accident), which occurred against the will of a person as a result of external mechanical, electrical, chemical, or thermal effects on the insured person, which led to a personal injury, bodily injury or a death.

4. Sickness insurance is a set of types of insurance that provide for the implementation of an insurance payment in a fixed amount and (or) in the amount of partial or full compensation for the expenses of the insured in connection with a disease or other health disorder, including expenses associated with death that occurred as a result of a disease and (or) other health disorder.

5. An insurance of means of transport, specified in subparagraphs 3) - 6) of paragraph 3 of Article 6 of this Law, is a combination of types of insurance, providing for insurance payments in the amount of partial or full compensation for the damage, caused to property interests of a person, connected with the possession, use and disposal of means of transport, including hijacking or theft, as well as due to its damage or destruction.

5-1. Insurance of space objects is a combination of types of insurance, providing insurance payments in the amount of partial or full compensation for the damage caused to the property interests of a person associated with possession, use, disposal of a space object, as a result of its damage or destruction.

6. A cargo insurance - a combination of types of insurance, providing for insurance payments in the amount of partial or full compensation for the damage, caused to the property interests of a person, connected with the possession, use and disposal of cargo, including luggage, goods, and all other types of products as a result of their injuries, destruction, loss, regardless of the mode of transportation.

7. A property insurance - a combination of types of insurance, providing for insurance payments in the amount of partial or full compensation for the damage, caused to the property interests of a person, connected with the possession, use and disposal of property as a result of damage or destruction, theft, with the exception of the property listed in subparagraphs 3) - 7) of paragraph 3 of Article 6 of this Law.

8. Insurance of civil liability of owners of means of transport provided by subparagraphs 9), 10) and 11) of paragraph 3 of Article 6 of this Law represents a combination of types of insurance, providing for insurance payments to the third parties in the amount of partial or full compensation for the damage, caused by the person obliged to compensate it due to the use of vehicle by him (her), including civil liability of the carrier.

8-1. Insurance of civil liability of owners of space objects represents a combination of types of insurance, providing for insurance payments to the third parties in the amount of partial or full compensation for the damage, caused by the person obliged to compensate it in connection with the use of the space object by him (her).

8-2. Insurance of professional liability is a type of civil liability insurance, providing for insurance payments in the amount of partial or full compensation for the damage, caused to the third parties due to erroneous actions (inaction) and (or) omissions in the process or as a result of professional activities carried out on the basis of a special permit (license, notification) and (or) requiring special knowledge, experience and (or) qualification.

9. Civil liability insurance is a set of types of insurance that provide for the implementation of insurance payments to third parties in the amount of partial or full compensation for damage caused by the insured, who is obliged to compensate it, as a result of insurance of all risks, except for risks covered by the classes of insurance specified in subparagraphs 9), 10), 11), 11-1) and 11-2) of paragraph 3 of Article 6 of this Law.

10. Insurance of loans of legal entities is a set of types of insurance that provide for the implementation of insurance payments in the event of a creditor's losses as a result of the insurant's (borrower-legal entity) failure to fulfill obligations to the creditor.

11. Mortgage insurance is a type of insurance that provides for insurance payments in the amount of partial or full compensation for the damage caused to the property interests of the lender as a result of the borrower's failure to fulfill obligations under the contract of mortgage housing loan, after the sale of collateral for mortgage housing loan.

12. A guarantees and warranties insurance - a combination of types of insurance, providing for insurance payments in the amount of partial or full compensation of the damage , caused to the property interests of the person, issued the guarantee or warranty, as a result of his (her) obligation to perform the issued warranty or guarantee.

13. An insurance against other financial losses - a combination of types of insurance, providing for insurance payments in the event of loss due to loss of job, loss of income, adverse natural phenomena, continuous, unexpected expenses, loss of market value and other damages as a result of the financial and economic activity, except for insurance of the risks, specified in subparagraphs 12) - 15) of paragraph 3 of Article 6 of this Law.

14. A legal expenses insurance - a combination of types of insurance, providing for insurance payments for losses of the policyholder (the insured person) as a result of their expenses, incurred in connection with court trial.

15. Under the insurance risks contracts, specified in paragraphs 11 - 13 of this article, the risk of the policyholder and only in his (her) favor, can be insured.

16. An insurance of losses of financial institutions- a combination of types of insurance, providing for the implementation of the insurance payment in the amount of partial or full compensation for losses, as a result of providing the financial services by the financial institution, with the exception of the classes specified in subparagraphs 13), 14), 15) and 16) of paragraph 3 Article 6 of this Law.

17. A title insurance - a combination of types of insurance, providing for an insurance payment in the amount of partial or full compensation for the damage, caused to the property interests of the policyholder in the event of termination of the right to the property.

Footnote. Article 7, as amended by the Laws of the Republic of Kazakhstan dated 20.02.2006 № 128 (the order of enforcement see Art. 2), dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2); dated 02.07.2018 № 166-VI (see Article 2); dated July 12, 2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 20.04.2023 № 226-VII (shall be enforced from 01.07.2023).

Article 8. The combination of sectors and classes of insurance

1. The activities of the insurance company in the Republic of Kazakhstan are carried out on the basis of a license for the sector “life insurance” or a license for the sector “general insurance” within the respective classes of insurance, specified in the license.

2. The activity in the sector “general insurance” may not be:

1) combined with the activities in the sector “life insurance”;

2) carried out in the form of endowment insurance.

3. Activity in the industry “life insurance” cannot be combined with:

1) activity in the industry “general insurance”, except for the classes of insurance specified in subparagraphs 1) and 2) of point 3 of article 6 of this Law;

2) compulsory types of insurance that do not belong to the "life insurance" sector, except for compulsory tourist insurance.

4. The insurance company may develop a type of insurance that combines the features and contents of two or more classes of insurance, provided that it has a license with the indication of corresponding classes of insurance and subject to the restrictions on combining the classes of insurance, specified by this Law.

5. (Paragraph is excluded by the Law of the Republic of Kazakhstan dated July 10, 2003 № 483 (shall be enforced from January 1, 2004).

Footnote. Article 8, as amended by the Law of the Republic of Kazakhstan dated 20 February, 2006 № 128 (the order of enforcement see Art. 2); dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication); date 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated July 12, 2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 9 Reinsurance activities

1. Reinsurance activities on the territory of the Republic of Kazakhstan shall be subject to licensing in the manner prescribed by this Law.

2. The insurance company shall transfer insurance risks to reinsurance without a reinsurance license.

3. The insurance company shall have the right to accept insurance risks for reinsurance only if there is a reinsurance license.

4. An insurance organization that has a license for the "general insurance" industry shall be entitled to obtain a license and carry out reinsurance activities for all classes of insurance specified in its license for the "general insurance" industry.

5. The insurance company, having a license in the sector "life insurance", shall have the right to obtain a license and carry out reinsurance activities for all classes of insurance, specified in its license in the sector "life insurance", taking into account the combination of classes, provided for in paragraph 3 of Article 8 of this Law.

6. A reinsurance company carrying out reinsurance as an exclusive type of activity based on a license for reinsurance shall be entitled to carry out reinsurance for all classes of insurance in the "life insurance" and "general insurance" sectors.

7. When transferring the insurance risks to reinsurance by the assignor, the assignor shall be obliged to have confirmation of the reinsurance company in written form about the acceptance of the latter risks for reinsurance (acceptance), indicating all terms of reinsurance.

8. An insurance (reinsurance) organization, the Export Credit Agency of Kazakhstan do not have the right to transfer insurance risks for reinsurance to insurance (reinsurance) organizations - non-residents of the Republic of Kazakhstan, included in the register of prohibited insurance (reinsurance) organizations - non-residents of the Republic of Kazakhstan.

The grounds for inclusion in the register of prohibited insurance (reinsurance) companies-non-residents of the Republic of Kazakhstan are:

1) the fact of non-execution by the insurance (reinsurance) company-non-resident of the Republic of Kazakhstan of requirements of the insurance (reinsurance) company-resident of the Republic of Kazakhstan on implementation of reinsurance payments, satisfied by the court decision (in case of refusal to implement reinsurance payments or not fully implemented);

2) the fact of non-submission, as well as submission of inaccurate or incomplete information about the amount of risks, premiums and essential terms of the concluded reinsurance contract by the insurance (reinsurance) company-non-resident of the Republic of Kazakhstan to the authorized body.

The register of prohibited insurance (reinsurance) companies-non-residents of the Republic of Kazakhstan shall be placed on the Internet resource of the authorized body.

The procedure for maintaining the register of prohibited insurance (reinsurance) companies -non-residents of the Republic of Kazakhstan shall be determined by regulatory legal act of the authorized body.

8-1. An insurance (reinsurance) company has the right to transfer insurance risks for reinsurance to a reinsurance company that is a non-resident of the Republic of Kazakhstan, directly or through mediation:

1) an insurance broker;

2) an insurance broker - a non-resident of the Republic of Kazakhstan, provided that an insurance broker - a non-resident of the Republic of Kazakhstan has a subsidiary in the territory of the Republic of Kazakhstan, carrying out the activities of an insurance broker based on a license from an authorized body;

3) a branch of an insurance broker - a non-resident of the Republic of Kazakhstan;

4) an insurance broker - a member of the Astana International Financial Center.

An insurance (reinsurance) company has the right to transfer insurance risks for reinsurance to a reinsurance company that is a member of the Astana International Financial Center directly or through mediation:

1) an insurance broker;

2) an insurance broker - a non-resident of the Republic of Kazakhstan, provided that an insurance broker - a non-resident of the Republic of Kazakhstan has a subsidiary in the territory of the Republic of Kazakhstan, carrying out the activities of an insurance broker based on a license from an authorized body;

3) a branch of an insurance broker - a non-resident of the Republic of Kazakhstan;

4) an insurance broker - a member of the Astana International Financial Center.

8-2. An insurance (reinsurance) organization has the right to transfer and accept insurance risks for reinsurance to the Export Credit Agency of Kazakhstan directly or through intermediary:

1) insurance broker;

2) an insurance broker - non-resident of the Republic of Kazakhstan, provided that the insurance broker - non-resident of the Republic of Kazakhstan has a subsidiary organization on the territory of the Republic of Kazakhstan that carries out the activities of an insurance broker on the basis of a license from an authorized body;

3) a branch of an insurance broker - non-resident of the Republic of Kazakhstan;

4) insurance broker – participant of the Astana International Financial Center.

9. Was valid till 16.12.2020 in accordance with the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI.

10. In case of participation of an insurance broker - a non-resident of the Republic of Kazakhstan in the process of transferring insurance risks to reinsurance through the mediation of an insurance broker (a branch of an insurance broker - a non-resident of the Republic of Kazakhstan), an insurance broker (a branch of an insurance broker - a non-resident of the Republic of Kazakhstan) shall submit to the National Bank a report on the conditions of placement by an insurance broker - a non-resident of the Republic of Kazakhstan of these risks for reinsurance to reinsurance organizations - non-residents of the Republic of Kazakhstan in accordance with the regulatory legal act of the National Bank in agreement with the authorized body.

A subsidiary of an insurance broker - a non-resident of the Republic of Kazakhstan, carrying out the activities of an insurance broker, submits to the National Bank a report on reinsurance contracts concluded by an insurance (reinsurance) company through the mediation of this insurance broker - a non-resident of the Republic of Kazakhstan, in accordance with the regulatory legal act of the National Bank in agreement with the authorized body.

The transfer of insurance risks for reinsurance by a reinsurance company - a member of the Astana International Financial Center, including through the mediation of an insurance broker - a member of the Astana International Financial Center, shall be carried out subject to an agreement on the exchange of information between the authorized body and the legal entity that regulates financial services and related activities at the Astana International Financial Center.

11. Excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

12. The norms of this Law in part of creating, licensing, regulation and termination of activity of the insurance company shall apply to the terms of creating, licensing, regulation and termination of activity of reinsurance companies, carrying out reinsurance as an exclusive type of activity.

13. An insurance (reinsurance) company shall be prohibited from transferring insurance risks for reinsurance to a reinsurance company that is a non-resident of the Republic of Kazakhstan or a member of the Astana International Financial Center, with the participation of two or more insurance brokers that are members of the Astana International Financial Center or insurance brokers that are non-residents of the Republic of Kazakhstan.

Footnote. Article 9 is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by Law № 262-VI of the Republic of Kazakhstan as of 03.07.2019 (shall be enforced from 01.01.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 23.01.2024 № 54-VIII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Chapter 3. The insurance market

Article 10. The participants of the insurance market

The participants of the insurance market of the Republic of Kazakhstan are:

1) an insurance (reinsurance) company;

1-1) branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan;

2) an insurance broker;

2-1) branch of a non-resident insurance broker of the Republic of Kazakhstan;

3) an insurance agent;

4) the policyholder, the insured person, the beneficiary;

5) an actuary;

6) an independent actuary;

7) an appraiser;

8) an underwriter;

9) an adjuster;

10) a surveyor;

11) financial ombudsman;

11-1) organization, guaranteeing implementation of insurance payments to the insurants (insured, beneficiaries) in case of liquidation of insurance companies;

11-2) organization for formation and maintenance of the database;

12) an association of insurance (reinsurance) companies and insurance brokers;

13) an association of actuaries;

14) other individuals and legal entities, engaged in entrepreneurial activities, related to insurance.

Footnote. Article 10 is in wording of the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2); as amended by the laws of the Republic of Kazakhstan dated 24.11.2015 № 422-V (shall come into force from 16.12.2020); as amended by the Laws of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 10.01.2018 № 134-VI (shall be enforced upon expiry of six months after its first official publication); dated 16.01.2026 № 259-VIII (shall be enforced from 01.01.2027).

Article 10-1. The authority of the association of insurance (reinsurance) companies and insurance brokers

1. The authority of the association of insurance (reinsurance) companies and insurance brokers shall include:

1) ensuring interaction of its members in carrying out their activities in the insurance market;

2) development of internal documents;

3) conducting training for participants in the insurance market, including conducting an exam for knowledge of the minimum training program for insurance agents and issuing a document confirming passing the exam for the minimum training program for insurance agents, indicating the final result of the exam;

4) consideration of disputes arising between members;

5) protection of the interests of its members;

6) sending to the authorized body of information on possible violations of requirements established by legislative acts of the Republic of Kazakhstan by professional participants of the insurance market;

7) implementation of other functions provided by the constituent documents.

2. Associations of insurance (reinsurance) companies and insurance brokers shall be obliged to bring to the attention of their members the information provided by the authorized body on the issues of professional activities of their members.

Footnote. The Law is supplemented by Article 10-1 in accordance with the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Article 2); is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by Law № 138-VII of July 12, 2022 (shall be enforced from January 1, 2023).

Article 10-2. Internal documents of the association of insurance (reinsurance) companies and insurance brokers

Associations of insurance (reinsurance) companies and insurance brokers shall accept the following internal documents:

1) standards of activity in the insurance market;

2) code of professional ethics;

3) dispute resolution procedure;

4) other documents provided by the Charter.

Internal documents shall be approved by the supreme governing body of the association of insurance (reinsurance) companies and insurance brokers and shall be binding for their members.

Footnote. The Law is supplemented by Article 10-2 in accordance with the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Article 2); is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 10-3. Association of actuaries

1. Association of actuaries shall be created in the form of a non-commercial organization, the activities of which are regulated by this Law, the Law of the Republic of Kazakhstan "On Self-regulation" and other regulatory legal acts of the Republic of Kazakhstan, the constituent documents of the association of actuaries.

2. The terms and procedure for admission to membership and termination of membership in the association of actuaries shall be established by the Charter of association of actuaries.

Association of actuaries shall maintain a list of its members and place it on its Internet resource.

3. Association of actuaries shall perform the following functions:

1) conducting actuarial research in the field of insurance and insurance activities, including actuarial assessment and examination of insurance tariffs by insurance classes, the content and terms of which are determined by legislative acts of the Republic of Kazakhstan;

2) analysis and updating of survival indicators under annuity insurance contracts concluded within the framework of the Social Code of the Republic of Kazakhstan and the Law of the Republic of Kazakhstan “On Compulsory Insurance of an Employee against Accidents in the Performance of Labor (Official) Duties”;

3) conducting training and examinations on the minimum obligatory training program for actuaries;

4) development of internal documents;

5) ensuring interaction of its members in implementation of its activities;

6) consideration of disputes arising between members;

7) ensuring protection of interests of its members;

8) implementation of other functions that do not contradict the requirements of the legislation of the Republic of Kazakhstan on self-regulation and regulatory legal act of the authorized body.

4. Employees and members of the association of actuaries shall be responsible for disclosure of information obtained in the course of their functions, constituting official, commercial secrets, insurance secrets or other secrets protected by the Law, in accordance with the Laws of the Republic of Kazakhstan.

5. Development and approval of measures of influence, the procedure and grounds for their application, the procedure for consideration of cases of violation by members of the association of actuaries of the code of professional ethics and standards of professional practice, qualification and other requirements for membership are within the competence of the supreme management body of the association of actuaries.

Footnote. The Law is supplemented by Article 10-3 in accordance with the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the Law of the Republic of Kazakhstan dated 20.04.2023 № 226-VII (shall be enforced from 01.07.2023).

Article 11. The activities of the insurance (reinsurance) company

1. Insurance activity is the main type of entrepreneurial activity, carried out by the insurance (reinsurance) company.

2. The insurance (reinsurance) company, other than insurance activity, shall be entitled to carry out the following activities:

1) the investing activities subject to the limitations set forth in this Law;

1-1) investment portfolio management activities in respect of assets formed at the expense of a part of insurance premiums (insurance contributions) received from policyholders for investment purposes, and income (expenses) received (incurred) from their investment, under insurance contracts providing for the condition for the participation of the insured in investments, based on a license to carry out activities for managing an investment portfolio in the securities market in cases and in the manner prescribed by the legislation of the Republic of Kazakhstan;

2) the issuance of loans to its policyholders within the redemption amount, provided by the relevant contract of endowment insurance (for an insurance company, operating in the sector “life insurance”);

3) development, implementation and support for specialized software used to automate the activities of insurance (reinsurance) organizations, or other software used in the activities of financial organizations;

4) the sale of specialized literature on insurance and insurance activities on all types of media;

5) the sale or lease of property, acquired for their own use (for insurance (reinsurance) companies) or received at its disposal in connection with the conclusion of insurance contracts (for an insurance company);

6) the advising on the issues, related to the insurance activities;

7) the organization and conduct the training to enhance the skills of experts in the field of insurance (reinsurance);

8) the insurance mediation as an insurance agent;

9) the activity, specified in paragraph 1 of Article 52 of this Law;

10) is excluded by the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2);

11) the assistance, carried out on the basis of a joint operation agreement between the insurance companies or between insurance companies and other legal entities that provide the assistance services;

12) the activity, provided by the legislative acts of the Republic of Kazakhstan, in the framework of participation in the system of guaranteeing insurance payments.

3. An insurance (reinsurance) company is prohibited from carrying out transactions and operations as an entrepreneurial activity, not covered by paragraphs 1 and 2 of this Article.

Branch of non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall be prohibited to perform transactions and carrying out operations as entrepreneurial activities not related to insurance (reinsurance) activities.

Branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, in addition to insurance activities shall be entitled to provide consulting services on issues related to insurance activities.

Branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, carrying out activities in the “life insurance” industry, except for insurance activities, shall be entitled to provide services for the issuance of loans by an insurance organization-non-resident of the Republic of Kazakhstan to its insurers within the redemption amount provided for in the relevant accumulative insurance agreement.

3-1. An insurance organization is not entitled to carry out insurance activities on types of insurance guaranteed in accordance with the Law of the Republic of Kazakhstan "On Insurance Payments Guarantee Fund" if it does not have a major participant - an individual or an insurance holding company.

The requirement of part one of this point does not extend to insurance companies which more than fifty percent of placed shares directly or indirectly belong or are delivered in trust management to the state or national managing holding.

Branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall be entitled to carry out the compulsory insurance, types, conditions and procedure of which shall be determined by the laws of the Republic of Kazakhstan.

3-2. Insurance organizations have the right to collect copies of identification documents of non-residents for the purposes provided for by this Law.

4. Insurance organizations have the right to create an organization that guarantees the implementation of insurance payments to policyholders (insured persons, beneficiaries) in the event of liquidation of insurance organizations. The procedure for the creation and activities of an organization that guarantees the implementation of insurance payments to policyholders (insured persons, beneficiaries) in the event of liquidation of insurance organizations shall be regulated by the legislation of the Republic of Kazakhstan.

Mandatory participation of insurance organizations in an organization that guarantees the implementation of insurance payments to policyholders (insured persons, beneficiaries) in the event of liquidation of insurance organizations is provided for by this Law and separate laws of the Republic of Kazakhstan.

The provision of part one of this paragraph shall not apply to branches of insurance (reinsurance) companies - non-residents of the Republic of Kazakhstan.

5. Excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Footnote. Article 11, as amended by the Laws of the Republic of Kazakhstan dated 11.06.2003 № 436, dated 10.07.2003 № 483 (shall be enforced from 01.01.2004), dated 20.02.2006 № 128 (the order of enforcement see Art. 2), dated 30.12.2009 № 234-IV; dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2), dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication); dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of itsfirst official publication); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 11.12.2023 № 44-VIII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication).

Article 11-1. General conditions for carrying out insurance (reinsurance) activities

Footnote. The heading of Article 11-1 is as amended by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced ten calendar days after its first official publication).

1. The insurance (reinsurance) company may carry out the insurance activities only with a license to engage in the insurance activities (reinsurance activity), the insurance rules that

determine the general conditions of the insurance activities for a particular type, and the internal rules.

1-1. Excluded by the Law of the Republic of Kazakhstan dared 29.03.2016 № 479-V (shall be enforced after twenty one calendar days after day of its first official publication).

1-2. Excluded by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced from 01.01.2027).

2. The internal rules of the insurance (reinsurance) companies shall determine:

1) the structure, objectives, functions and powers of the departments of insurance (reinsurance) company;

2) the structure, membership, objectives, functions and powers of the internal audit service and other standing bodies;

3) the risk management system, revealing a policy of insurance (reinsurance) company on managing the technical (insurance), investment, credit, operational, market and other risks;

4) the rights and duties of heads of departments;

5) the powers of the officials and employees of the insurance (reinsurance) company in carrying out transactions on its behalf and for its expenses;

6) the procedure for registration of written and oral complaints of policyholders (insured persons), victims (beneficiaries) and their representatives, as well as incoming applications and documents on the issues of insurance events;

7) the procedure and terms of consideration and responses to policyholders (the insured persons), victims (beneficiaries) and their representatives on the applications and documents on the issues of insurance events;

7-1) regulations on the procedure for working with clients, including the procedure for providing services to persons with disabilities and low-mobility groups of the population, taking into account the requirements of the national standard in the field of accessibility of branches of financial institutions for the provision of services to persons with disabilities and other low-mobility groups of the population;

8) the procedure for deciding on the insurance payment with a timetable for its implementation or presentation of a reasoned justification of the reasons for refusal of the insurance compensation;

9) the procedure for assessment of insurance risks (including the property received in insurance) and the amount of damage on the insured event;

10) the powers of an underwriter, an adjuster and a surveyor;

11) requirements for the appraisal procedure when accepting insurance risks for reinsurance (in the case of carrying out reinsurance activities);

11-1) the procedure for determining the amount of the commission of an insurance agent;

12) the procedures for document control and making decisions on reinsurance (in the case of carrying out reinsurance activities).

3. The rules for insurance and the internal regulations of the insurance (reinsurance) organization shall be approved by the board of directors, and of a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan – by the relevant governing body of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan.

An insurance (reinsurance) organization or a branch of an insurance (reinsurance) organization that is a non-resident of the Republic of Kazakhstan is required to post its insurance policies on its website. The insurance policies posted on the insurer's website must be up to date.

If insurance contracts are concluded electronically using the websites of other organizations that are partners of the insurance organization under a relevant agreement, the insurance organization is required to ensure that the insurance policies are posted on those websites.

3-1. The insurance rules and internal regulations of an Islamic insurance (reinsurance) organization shall be approved by the board of directors in the presence of a positive opinion of the council on the principles of Islamic financing, and the branch of an islamic non-resident insurance (reinsurance) organization of the Republic of Kazakhstan - by the relevant governing body of the Islamic insurance (reinsurance) organization-non-resident of the Republic of Kazakhstan in the presence of a positive opinion of the council on the principles of Islamic finance.

4. An insurance (reinsurance) company shall not be entitled to carry out insurance activities without the presence among its staff of an actuary who has a valid license to carry out actuarial activities in the insurance market.

An actuary employed by an insurance (reinsurance) company must not be an affiliate of this insurance (reinsurance) company and (or) its shareholder and (or) its executive officer.

An actuary who has a license to carry out actuarial activities in the insurance market is not entitled to combine their activities with other insurance (reinsurance) companies, except for cases of engagement as an independent actuary.

5. The insurance (reinsurance) company engages an independent actuary to check the activity of actuary, established by this Law, who consists in the staff of the insurance (reinsurance) company, in the manner and terms, established by the regulatory legal acts of the authorized body.

This paragraph shall not be applied to the insurance (reinsurance) company in the case of hiring an independent actuary by an audit firm during the mandatory audit.

6. An independent actuary must comply the following requirements:

1) not to be an employee of the audited insurance (reinsurance) company;

2) to have experience in actuarial activity for at least three years and at least two years in the insurance industry in which the audited insurance (reinsurance) company carries out its activity, and to be a member of the association of actuaries;

2-1) not be an affiliate of an insurance (reinsurance) company, its shareholders and (or) executives and a relative of a full-time actuary;

3) have a valid license from the authorized body for actuarial activities or be a member of international associations of actuaries, the list and requirements for which are established by the authorized body, in the case provided for in paragraph 5 of this Article.

7. An independent actuary shall be responsible for the disclosure of the information, obtained during the audit of the activities of the actuary, who consists in the staff of the insurance (reinsurance) company, in accordance with the Laws of the Republic of Kazakhstan .

8. The requirements for the implementation of the insurance activities by the insurance company, including the relationship with the participants of the insurance market, are established by the regulatory legal act of the authorized body.

9. In the case provided for in paragraph 1 of Article 840 of the Civil Code of the Republic of Kazakhstan (Special Part), shall transfer to the service company, for trust management within the limits of the amount paid, the right (claim) that the policyholder (insured) has against the person liable for losses compensated as a result of the borrower's liability insurance for obligations arising from a bank loan agreement or a microcredit agreement.

Footnote. Section is supplemented by Article 11-1, in accordance with the Law of the Republic of Kazakhstan dated 20.02.2006 № 128 (the order of enforcement see Art. 2), is in the wording of the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2); with the changes made by laws of the Republic of Kazakhstan dated 16.05.2014 № 203-V (shall be enforced after six months after day of its first official publication); dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication); dared 29.03.2016 № 479-V (shall be enforced after twenty one calendar days after day of its first official publication); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); № 272-VI as of 25.11.2019 (shall be enforced ten calendar days after its first official publication); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 30.06.2025 № 205-VIII (the order of enforcement see Art. 2); dated 16.01.2026 № 259-VIII (for the procedure of enactment see Art. 2).

Article 11-2. Consideration of applications of applicants

1. An insurance organization shall consider applications of individuals and legal entities related to the conduct of insurance activities in accordance with the requirements for the conduct of insurance activities by an insurance organization and a branch of an insurance organization – non-resident of the Republic of Kazakhstan, including in relations with insurance market participants, established by a regulatory legal act of the authorized body.

2. The time limit for consideration of an applicant's application shall not exceed fifteen working days from the date of receipt by the insurance organization.

Where it is necessary to establish factual circumstances relevant to the proper consideration of the application, the time limit for consideration of the application may be extended by fifteen working days, of which the applicant shall be notified within three working days from the date of extension of the time limit.

3. Based on the results of consideration of the application, the insurance organization shall send the applicant a response (decision) on the merits of the application.

4. An applicant's application shall be left without consideration in the following cases:

1) the application does not specify the address to which the response is to be sent;

2) the application does not specify the surname, first name, patronymic (if indicated in the identity document) and the individual identification number thereof, or the full name of the applicant and the business identification number thereof;

3) the application contains obscene or offensive language, threats to the property of the insurance organization, threats to the life, health and property of its employee, as well as members of the employee's family;

4) the application is illegible;

5) the application is submitted by an unauthorized person.

In the cases provided for by subparagraphs 2), 3), 4) and 5) of part one of this paragraph, the insurance organization shall, within five working days from the moment of receipt of the applicant's application, send the applicant a response indicating the reasons for leaving the application without consideration.

5. An applicant being an individual and (or) a small business entity, which are policyholders (insured persons, beneficiaries) under all types of insurance, and other legal entities – exclusively under the class (type) of compulsory insurance of civil liability of vehicle owners, with the amount of claims not exceeding ten thousand times the monthly calculation index established by the law on the republican budget and effective as of 1 January of the relevant financial year, shall be entitled to apply to the financial ombudsman in accordance with the Law of the Republic of Kazakhstan "On the State Regulation, Control and Supervision of the Financial Market and Financial Organizations" within the framework of the pre-trial dispute settlement procedure in the following cases:

refusal by the insurance organization to satisfy the applicant's property claim or non-receipt by the applicant of a response from the insurance organization within the time limit provided for by paragraph 2 of this article;

failure to reach a mutually acceptable resolution when settling disputes between policyholders (insured persons, beneficiaries) and insurance organizations arising from insurance contracts, as well as between insurance organizations.

6. An insurance organization shall submit to the authorized body reports on complaints received from individuals and legal entities; the list, forms, deadlines, and procedure for submitting such reports shall be established by a regulatory legal act of the authorized body.

7. The provisions of this article shall apply to branches of insurance organizations that are non-residents of the Republic of Kazakhstan.

Footnote. Chapter 3 is supplemented with Article 11-2 in accordance with the Law dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication); (shall be enforced from 01.01.2027).

Article 12. Features of carrying out activities for life insurance

1. The insurance company performing activities for accumulative insurance except for the Islamic insurance company having the right to grant within the redemption amount loans to the insurers taking into account requirements of regulatory legal acts of authorized body.

A branch of an insurance organization-non-resident of the Republic of Kazakhstan, carrying out endowment insurance activities, with the exception of a branch of an Islamic insurance organization-non-resident of the Republic of Kazakhstan, shall be entitled to provide services for the provision of loans by an insurance organization-non-resident of the Republic of Kazakhstan to its policyholders within redemption amount, taking into account the requirements of regulatory legal acts of the authorized body.

2. The insurance company may increase the size of regular insurance payments during the term of the annuity insurance contract on the advice of the actuary, in the manner set forth in the regulatory legal acts of the authorized body.

3. Excluded by the Law of the Republic of Kazakhstan dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication).

4. The insurance company may develop types of insurance within the classes of insurance, specified in paragraph 2 of Article 6 of this Law, providing for an insurance payment in case of participation of the policyholder in the investments and profits of the insurer.

5. The procedure and features of the participation of the insured in the investments or profits of the insurer, the conclusion by the branch of the insurance organization - a non-resident of the Republic of Kazakhstan of an insurance contract that provides for the condition for the participation of the insured in the investments or profits of the insurer, as well as requirements for the content of the insurance contract that provides for the condition for the participation of the insured in investments or profits the insurer shall be determined by the regulatory legal act of the authorized body.

When concluding an insurance contract that provides for the condition of participation of the insured in investments, the insurance organization has the right to manage assets formed at the expense of a part of insurance premiums (insurance contributions) received from insurants for investment purposes, and income (expenses) received (incurred) from their investment, under insurance contracts that provide for the condition of participation of the insured in investments, independently if the insurance company has a license to carry out investment portfolio management activities in the securities market and (or) transfer them to investment management by an investment portfolio manager that is not an insurance organization.

Conditions and procedures for the transfer by an insurance organization of assets formed at the expense of a part of insurance premiums (insurance contributions) received from policyholders for investment purposes, and income (expenses) received (incurred) from their investment, under insurance contracts that provide for the condition of participation of the insurant in investments, to the investment management of an investment portfolio manager who is not an insurance company, shall be determined by the regulatory legal act of the authorized body.

Conditions and procedures for the transfer by a branch of an insurance organization - a non-resident of the Republic of Kazakhstan of assets formed at the expense of a part of insurance premiums (insurance premiums) received from policyholders for investment purposes, and income (expenses) received (incurred) from their investment to the investment management of the insurance organization - to a non-resident of the Republic of Kazakhstan, which has a license to carry out investment portfolio management activities in the securities market of the state, the resident of which is an insurance company - a non-resident of the Republic of Kazakhstan, shall be determined by the regulatory legal act of the authorized body.

Insurance organizations that conclude insurance contracts that provide for the condition of the insured's participation in investments, keep accounting records and submit financial statements and primary statistical data separately for their funds and assets generated from a part of insurance premiums (insurance premiums) received from insurants for investment purposes, and income (expenses) received (incurred) from their investment, under insurance contracts, providing for the condition of participation of the insured in investments, to the National Bank in the manner prescribed by the legislation of the Republic of Kazakhstan.

Investment risks on assets formed at the expense of a part of the insurance premium (insurance premiums) received (received) from the insured for investment purposes, and income (expenses) received (incurred) from its (their) investment, under an insurance contract providing for the condition of participation the insured in investments, shall be borne by the insured.

5-1. Seizure or foreclosure of assets formed at the expense of a part of insurance premiums (insurance contributions) received from policyholders for investment purposes, and income (expenses) received (incurred) from their investment, under insurance contracts providing for the condition of participation of the insurant in investments, on debts of an insurance company, a custodian bank and an investment portfolio manager shall be prohibited , including in cases of liquidation and (or) bankruptcy of the listed entities.

5-2. Determination of the value of assets formed at the expense of a part of insurance premiums (insurance contributions) received from policyholders for investment purposes, and income (expenses) received (incurred) from their investment, under insurance contracts that

provide for the condition of participation of the insurant in investments, shall be carried out on the terms, according to the methodology and in the manner determined by the regulatory legal act of the authorized body.

5-3. Features of the distribution of assets formed at the expense of a part of insurance premiums (insurance contributions) received from policyholders for investment purposes, and income (expenses) received (incurred) from their investment, under insurance contracts providing for the condition of participation of the policyholder in investments, between policyholders, including cases of voluntary, forced liquidation or voluntary reorganization of an insurance company into a legal entity that does not carry out insurance activities, shall be established by the regulatory legal act of the authorized body.

6. Implementation of payments in connection with the participation of the policyholder in the investments or profits of the insurer with the accumulated amount is made in the following cases:

1) the occurrence of the insured event as part of an insurance payment;

2) the expiration of the term of the endowment insurance as part of an insurance payment;

3) the early termination of the insurance contract as part of the redemption amount.

It shall be prohibited to conclude an insurance contract providing for the condition of participation of the insured in the profits of the insurer with shareholders (the sole shareholder) and (or) affiliated persons of the insurance organization.

Footnote. Article 12 is in the wording of the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2); with the changes made by the Law of the Republic of Kazakhstan dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); № 262-VI as of 03.07.2019 (shall be enforced from 01.01.2020); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 13. Activities for co-insurance and joint reinsurance

1. In implementation of insurance (reinsurance) risks through creation of an insurance (reinsurance) pool, the contract of co-insurance (reinsurance) may be concluded on the terms of the insurance (reinsurance) company, taking over the functions and powers of the leading insurance (reinsurance) company.

2. The agreement on joint activities must contain the following information:

1) the name of the insurance (reinsurance) company that is leading in the activities of the insurance (reinsurance) pool, or the insurance broker engaged to manage the activities of the insurance (reinsurance) pool;

2) classes (types) of insurance and the list of insurance risks being the subject of activity of the insurance (reinsurance) pool;

3) the maximum amount of total liabilities of the insurance (reinsurance) pool and its participants, including the maximum amount of liabilities under a separate co-insurance contract (joint reinsurance), the maximum share of responsibility of each participant of the pool for the taken risks;

4) terms, procedure of conclusion and execution of insurance contracts (joint reinsurance);

4-1) procedures for joining and excluding participants, including the redistribution of the obligations of a participant in an insurance (reinsurance) pool in the event of a license revocation for the class (type) of insurance that is the subject of the insurance (reinsurance) pool's activities;

5) validity term of the contract;

6) rights and obligations of the parties;

6-1) functions and powers of the leading insurance (reinsurance) company, including the powers to conclude co-insurance (joint reinsurance) contracts;

6-2) the procedure and terms for mutual settlements between the parties to the agreement on joint activities for insurance premiums, insurance payments under co-insurance (joint reinsurance) agreements, as well as the remuneration of the leading insurance (reinsurance) company;

7) disputes resolution procedure;

8) signatures of the parties.

The insurance (reinsurance) company within ten calendar days from the date of conclusion of the contract on joint activity with participation of the insurance (reinsurance) company shall notify the authorized body of its conclusion with attachment of a copy of this contract.

3. The co-insurance (joint reinsurance) contract must comply with the requirements of the legislation of the Republic of Kazakhstan to the insurance (reinsurance) contract.

4. The contract of co-insurance (joint reinsurance), concluded in the framework of the activities of insurance (reinsurance) pool should contain the number and date of conclusion of the contract on joint activities, information about the participants of the insurance (reinsurance) pool, as well as the signature of the authorized person of the insurance (reinsurance) company, being the leading one in the activity of the insurance (reinsurance) pool, or an insurance broker, attracted to manage activities of the insurance (reinsurance) pool .

5. Insurance reserves shall be formed by each participant of the insurance (reinsurance) pool in accordance with the volumes of accepted liabilities.

6. It is prohibited to participate in the insurance pool of the insurance company, the license of which does not specify the appropriate class of insurance.

7. It is prohibited to participate in the reinsurance pool of the insurance (reinsurance) company that does not have a license to carry out reinsurance activities in the relevant insurance industry.

8. A participant in the insurance (reinsurance) pool shall not be permitted to refuse to fulfill obligations undertaken within the pool's activities, except in cases provided by a regulatory legal act of the authorized body.

The insurance (reinsurance) pool does not bear responsibility for the obligations of its participants arising outside the pool's activities, nor are the participants of the insurance (reinsurance) pool responsible for the obligations of other participants that arise outside the pool's activities.

9. To manage the activities of the insurance (reinsurance) pool, insurance brokers having an appropriate license from the authorized body may be involved, if there is an agreement between the participants in the insurance (reinsurance) pool and the insurance broker, the terms of which shall be established by the joint activity agreement.

When agreeing on joint activities with the participation of an insurance broker, the insurance broker shall perform the functions of a leading insurance (reinsurance) company, established by this Article.

Footnote. Article 13 is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 19.04.2024 № 74-VIII (shall be enforced upon expiry of six months after the date of its first official publication).

Article 14. Prohibition on the unlicensed activity

1. No person who does not have the appropriate license of the authorized body shall have the right to:

1) carry out on its own name the insurance, reinsurance activities, provide services of an insurance broker, actuary in the cases provided for in paragraphs 4 and 5 of Article 11-1 of this Law, as a primary or additional activity;

2) use the words "insurance", "reinsurance", "insurance company", "reinsurance company ", "reinsurance company", "insurance broker" or words (expressions) derived from them in any language in the name, documents, announcements and advertisement, implying that it carries out insurance or reinsurance operations on its own name or acts as an insurance broker , actuary in the cases provided for by paragraphs 4 and 5 of Article 11-1 of this Law.

2. It is prohibited to carry out insurance activities without a license of the authorized body , except for the activities of mutual insurance companies.

Footnote. Article 14 as amended by the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 15. Trans border insurance and reinsurance

1. Insurance, related to the implementation of activities by an insurance company on the conclusion and execution of insurance contracts in another state, shall be transboundary.

2. Is excluded by the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

3. Intermediary activity on conclusion of an insurance contract with an insurance company– non-resident of the Republic of Kazakhstan, with the exception of insurance contracts of civil liability of owners of vehicles traveling outside the Republic of Kazakhstan, the risks, specified in subparagraph 2) of paragraph 2 of Article 5-1 of this Law, shall not be allowed on the territory of the Republic of Kazakhstan is not, unless otherwise is provided by international treaties, ratified by the Republic of Kazakhstan.

4. The insurance companies-residents of the Republic of Kazakhstan having the license of the authorized body with indication of the corresponding class of insurance and insurance brokers-residents of the Republic of Kazakhstan in the presence of the relevant agreement concluded with the named insurance company – non-resident of the Republic of Kazakhstan, may also carry out the intermediary activity on conclusion in the territory of the Republic of Kazakhstan on behalf of the insurance company–non-resident of the Republic of Kazakhstan of insurance contracts of civil liability of owners of vehicles traveling outside the Republic of Kazakhstan, the risks specified in subparagraph 2) of paragraph 2 of Article 5-1 of this Law.

5. (Is excluded – dated 20 February, 2006 № 128 (the order of enforcement see Art. 2).

Footnote. Article 15 as amended by the Law of the Republic of Kazakhstan dated 10 July, 2003 № 483 (shall be enforced from 1 January, 2004), dated 20 February, 2006 № 128 (the order of enforcement see Art. 2); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 15-1. Prohibition on provision of preferential conditions to the persons connected with the insurance (reinsurance) company by special relations

Footnote. Title as amended by the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019).

1. The insurance (reinsurance) company shall be prohibited from providing preferential conditions to the persons connected with the insurance (reinsurance) company by special relations.

2. Provision of preferential conditions to a person connected with an insurance (reinsurance) company by special relations means a transaction with a person connected with an insurance (reinsurance) company by special relations, or in its interests, which by its nature , purpose, peculiarities and risk, the insurance (reinsurance) company would not have committed with a person not connected with it by special relations, namely:

1) application of the insurance tariff is lower or the insurance payment is higher than for other insurants;

2) payment of the acquired property and (or) services to the person connected with the insurance (reinsurance) company by special relations, at a price higher than the payment of similar acquired property and (or) services to the third parties, for a transaction or a set of

transactions, the value of which exceeds the amount established by the regulatory legal act of the authorized body;

3) sale to a person associated with an insurance (reinsurance) company by special relations, of property at a value lower than the sale of a similar property to third parties or lower than the market value or the value indicated in the valuation report (in the absence of a market value);

4) transactions previously referred by the authorized body to transactions with preferential conditions through the use of reasoned judgment.

Additional criteria for referring transactions to the transactions with preferential conditions shall be established by the regulatory legal act of the authorized body.

2-1. As persons, connected with the insurance (reinsurance) company by special relations shall be recognized:

1) an official or a managing employee, the first head and the chief accountant of branch of this insurance (reinsurance) company, and also their spouses and close relatives;

2) an individual or a legal entity being a major participant in this insurance (reinsurance) company, or an official of a major participant in the insurance (reinsurance) company, as well as their spouses and close relatives;

3) a legal entity in which the persons specified in subparagraphs 1) and 2) of this paragraph own ten or more percent of the outstanding shares (less preferred and redeemed shares) or shares in the charter capital or are officials;

4) affiliated persons of the insurance (reinsurance) company;

5) an individual or a legal entity corresponding to the signs of connection with the insurance (reinsurance) company by special relations established by the regulatory legal act of the authorized body.

The authorized body shall have the right to refer an individual or a legal entity to the persons connected with the insurance (reinsurance) company by special relations, through the use of substantiated judgment. In this case, this individual or a legal entity shall be recognized as an insurance (reinsurance) company by a person related to it by special relations, from the date of receipt of the appropriate supervisory response measures of the authorized body by the insurance (reinsurance) company.

An independent director, national managing holding, which is a shareholder of the insurance (reinsurance) company, and legal entities, ten or more percent of the shares (stakes in the charter capital) of which belong to such a national managing holding, as well as legal entities in which the official of the insurance (reinsurance) company, which is an independent director, is an independent director in the management bodies, as well as other persons, defined by the regulatory legal act of the authorized body, shall not be recognized as persons related to the insurance (reinsurance) company by special relations for the purposes of this Article.

For the purposes of recognizing persons associated with a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan with special relations:

a non-resident insurance (reinsurance) organization in subparagraph 2) of the first part of this paragraph shall be understood to be a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan;

a non-resident insurance (reinsurance) organization in subparagraphs 4) and 5) of the first part of this paragraph shall be understood to be a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan.

Affiliates of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall be recognized as affiliates of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, recognized as such in accordance with the legislation of the state of which the insurance (reinsurance) is a resident organization-non-resident of the Republic of Kazakhstan.

Branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall keep records of its affiliates based on the information provided by the non-resident insurance (reinsurance) organization-non-resident of the Republic of Kazakhstan .

3. Is excluded by the Law of the Republic of Kazakhstan dated 28.12.2011 № 524 -IV (shall be enforced upon expiry of ten calendar days after its first official publication).

4. A transaction with a person associated with an insurance (reinsurance) company by special relations shall be made subject to the requirements of paragraph 1 of this Article only by the decision of the board of directors of the insurance (reinsurance) company.

The requirement of part one of this paragraph shall not apply to transactions with a person associated with an insurance (reinsurance) company by special relations, the standard conditions of which are established by the legislation of the Republic of Kazakhstan and (or) were previously approved by the board of directors of an insurance (reinsurance) company and apply to similar transactions with third parties. persons.

The waiver of the rights of claims in respect of assets provided (placed) to the persons (at the persons) connected with the insurance (reinsurance) company by special relations shall be carried out with the subsequent notification of the general meeting of shareholders.

The person referred to in paragraph 2-1 of this Article shall not participate in the consideration and decision-making on any transaction between the insurance (reinsurance) company and:

by himself (herself);

any of his (her) close relatives or his (her) spouse;

any legal entity in which he (she) or any of his (her) close relatives, his (her) spouse, is an official (except for an independent director) or a major participant.

The decision of the board of directors on any transaction between an insurance (reinsurance) company and a person connected with an insurance (reinsurance) company by

special relations may be made only after consideration of all its conditions by the board of directors.

For the purposes of applying the requirements of this paragraph to the branch of non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, the board of directors of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall be understood to be the relevant management body of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan of the Republic of Kazakhstan.

4-1. is excluded by the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019).

5. An insurance (reinsurance) company is obliged to provide the National Bank with information on persons having special relations with the insurance (reinsurance) company, as well as on all transactions concluded with these persons, in the manner, within the time frame and in the forms provided for by regulatory legal acts of the National Bank in consultation with the authorized body.

5-1. is excluded by the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019).

6. The requirements of this Article shall apply to insurance holding companies, except for:

1) non-residents of the Republic of Kazakhstan, that are an insurance holding company, a person with characteristics of an insurance holding company, if any of the following conditions:

presence of an individual's credit rating not lower rating A one of the rating agencies, the list of which shall be established by the authorized body, as well as a written confirmation from the financial supervisory authority of the country of origin of an insurance holding company, the person, having the characteristics of the insurance holding company, that these persons - residents of the Republic of Kazakhstan shall be subject to the consolidated supervision;

existence of an agreement between the authorized body and the relevant supervisory body of a foreign state for the exchange of information, as well as the minimum required rating of one of the rating agencies. Minimum rating and list of rating agencies shall be established by the regulatory legal act of the authorized body;

2) insurance holding companies, that are the bank holding companies-members of the banking conglomerates.

Footnote. Chapter 3 is supplemented by Article 15-1, in accordance with the Law of the Republic of Kazakhstan dated 23.10.2008 № 72-IV (the order of enforcement see Art. 2), as amended by the Laws of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2), dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication), dated 26.12.2012 № 61-V (shall be enforced from 04.02.2012); dated 24.11.2015 № 422-V (shall be enforced dated 01.01.2016); dated

02.07.2018 № 168-VI (shall be enforced from 01.01.2019); № 262-VI as of 03.07.2019 (shall be enforced from 01.01.2020); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Статья 15-2. Requirements for an insurance organization and Internet resources when concluding, cancelling and (or) early termination of an insurance contract and the settlement of insurance claims through the exchange of digital data

Footnote. The heading of Article 15-2 as amended by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

1. In cases provided for by the laws of the Republic of Kazakhstan or insurance rules, the conclusion, cancellation and (or) early termination of insurance contracts and the settlement of insured events in electronic form shall be carried out by means of the exchange of digital resources between the organization for the formation and maintenance of the database, the insurer, and the policyholder (insured person, beneficiary).

2. The exchange of digital resources between the insurance organization and the organization for the formation and maintenance of the database shall be carried out through the integration of the internet resource and (or) digital system of the insurance organization with the database.

The exchange of digital resources between the policyholder (insured person, beneficiary) and the insurer shall be carried out through the internet resources of the insurance organization and other organizations that are partners of the insurance organization on the basis of a relevant agreement, in accordance with the procedure determined by a regulatory legal act of the authorized body.

The requirements for the internet resources of partners of the insurance organization used for the exchange of digital resources shall be established by a regulatory legal act of the authorized body.

On the Internet resource of the organization for the formation and maintenance of the database, there is a link to the Internet resource of the insurance organization, used for concluding an insurance contract and settling insurance events in electronic form.

3. The procedure for the exchange of digital resources between the organization for the formation and maintenance of the database and the insurer, and between the insurer and the policyholder (insured person, beneficiary), shall be determined by a regulatory legal act of the authorized body.

4. An insurance organization, when using the insurer’s Internet resource and (or) Internet resources of other organizations in accordance with paragraph 1 and part two of paragraph 2 of this article, ensures:

1) immediate sending to the policyholder of a notification about the conclusion of an insurance contract or refusal to conclude it (indicating the reasons for the refusal) in the form of an electronic message;

2) notification of the policyholder (insured) about the main stages of the process of settling the insured event, including refusal to accept documents for settlement (indicating the reasons for the refusal), in the form of an electronic message in the manner determined by the regulatory legal act of the authorized body;

3) the ability for the policyholder (insured) to check information on the concluded insurance contract on the Internet resource of the insurance organization;

4) the ability for the policyholder (insured, beneficiary) to check information on the insured event on the Internet resource of the insurance organization;

5) storage of the insurance contract in electronic form and information on the insured event, ensuring round-the-clock access for the policyholder (insured, beneficiary) to the Internet resource of the insurance organization;

6) the opportunity for the policyholder (insured, beneficiary) to create and send information to the insurance organization in electronic form (applications, notifications and (or) other documents, information) necessary for:

concluding and amending an insurance contract;

of cancellation and (or) early termination of an insurance contract;

notifications about the occurrence of an insured event (an event considered as an insured event);

determining the amount of harm caused;

receiving insurance payment;

of settlement of disputes arising from an insurance contract, for the purpose of sending information on the existence of disagreements to the financial ombudsman, taking into account the specifics provided for by the Law of the Republic of Kazakhstan "On the State Regulation, Control and Supervision of the Financial Market and Financial Organizations".

A notification of the conclusion, cancellation and (or) early termination of an insurance contract and the settlement of insured events shall be sent by the organization for the formation and maintenance of the database in accordance with the procedure determined by a regulatory legal act of the authorized body;

7) protection of personal data when collecting and processing personal data in accordance with the legislation of the Republic of Kazakhstan on personal data and their protection;

8) preliminary notification of the policyholder (insured) about the expiration of the insurance contract in the manner determined by the regulatory legal act of the authorized body.

5. When concluding an insurance contract by means of the exchange of digital resources, the insurance contract shall be deemed concluded from the date of payment of the insurance

premium (the first insurance contribution in the case of payment of the insurance premium in instalments) by the policyholder, unless otherwise provided for by the insurance contract.

6. When concluding an insurance contract by means of the exchange of digital resources, the policyholder shall pay the insurance premium (the first insurance contribution in the case of payment of the insurance premium in instalments) after familiarization with the standard insurance conditions provided for by the laws of the Republic of Kazakhstan, or with the insurance rules, thereby confirming the policyholder's consent to conclude the insurance contract on the terms offered to the policyholder.

7. The activities of insurance agents when concluding compulsory insurance contracts are not allowed.

Footnote. Chapter 3 is supplemented by Article 15-2, in accordance with the Law dated 02.07.2018 № 166-IV (shall be enforced from 01.01.2019); as amended by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced from 01.01.2024); as amended by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (for the procedure of enactment see Art. 2).

Article 16. Requirements for an insurance organization, an insurance broker, an organization that guarantees insurance payments to policyholders (insured persons, beneficiaries) in the event of liquidation of insurance organizations, an organization for the formation and maintenance of a database for informing policyholders

Footnote. The heading of Article 16 as amended by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced from 01.01.2027).

1. In order to provide policyholders (insured persons, beneficiaries) and individuals intending to enter into an insurance contract with information about its operations, an insurance company, an insurance broker, an organization guaranteeing insurance payments to policyholders (insured persons, beneficiaries) in the event of the liquidation of insurance organizations, and an organization responsible for creating and maintaining a database must have a website.

2. The following information shall be placed on the Internet resource of the insurance company:

1) full name, address (location), phone numbers, office hours, including branches and representative offices;

2) information about the shareholders;

3) information about the executives;

4) information about a business identification number;

5) information on the number, date of issue of the license;

6) information on the activities carried out;

7) annual financial statements confirmed by the audit organization for the previous three reporting years;

8) annual consolidated financial statements confirmed by the audit organization for the previous three reporting years (if any);

9) reports on the results of activities for the previous three reporting years (if any);

10) information on participation in associations (unions), including the association of insurance (reinsurance) companies and insurance brokers (if any);

11) ratings assigned to the insurance company by rating agencies (in case of assignment);

12) data on the created insurance (reinsurance) pools (for the insurance (reinsurance) company being the leading one in activity of the insurance (reinsurance) pool);

13) insurance rules for types of insurance in voluntary form, which provides for the possibility of concluding an insurance contract in electronic form, with the possibility to view their previous versions, changes and additions;

14) information on the amounts of insurance tariffs (insurance premiums, contributions) by types of insurance in accordance with the regulatory legal act of the authorized body. The instruction on requirements to the methods of assessment and principles of calculation of insurance rates on classes (types) of insurance of the insurance (reinsurance) companies shall be approved by the regulatory legal act of the authorized body;

15) information on the minimum and maximum commission fees of insurance agents approved by the insurance company by classes (types) of insurance.

2-1. The following information shall be posted on the Internet resource of the branch of the non-resident insurance organization of the Republic of Kazakhstan:

1) full name, address (location), telephone numbers, working hours;

2) information about record registration and business identification number;

3) information about the non-resident insurance organization of the Republic of Kazakhstan, its Internet resource;

4) annual consolidated financial reporting of the insurance organization-non-resident of the Republic of Kazakhstan, and in the absence of a subsidiary (subsidiaries) of the organization (organizations) - unconsolidated financial reporting of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, confirmed by an audit organization , for the previous three reporting years;

5) annual reporting according to the accounting data of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan for the previous three reporting years (if any);

6) information specified in subparagraphs 3), 5), 6), 9), 10), 11), 12), 13), 14) and 15) of paragraph 2 of this Article.

3. The following information shall be placed on the Internet resource of the insurance broker:

1) information, specified in subparagraphs 1), 3), 4), 5), 6), 7), 8), 9) and 10) of paragraph 2 of this Article;

2) information about the shareholders (participants);

3) information on the current contract of insurance of civil liability of the insurance broker to third parties, including the number and date of the contract conclusion, the name of the insurer, the object of insurance and the list of risks that are the subject of the contract, the period of its validity and the insurance amount under the contract.

3-1. The following information shall be posted on the Internet resource of the non-resident insurance broker of the Republic of Kazakhstan:

1) full name, address (location), telephone numbers, working hours;

2) information about record registration and business identification number;

3) information about the non-resident insurance broker of the Republic of Kazakhstan, its Internet resource;

4) annual consolidated financial reporting of the non-resident insurance broker of the Republic of Kazakhstan, and in the absence of a subsidiary (subsidiaries) organization (organizations) - non-consolidated financial reporting of the non-resident insurance broker of the Republic of Kazakhstan, confirmed by an audit organization, for three previous reporting years;

5) annual reporting according to the accounting data of the non-resident insurance broker of the Republic of Kazakhstan branch for the previous three reporting years (if any)

6) information indicated in subparagraphs 3), 5), 6), 9) and 10) of paragraph 2, subparagraph 3) of paragraph 3 of this Article.

4. The following information shall be posted on the website of an organization that guarantees insurance payments to policyholders (insured persons, beneficiaries) in the event of liquidation of insurance companies:

1) information specified in subparagraphs 1), 2), 3), 4), 6), 7), 9) and 10) of paragraph 2 of this Article;

2) information about insurance companies-participants.

5. Excluded by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced from 01.01.2027).

6. The following information shall be placed on the Internet resource of the organization for formation and maintenance of the database:

1) information, specified in subparagraphs 1), 4), 6), 9) and 10) of paragraph 2 of this Article;

2) information about the managers;

3) information about the shareholders (participants).

7. The procedure for posting information on the website of an insurance company, an insurance broker, or an organization responsible for guaranteeing insurance payments to policyholders (insured persons, beneficiaries) in the event of the liquidation of insurance companies, as well as the organization responsible for creating and maintaining the database, shall be determined by the authorized body.

8. In case of change of the location of the permanent acting body, change of the name of the insurance company, insurance broker shall notify the insurant about it by publishing announcement in two periodicals distributed throughout the Republic of Kazakhstan, in Kazakh and Russian languages no later than one month and on the Internet resource of the insurer within ten working days.

In case of change of the location of its separate division, the insurance company, insurance broker shall notify its insurants about it by publishing the announcement in two periodicals distributed throughout the territory of the Republic of Kazakhstan, in Kazakh and Russian languages not later than one month and on its Internet resource within ten working days.

9. When concluding the islamic insurance contract, the insurant shall have the right to request from the islamic insurance company the conclusion of the council on the principles of islamic financing, confirming compliance of the insurance rules with the requirements, specified in Chapter 6-1 of this Law.

Footnote. Article 16 is in the wording of the Law dated 02.07.2018 № 166-VI (shall be enforced from 01.01.2019); as amended by the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication); dated 16.01.2026 № 259-VIII (shall be enforced from 01.01.2027).

Chapter 4. Insurance mediation

Article 16-1. Creating an insurance broker

1. The legal organizational form of an insurance broker shall be a limited liability company or a joint stock company.

2. The name of an insurance broker shall contain the words “insurance broker” or derivative words.

3. Insurance broker shall be prohibited to use in its name the words “national”, “central”, “budget”, “republican”.

4. Using as a name the appellations that are identical or similar to the point of mixing it with the name of the previously created insurance brokers, including insurance brokers that are non-residents of the Republic of Kazakhstan, shall not be allowed. This prohibition shall not apply to a subsidiary of an insurance broker in the case of its use the parent organization’s name.

5. The state registration of an insurance broker shall be made in the manner specified by the legislation of the Republic of Kazakhstan.

6. Opening of a branch of a non-resident insurance broker of the Republic of Kazakhstan shall be allowed.

7. Excluded by the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020).

Footnote. Section is supplemented by Article 16-1 by the Law of the Republic of Kazakhstan dated 20 February, 2006 № 128 (the order of enforcement see Art. 2); as amended by the laws of the Republic of Kazakhstan dated 24.11.2015 № 422-V (shall come into force from 16.12.2020); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020).

Article 16-2. Requirements for founders (participants, shareholders) of an insurance broker

Footnote. The title of Article 16-2 as amended by the Law of the Republic of Kazakhstan dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication).

1. Excluded by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

2. Founders and employees of an insurance broker or employees of a branch of an insurance broker that is a non-resident of the Republic of Kazakhstan may not hold positions in an insurance (reinsurance) company or carry out the activities of an insurance agent.

3. The founders (participants, shareholders) of an insurance broker may not be individuals or legal entities entered on the list of organizations and individuals associated with the financing of terrorism and extremism, and/or on the list of organizations and individuals associated with the financing of the proliferation of weapons of mass destruction, in accordance with the procedure established by the Law of the Republic of Kazakhstan “On Combating Legalization (Laundering) of Proceeds from Crime, Financing of Terrorism and Financing of the Proliferation of Weapons of Mass Destruction”.

4. In the event that a participant (shareholder) of an insurance broker, as referred to in paragraph 3 of this Article, is included in the list of organizations and persons associated with the financing of terrorism and extremism and/or in the list of organizations and persons associated with the financing of the proliferation of weapons of mass destruction, the authorized body shall issue to such participant (shareholder) a requirement to alienate its share in the charter capital (shares) of the insurance broker.

The participant (shareholder) of the insurance broker shall be obliged to comply with such requirement within six (6) months from the date of receipt thereof and shall notify the authorized body accordingly, attaching copies of the supporting documents.

Footnote. Section is supplemented by Article 16-2 by the Law of the Republic of Kazakhstan dated 20 February, 2006 № 128 (the order of enforcement see Art. 2); as amended by the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); as amended by the Law of the Republic of Kazakhstan dated July 12, 2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the

day of its first official publication); dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication); dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

Article 16-3. Formation of the authorized capital of an insurance broker

1. The founders, members or shareholders of an insurance broker shall pay the purchased participation shares or shares solely in cash in national currency.

2. The minimum amount of the authorized capital of a creating insurance broker shall be fully paid by the founders at the time of its state registration.

3. Requirements to the minimum amount of the authorized and own capital of the insurance broker shall be established by the regulatory legal act of the authorized body.

Footnote. Section is supplemented by Article 16-3 by the Law of the Republic of Kazakhstan dated 20 February, 2006 № 128 (the order of enforcement see Art. 2); as amended by the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 16-4. Opening of a branch of a non-resident insurance broker of the Republic of Kazakhstan

1. An application for issuing a permission to open a non-resident insurance broker of the Republic of Kazakhstan branch in Kazakh or Russian shall be submitted in the form established by the regulatory legal act of the authorized body, with the following documents attached:

1) a decision of a non-resident insurance broker of the Republic of Kazakhstan on opening a branch in the territory of the Republic of Kazakhstan;

2) draft regulation on the non-resident insurance broker of the Republic of Kazakhstan branch;

3) copies of constituent documents of the non-resident insurance broker of the Republic of Kazakhstan (notarized in case of failure to submit the originals for verification);

4) information about the non-resident insurance broker of the Republic of Kazakhstan in the form determined by the authorized body, including financial reporting for the last two completed financial years (including consolidated if available), certified by an audit organization;

5) organizational structure of the non-resident insurance broker of the Republic of Kazakhstan branch and information about affiliated persons non-resident insurance broker of the Republic of Kazakhstan;

6) documents of persons proposed for the positions of executive employees of the non-resident insurance broker of the Republic of Kazakhstan branch in accordance with the requirements for executive employees of the non-resident insurance broker of the Republic of Kazakhstan branch, established by the regulatory legal act of the authorized body;

7) written notification of the financial supervisory authority of the state, whose resident is the non-resident insurance broker of the Republic of Kazakhstan, about the absence of objections to the opening of a non-resident insurance broker of the Republic of Kazakhstan branch in the territory of the Republic of Kazakhstan or a statement that such permission under the legislation of the state of which the non-resident insurance broker of the Republic of Kazakhstan is a resident is not required;

8) written confirmation of the financial supervisory authority of the state, the resident of which is the non-resident insurance broker of the Republic of Kazakhstan, that the non-resident insurance broker of the Republic of Kazakhstan has a valid license for the right to carry out the activities of an insurance broker;

9) written confirmation of the financial supervisory authority of the state, the resident of which is the non-resident insurance broker of the Republic of Kazakhstan, that the non-resident insurance broker of the Republic of Kazakhstan does not violate the requirements of the legislation governing the activities of the non-resident insurance broker of the Republic of Kazakhstan, the state of which the non-resident insurance broker of the Republic of Kazakhstan is a resident, within two years prior to the submission of the application;

10) written confirmation of the authorized body of the state, the resident of which is the non-resident insurance broker of the Republic of Kazakhstan, that the founder (founders) of the non-resident insurance broker of the Republic of Kazakhstan has no criminal record for economic and corruption crimes and infractions, as well as that the founder (founders) did not operate as an executive of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, non-resident insurance broker of the Republic of Kazakhstan or any other financial organization of the non-resident insurance broker of the Republic of Kazakhstan within a period of no more than one year from the date of revocation of the license in accordance with the procedure established by law, the adoption of a decision on forced liquidation, forced buyout of shares of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, non-resident insurance broker of the Republic of Kazakhstan. The specified requirement shall apply within five years after the revocation of the license, the date of the decision on compulsory liquidation, compulsory buyback of shares of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, non-resident insurance broker of the Republic of Kazakhstan;

11) copies of a valid non-resident insurance broker of the Republic of Kazakhstan license issued by the financial supervisory authority of the state in which the non-resident insurance broker of the Republic of Kazakhstan is a resident;

12) documents for registration of a non-resident insurance broker of the Republic of Kazakhstan branch, provided for in Article 6-2 of the Law of the Republic of Kazakhstan “On State Registration of Legal Entities and Record Registration of Branches and Representatives ”;

13) copies of the document confirming payment of the fee for issuing a license for the right to operate as an insurance broker, except in cases of payment through the digital government payment gateway.

The authorized body shall be entitled to request additional information or documents necessary to make a decision on issuing a permission to open a non-resident insurance broker of the Republic of Kazakhstan branch.

An application for issuing a permission to open a branch of a non-resident insurance broker of the Republic of Kazakhstan may be withdrawn by a non-resident insurance broker of the Republic of Kazakhstan at any time of its consideration by the authorized body.

The procedure for issuing permission to open a non-resident insurance broker of the Republic of Kazakhstan branch shall be determined by the regulatory legal act of the authorized body.

2. Refusal to issue a permission to open a non-resident insurance broker of the Republic of Kazakhstan branch shall be made on any of the following grounds:

1) non-compliance of the submitted documents with the requirements established by paragraph 1 of this Article;

2) failure to eliminate the comments of the authorized body on the submitted documents within the time period established by it;

3) non-compliance with the requirements established by subparagraph 9) of part one of paragraph 1 of this Article;

4) inconsistency of the name of the non-resident insurance broker of the Republic of Kazakhstan branch with the requirements of paragraph 8 of this Article;

5) submission to the authorized body of false information regarding the non-resident insurance broker of the Republic of Kazakhstan.

The authorized body shall, within the time limits provided for in paragraph 5 of this Article, notify the non-resident insurance broker of the Republic of Kazakhstan of the refusal to issue a permission to open a branch of the non-resident insurance broker of the Republic of Kazakhstan in writing, indicating the reason for the refusal.

3. The issued permission to open a non-resident insurance broker of the Republic of Kazakhstan branch shall considered to be canceled in cases of:

1) adoption by a non-resident insurance broker of the Republic of Kazakhstan of a decision to terminate the activities of a non-resident insurance broker of the Republic of Kazakhstan branch;

2) failure to register with the Corporation within two months from the date of issuance of the permission to open a non-resident insurance broker of the Republic of Kazakhstan branch;

3) failure to obtain a license for the right to carry out the activities of an insurance broker within three months from the date of registration of the non-resident insurance broker branch of the Republic of Kazakhstan.

4. A non-resident insurance broker of the Republic of Kazakhstan shall form the assets of a non-resident insurance broker of the Republic of Kazakhstan branch, accepted as a reserve, by the time of its accounting registration. The procedure for the formation of assets of the non-resident insurance broker of the Republic of Kazakhstan branch, accepted as a reserve, and their minimum amount shall be determined by the regulatory legal act of the authorized body.

5. An application for issuing a permission to open a non-resident insurance broker of the Republic of Kazakhstan branch must be considered by the authorized body within fifty working days from the date of application.

Notification of issuance of permission to open a branch of the non-resident insurance broker of the Republic of Kazakhstan shall be sent to the non-resident insurance broker of the Republic of Kazakhstan and to the Corporation.

The permission to open a non-resident insurance broker of the Republic of Kazakhstan branch shall be valid till the authorized body makes a decision to issue a license to the non-resident insurance broker of the Republic of Kazakhstan branch for the right to carry out the activities of an insurance broker.

6. Record registration of a non-resident insurance broker of the Republic of Kazakhstan branch shall be carried out by the Corporation based on the permission of the authorized body to open a non-resident insurance broker of the Republic of Kazakhstan branch in accordance with the procedure prescribed by the legislation of the Republic of Kazakhstan.

7. The legal status of a non-resident insurance broker of the Republic of Kazakhstan branch shall be determined by registration with the Corporation and the availability of a license for the right to carry out the activities of an insurance broker.

8. Branch of a non-resident insurance broker of the Republic of Kazakhstan shall use as its name the one indicated in the regulation on the branch of the non-resident insurance broker of the Republic of Kazakhstan.

Branch of a non-resident insurance broker of the Republic of Kazakhstan in its name shall be obliged to use the name of the non-resident insurance broker of the Republic of Kazakhstan, as well as the word “branch”.

9. The location of the branch of the non-resident insurance broker of the Republic of Kazakhstan shall be the location in the territory of the Republic of Kazakhstan, specified in the regulation on the branch of the non-resident insurance broker of the Republic of Kazakhstan.

Footnote. The Law was amended with Article 16-4 in accordance with the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020).

Article 17. Activity of an insurance broker and requirements imposed to it

1. The activity of an insurance broker is an exclusive type of activity and is subject to licensing by the authorized body.

An insurance broker shall be prohibited from:

1) carry out the activities of an insurance agent, except for activities related to the management of the activities of the insurance (reinsurance) pool;

2) participate in public procurement for the provision of services related to the conclusion of insurance contracts, except for the provision of services for the management of the activities of the insurance (reinsurance) pool;

3) transfer risks to reinsurance with the participation of two or more insurance brokers who are non-residents of the Republic of Kazakhstan or members of the Astana International Financial Center;

4) issue money to employees and affiliates without primary accounting documents;

5) provide financial assistance on a gratuitous basis, except for financial assistance to employees of an insurance broker, in an amount not exceeding one hundred times the monthly calculation index established by the law on the republican budget and effective as of January 1 of the corresponding financial year.

2. An insurance broker shall carry out the following types of brokerage activity:

1) intermediary activity on conclusion of insurance contracts on its own behalf and on behalf of the insurant;

2) intermediary activity on conclusion of reinsurance contracts on its own behalf and on behalf of the reinsurant (assignor).

3. The activity of an insurance broker may include the following types of activity:

1) consulting activity on insurance (reinsurance) issues;

2) search and attraction of individuals and legal entities to insurance (reinsurance);

3) conducting a comparative analysis of the services and financial condition of insurance (reinsurance) organizations and the Export Credit Agency of Kazakhstan;

4) collection of information about insurance objects for the purpose of conducting a comparative analysis of services provided by insurance (reinsurance) organizations and the Export Credit Agency of Kazakhstan;

5) development of insurance (reinsurance) conditions, criteria for selection of insurers (reinsurers) on behalf of clients, provision of expert services to identify insurance risks;

6) preparation and (or) execution on behalf of the insurant (assignor) of documents necessary for conclusion of the insurance contract (reinsurance) of documents, collection of information on insurance issues;

7) execution of the insurance (reinsurance) contract on behalf of the insurant (assignor);

8) collection of insurance bonuses from policyholders (assignors) under insurance (reinsurance) contracts for their subsequent transfer to insurance (reinsurance) organizations, the Export Credit Agency of Kazakhstan, if there is an appropriate agreement with the insured (assignor);

9) placement of insurance risks under insurance (reinsurance) or co-insurance (joint reinsurance) contracts on behalf of clients;

10) ensuring the correct and timely execution of documents when concluding the contract of insurance (reinsurance), implementation of insurance payments, consideration of claims in the event of an insured event, as well as other documents related to the concluded contracts of insurance (reinsurance);

11) consulting and assistance in obtaining of the insurance payment in the event of an insured event by the insurant (assignor), the beneficiary;

12) execution of necessary documents for receiving the insurance payment in accordance with the powers granted;

13) at the instruction of the insured (assignor), collection of insurance payments from insurance (reinsurance) organizations and the Export Credit Agency of Kazakhstan for their subsequent transfer to the insured (assignor), beneficiary;

14) preparation of documents for consideration and settlement of losses in the event of an insured event on behalf of interested parties;

15) organization of services of experts in damage assessment and determination of the amount of insurance payment;

16) the activity, specified in paragraph 4 of Article 15 of this Law;

17) management the activity of the insurance (reinsurance) pool on the basis of an agreement with its participants.

4. An insurance broker shall be prohibited from carrying out investment activities to place the amounts of insurance premiums or insurance payments received from the policyholder (assignor) or the insurer (reinsurer).

An insurance broker shall be entitled to place its own funds on deposits in banks of the Republic of Kazakhstan, branches of non-resident banks of the Republic of Kazakhstan.

5. An insurance broker in implementation of its activities is not a party to the contract of insurance (reinsurance).

6. The basic rights, duties and responsibilities of the insurance broker shall be determined in its internal rules of carrying out an activity of an insurance broker.

7. Any remuneration to an insurance broker for carrying out the brokerage activity, specified in paragraph 2 of this Article in the interests of the insurant (assignor) shall be subject to payment only by the insurant (assignor), except for the case provided for in paragraph 8 of this Article.

7-1. The insurance broker's commission for carrying out the activities specified in subparagraph 17) of paragraph 3 of this Article shall be determined by the joint activity agreement and shall be payable by the participants of the insurance (reinsurance) pool.

8. If an insurance broker and (or) its affiliated person – an insurance broker (including an insurance broker-non-resident of the Republic of Kazakhstan) carried out intermediary activity on conclusion contracts of insurance and (or) reinsurance on one insurance risk, an

insurance broker and its affiliated person – an insurance broker (including an insurance broker-non-resident of the Republic of Kazakhstan) shall make mutual settlements among themselves connected with remuneration on the specified insurance risk.

9. The terms and procedure for implementation of activity of an insurance broker shall be determined by the regulatory legal act of the authorized body.

Footnote. Article 17 is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (see Article 2); as amended by the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 23.01.2024 № 54-VIII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 18. Intermediary activity of an insurance agent and requirements for it

1. The powers of an insurance agent for carrying out intermediary activities in the insurance market shall be determined by the contract of agency subject to the requirements of this Law and regulatory legal acts of the authorized body.

Requirements for the contract of agency concluded between the insurance company and the insurance agent shall be established by the regulatory legal act of the authorized body.

The insurance agent personally shall perform actions to which he (she) is authorized by the insurance company, and shall not have the right to entrust their commission to another person.

Activity as an insurance agent in the absence of his (her) powers shall not be allowed.

1-1. An insurance agent, except for an insurance agent who is a financial organization, shall not be entitled to perform intermediary activities in the conclusion of insurance contracts without having a valid insurance contract for its civil liability to third parties, the object of which are the risks associated with the professional liability of the insurance agent.

An insurance contract for the insurance agent's civil liability to third parties must be concluded with an insurance organization that does not have a valid contract of assignment with the insurance agent in question for the performance of intermediary activities on the insurance market.

2. The insurance company shall be obliged to fulfill the obligations under the insurance contract concluded by the insurance agent on its name and on its behalf.

The insurance company shall be responsible for commission of the following actions by the insurance agent:

1) conclusion of insurance contracts, as well as the commission of actions of the insurance agent beyond the established powers;

2) conclusion of insurance contracts by classes (types) of insurance for which the insurance company does not have a license of the authorized body;

3) intentional misrepresentation of the insurant under the terms of an insurance contract;

4) non-compliance with the requirements stipulated by the legislation of the Republic of Kazakhstan on the execution of the insurance contract and documents on the basis of which the insurance contract is concluded;

5) other violations of the requirements of the legislation of the Republic of Kazakhstan on insurance and insurance activities.

The insurance company shall not be liable for the actions of an insurance agent not related to implementation of its intermediary activities under the legislation of the Republic of Kazakhstan on insurance and insurance activities.

3. The terms and conditions required to be observed by an insurance agent, including the issues of accounting and storage of insurance reporting forms, work with cash, shall be established by internal documents of the insurance company taking into account the requirements of the legislation of the Republic of Kazakhstan.

4. The insurance agent shall be prohibited from accepting payment in cash in payment of the insurance premium from the insurant, who is a legal entity, when concluding contracts of insurance in the name of and on behalf of the insurance company.

Insurance premiums (insurance contributions) received by an insurance agent shall be subjects to delivery to the insurance company in full by transferring it to a bank account or to the insurance company's cash desk.

Payment of commission remuneration to an insurance agent by the insurance company shall be carried out only after the insurance company receives the insurance premium (insurance contribution) in full, paid by the insurant under the relevant insurance contract.

5. The insurance agent shall be prohibited to withhold from the insurance premiums received from the insurant of remuneration due to him under the contract of agency.

6. It is not allowed for insurance agents to carry out intermediary activities within the powers provided for in Article 18-2 of this Law under one insurance contract by two or more insurance agents.

It is not allowed to carry out intermediary activities of insurance agents under contracts:

of pension annuity concluded in accordance with the Social Code of the Republic of Kazakhstan;

of insurance concluded as part of public procurement in accordance with the Law of the Republic of Kazakhstan “On Public Procurement”;

of insurance for which the policyholders are a national management holding, national holdings, national management companies, national companies, the National Bank;

of insurance for which the policyholders are government bodies, government agencies, state-owned enterprises, legal entities, fifty or more percent of voting shares (stakes in the authorized capital) of which belong to the state, and legal entities affiliated with them;

compulsory insurance.

6-1. The amount of commission paid by the insurer to the insurance agent for providing intermediary services in concluding an insurance contract, under which the beneficiary is a

second-tier bank and/or an organization engaged in microfinance activities, and (or) the conclusion of which follows from the terms of a financial product of a second-tier bank and (or) an organization engaged in microfinance activities for the provision of a bank loan and/or microcredit, as well as other insurance contracts concluded upon receipt of a bank loan and/or microcredit, may not exceed ten percent of the amount of the insurance premium payable under the insurance contract.

7. The commission remuneration includes all types of expenses of the insurance company in respect of an insurance agent who carried out the intermediary activities for conclusion of the insurance contract, including expenses for the payment of rent, any types of remuneration, as well as provision of any property or material benefit.

Footnote. Article 18 is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 12.07.2022 № 138-VII (Refer to Article 2 for the order of enactment); dated 20.04.2023 № 226-VII (shall be enforced from 01.07.2023); dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication).

Article 18-1. The requirements for persons, involved in the brokering activity of an insurance agent, as well as to the order of their registration and training

1. An individual shall not have the right carry out brokering activity of an insurance agent if he:

1) is not attained the age of majority;

2) is recognized by the court as incapable or partially capable;

3) do not have a secondary education;

4) is not trained in accordance with the requirements of paragraph 4 of this Article;

5) is an employee of an insurance company, an insurance broker based on an employment contract;

6) has a criminal record that not cancelled or expunged in accordance with the law;

7) who previously held the position of an executive employee of an insurance (reinsurance) company, an insurance broker, another financial organization, a branch of a bank - a non-resident of the Republic of Kazakhstan, a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, a branch of an insurance broker - a non-resident of the Republic of Kazakhstan for a period of not more than one year before the adoption of a decision by the authorized body on the deprivation of a license, forced liquidation in the manner established by the legislation of the Republic of Kazakhstan, or another legal entity declared bankrupt in the manner established by the legislation of the Republic of Kazakhstan. The specified requirement shall be applied within five years after the adoption by the authorized body of a decision on the deprivation of a license, forced liquidation or declaring a legal entity bankrupt in the manner established by the legislation of the Republic of Kazakhstan;

8) who was previously an employee of an insurance broker, a branch of an insurance broker - a non-resident of the Republic of Kazakhstan, an insurance agent-legal entity with whom the employment contract was terminated at the initiative of an insurance broker, a branch of an insurance broker - a non-resident of the Republic of Kazakhstan, an insurance agent-legal entity due to non-compliance of the employee position or work performed due to insufficient qualifications. The specified requirement shall be applied within two years from the date of termination on the initiative of an insurance broker, a branch of an insurance broker - a non-resident of the Republic of Kazakhstan, an insurance agent-legal entity of an employment contract;

9) specified in the list of persons involved in terrorist activities, as well as the list of organizations and persons associated with the financing of the proliferation of weapons of mass destruction, and (or) in the list of organizations and persons associated with the financing of terrorism and extremism.

1-1. The insurance organization shall be obliged to check the compliance of the insurance agent with the requirements of subparagraphs 2), 6) and 9) of paragraph 1 of this Article.

2. Insurance company shall maintain a register of insurance agents and place it in a location that is accessible for review and guidance (including Internet resources) of consumers of insurance services.

The basis for inclusion in the register of insurance agents shall be the compliance of the persons exercising brokering activity of an insurance agent with the requirements of paragraph 1 of this Article, and the availability of the document confirming the exams at the minimum training program.

An insurance agent, being a legal entity, shall be included in the register of insurance agents with obligatory indication of at least two employees, whose duties include issues on conclusion of insurance contracts that meet the requirements of paragraph 1 of this Article, and if they have a document confirming the exams for the minimum training program.

An insurance agent, being a legal entity, shall independently maintain a list of all employees whose duties include conclusion of insurance contracts that meet the requirements of paragraph 1 of this Article, and if they have a document confirming the exams for the minimum training program.

An insurance agent, at least once every three years after being included in the register of insurance agents, undergoes professional retraining organized by an insurance organization, an insurance agent that is a financial organization, or an association of insurance (reinsurance) organizations and insurance brokers.

3. Insurance company shall submit the register of persons, engaged in brokering activity of an insurance agent to the authorized body in the manner and time, stipulated by the regulatory legal act of the authorized body.

4. The organization of training under the minimum training program shall be carried out by an association of insurance (reinsurance) companies and insurance brokers, an insurance company or an insurance agent that is a financial organization.

The minimum training program and the requirements to the procedures for training shall be set by the authorized body.

5. The grounds for exclusion from the register of insurance agents shall be:

1) a supervisory response measure, except for a recommendatory supervisory response measure, applied by the authorized body to the insurance company on the identified violations of the legislation of the Republic of Kazakhstan, committed by an insurance agent;

2) identification by the insurance company of conclusion by an insurance agent of insurance contracts contradicting the requirements of the legislation of the Republic of Kazakhstan;

2-1) identification by the insurance company of non-fulfillment by an insurance agent of obligations arising from the terms of the agency contract;

3) an identification of non-compliance of a person exercising brokering activity of an insurance agent with the requirements provided for in paragraph 1 of this Article, by the authorized body, an insurance company;

4) termination of the contract of order by agreement of the parties;

5) failure to implement by an insurance agent of intermediary activity on conclusion of insurance contracts within the last two years.

If an insurance agent is excluded from the register of insurance agents on the grounds provided for in subparagraphs 1), 2), 2-1) and 3) of part one of this paragraph, it shall be prohibited to carry out activities:

to an insurance agent who is an individual, within two years from the date of their exclusion;

an employee of an insurance agent that is a legal entity, within two years from the date of his exclusion;

insurance agent, which is a legal entity, within one year from the date of its exclusion.

In the event of termination of the contract of the agency concluded between the insurance company and the insurance agent, on grounds not related to the circumstances provided for in subparagraphs 1), 2), 2-1) and 3) of part one of this paragraph, information about the insurance agent is subject to deletion from the register insurance agents after one year from the date of termination of the contract of agency.

Footnote. Chapter 4 is supplemented by Article 18-1 in accordance with the Law of the Republic of Kazakhstan dated 20.02.2006 № 128 (the order of enforcement see Art. 2), is in the wording of the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2), dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication); dated 24.11.2015 № 422-V (shall be enforced dated 01.01.2016); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar

days after its first official publication); dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019); dated 12.07.2022 № 138-VII (Refer to Article 2 for the order of enactment).

Article 18-2. The rights and obligations of an insurance agent

1. An insurance agent in his activities shall have the right to:

1) carry out intermediary activities in the name and on behalf of one insurance company operating in the "life insurance" industry, and (or) one insurance organization operating in the "general insurance" industry, subject to the restrictions provided for in Articles 18 and 18- 1 of this Law;

2) obtain reliable information from an insurance company on the licenses and the financial statements;

3) carry out the consulting activities for insurance;

4) receive remuneration from an insurance company for the implementation of its brokering activities by cashless payment.

2. An insurance agent in his activities shall:

1) show a policyholder a contract of agency, as well as the documents:

proving his identity;

confirming the availability of its data in the register of insurance agents;

2) provide information on the insurance company, the insurance agent that he is, including a copy of the license of the insurance company to engage in insurance activities;

3) inform a policyholder with the insurance rules on the concluded insurance contracts and provide a copy of the rules in the cases provided for in Article 828 of the Civil Code of the Republic of Kazakhstan;

4) provide information and, if available all the necessary documents for an insurance contract;

5) ensure the proper and timely execution of documents at the conclusion of an insurance contract;

6) ensure the confidentiality of the information, received in carrying out brokering activities;

7) hand over the insurance premiums (insurance contributions) received in full from the insurants to the insurance company.

Footnote. Chapter 4 is supplemented by Article 18-2 in accordance with the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2); as amended by the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Chapter 5. The actuarial activities and audit

Article 19. Actuarial activities

1. Is excluded by the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

2. Actuarial activities shall be carried out in accordance with this Law and the regulatory legal acts of the authorized body, as well as in accordance with the international principles (standards) for carrying out actuarial activities.

2-1. Actuarial activity includes the provision of services on:

1) calculation of amounts of insurance reserves and evaluation of insurance liabilities;

2) determination of the amount of loans granted to the insurants under accumulative insurance contracts;

3) drawing up an actuarial conclusion on a major transaction under insurance and reinsurance contracts;

4) the development of methodology of calculation and an economic substantiation of insurance tariffs and calculation of rates of insurance premiums under insurance and reinsurance contracts;

5) the analysis and updating of the indicators of survival for assessment of insurance premiums and reserves under the contracts for annuity insurance and life insurance;

6) provision of consulting services and recommendations on the issues of actuarial calculations;

7) the issues related to the assessment of financial stability and solvency of the insurance (reinsurance) company;

8) analysis and quantitative, financial assessment of risks and (or) financial liabilities arising from the risks, as well as the development and assessment of efficiency of financial risks management methods.

3. Actuarial calculations shall be made for the following reasons:

1) at the initiative of an insurance (reinsurance) company – the initiative actuarial calculations;

2) in the cases provided by the legislation of the Republic of Kazakhstan, - the required actuarial calculations.

4. In the production of actuarial calculations an insurance (reinsurance) company shall submit all the available documents and information necessary for the production and preparation of required actuarial calculations and conclusions, required by the actuary.

The first head of the insurance (reinsurance) company shall be responsible for providing the actuary with access to the documents and information necessary to perform the functions assigned to the actuary, as well as the accuracy and completeness of the documents and information provided to the actuary.

4-1. The actuary shall be independent of the shareholders and (or) executives of the insurance (reinsurance) company in making decisions on the issues of actuarial calculations based on the actuary's professional judgment.

4-2. The actuary shall check the completeness and reliability of the information used in the calculation of insurance reserves and evaluation of insurance liabilities.

5. An actuary shall be responsible for the correctness and accuracy of actuarial calculations and the conclusions made by him, in the manner prescribed by the Laws of the Republic of Kazakhstan.

6. The actuary shall be obliged to immediately notify the board of directors of the insurance (reinsurance) company about the facts of non-compliance by the insurance (reinsurance) company with the requirements for the formation of insurance reserves, evaluation of insurance liabilities and the risks that may lead to a deterioration in the financial stability and solvency of the insurance (reinsurance) company.

7. An independent actuary shall send the results of validation of calculations carried out by an actuary on the staff of the insurance (reinsurance) company to the authorized body, in the manner and terms, established by the regulatory legal act of the authorized body.

Footnote. Article 19, as amended by the Laws of the Republic of Kazakhstan dated 07.05.2007 № 244, dated 26.07.2007 № 313 (the order of enforcement see Art. 2), dated 15.07.2010 № 338-IV (shall be enforced from 01.01.2012); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 18.07.2025 № 215-VIII (shall be enforced from 01.01.2026).

Article 20. Audit

1. Audit of the insurance (reinsurance) company, insurance broker and the organization guaranteeing implementation of insurance payments shall be made by an auditing organization authorized to conduct audit in accordance with the legislation of the Republic of Kazakhstan on audit activity and complying with the requirements of paragraph 1-1 of this Article.

1-1. The audit report shall be recognized as valid subject to submission of documents, confirming that the audit organization:

independent from the audited insurance (reinsurance) company, its shareholders and executives;

independent from the audited insurance broker, its shareholders (participants) and executives;

independent from the audited organization, guaranteeing implementation of insurance payments, its shareholders and executives;

authorized to carry out audit activities in accordance with the license and meets the minimum requirements for audit organizations that conduct a mandatory audit of financial institutions, developed by the authorized state body, carrying out state regulation in the field

of audit activities and control over the activities of audit and professional audit organizations, in consultation with the authorized body, or authorized to carry out audit activities in accordance with the license of the competent authority of the state, the resident of which is.

2. Insurance (reinsurance) company, insurance broker, organization guaranteeing implementation of insurance payments, insurance holding and organizations in which the insurance (reinsurance) company and (or) insurance holding are major participants, as well as organizations that are part of the insurance group, shall not be entitled to conduct audit of its activities for more than seven consecutive years in one audit organization or more than five years in a row from an auditor working in an audit organization.

The requirement of this paragraph shall not be applied to the insurance (reinsurance) company, which is part of the banking conglomerate.

3. Audit of organizations that are part of an insurance group as the parent company and its subsidiaries, that are the residents of the Republic of Kazakhstan shall be carried out by one and same audit firm. Audit of the parent company and its subsidiaries-non-residents of the Republic of Kazakhstan that are part of an insurance group shall be carried out by the same audit firm in cases where conduct of an audit is not contrary to the requirements of the legislation of their country of residence.

4. An audit firm shall have the right to conduct an audit of an insurance (reinsurance) company by hiring an independent actuary.

5. The audit report of financial statements of an insurance (reinsurance) company or other legal entities that are part of an insurance group shall not constitute a trade secret.

6. Insurance (reinsurance) company shall have in its structure, the internal audit service (auditor), the activity of which shall not be subject to licensing.

7. The procedure for internal auditing shall be defined by the relevant internal documents of an insurance (reinsurance) company, subject to the requirements of regulatory legal acts of the authorized body.

8. Conducting an audit based on the results of the financial year is mandatory for insurance (reinsurance) companies (except for an insurance (reinsurance) company deprived of a license for the right to carry out insurance (reinsurance) activities or in the process of forced liquidation), insurance holding companies and organizations in which the insurance (reinsurance) organization and (or) insurance holding are major participants, insurance brokers , organizations that guarantee the implementation of insurance payments. Copies of the audit report and recommendations of the audit organization must be submitted by insurance (reinsurance) companies, an insurance holding companies, organizations in which the insurance (reinsurance) company and (or) insurance holding company are major participants, insurance brokers, an organization guaranteeing insurance payments to the authorized body within thirty calendar days from the date of receipt of these documents or their submission to insurance (reinsurance) companies, insurance holding companies and organizations in which the insurance (reinsurance) company and (or) insurance holding company are major

participants, insurance brokers, organizations guaranteeing the implementation of insurance payments.

Insurance (reinsurance) company shall submit a copy of the audit report within ten calendar days of its receipt by another legal entity, in which an insurance (reinsurance) company has a significant shareholding.

The consolidated annual financial statements of an insurance (reinsurance) company and an insurance holding company shall be certified by an audit firm.

9. An insurance holding company - a non-resident of the Republic of Kazakhstan that is subject to consolidated supervision in the country of its location, shall submit a copy of the audit report and recommendations of the audit firm to the authorized body within thirty calendar days from the date of receipt of these documents in Kazakh and Russian languages.

The consolidated annual financial statements of an insurance holding company - a non-resident of the Republic of Kazakhstan that is subject to consolidated supervision in the country of their location, shall be certified by an audit firm eligible to conduct of an audit of financial institutions in the country of their location.

10. In case of non-elimination of shortcomings, which influence the financial state of the insurance (reinsurance) company or insurance group, an insurance broker, the organization guaranteeing implementation of insurance payments, specified in the audit report within the term determined by authorized body, by the insurance (reinsurance) company, insurance holding, the organization which is a part of insurance group, an insurance broker, the organization guaranteeing implementation of insurance payments, the authorized body shall have the right to apply until elimination of shortcomings:

to the insurance (reinsurance) company, insurance broker, organization guaranteeing implementation of insurance payments – of measures on improving the financial state and (or) minimize the risks provided for in Article 53-3 of this Law;

to the insurance holding, the organization which is a part of insurance group – of compulsory measures of supervisory response provided by paragraph 2 of Article 53-4 of this Law.

11. In case of revealing a deviation of opinion and conclusions on financial statements and (or) other information related to financial statements, in terms of recognition of assets, liabilities and contingent liabilities of insurance (reinsurance) companies, insurance holdings and organizations in which the insurance (reinsurance) company and (or) insurance holding are major participants, insurance brokers, the organization guaranteeing implementation of insurance payments set out in the audit report, from the results of the audit conducted by the authorized body, the authorized body shall have the right to require explanations of the reasons of such deviation from the auditing organization.

11-1. Provisions of paragraphs 1, 1-1, 2, 3, 4, 5, 8, 9, 10 and 11 of this Article shall not apply to the branches of non-resident insurance (reinsurance) organizations of the Republic of Kazakhstan, branches of non-resident insurance brokers of the Republic of Kazakhstan.

Branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, branch of a non-resident insurance broker of the Republic of Kazakhstan shall be obliged to submit to the authorized body a copy of the audit report of the financial reporting of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, non-resident insurance broker of the Republic of Kazakhstan based on the results of the financial year and recommendations of the audit organization in Kazakh or Russian language within ten working days after their submission by the audit organization of non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, non-resident insurance broker of the Republic of Kazakhstan.

12. The authorized body, in the event of identifying risks and deficiencies in the activities of an insurance (reinsurance) organization, shall be entitled to require the latter to conduct an audit of other information in relation to the assessment of the risk management and internal control system, including in relation to the strategy and business model, the assessment of the corporate governance system, the assessment of the digital technology risk management system, the assessment of the effectiveness of the cybersecurity system, as well as the effectiveness of the internal control system in the sphere of counteracting the legalization (laundering) of proceeds of crime, the financing of terrorism, and the financing of the proliferation of weapons of mass destruction (hereinafter – audit of other information), specifying the list of issues to be examined, the audited period, and the time limit for the submission by the audit organization of the audit report on the audit of other information to the authorized body.

Conducting audit of other information at the request of the authorized body shall obligatory for the insurance (reinsurance) company.

The insurance (reinsurance) company shall conduct an audit of other information no more than once a year, on one issue the audit of other information shall be carried out no more than once every three years, except for the case provided for in paragraph 14 of this Article.

The list of issues to be audited as part of the audit of other information, requirements for the content, terms of submission by the audit organization of audit conclusion on the audit of other information, requirements for the auditors as part of the audit organization involved in the audit of other information, shall be established by the regulatory legal acts of the authorized body in consultation with the authorized state body carrying out state regulation in the field of audit activities and control over the activities of audit and professional audit organizations.

The plan for conducting audit of other information with a description of the intended directions, scope, nature of the audit, peculiarities of the methods and standards used in the audit shall be subject to prior approval by the audit organization with the authorized body.

The audit conclusion on audit of other information shall be submitted to the authorized body by the audit organization and shall not be subject to publication.

The results of the audit of other information may be taken into account by the authorized body in the application of supervisory response measures.

13. For carrying out an audit or audit of other information, an insurance (reinsurance) company, an insurance holding company and an organization in which the insurance (reinsurance) company and (or) insurance holding company are major participants, an insurance broker, an organization guaranteeing implementation of insurance payments, shall attract an audit organization meeting the minimum requirements for audit organizations that conduct a mandatory audit of financial organizations developed by an authorized state body, carrying out state regulation in the field of audit activities and control over the activities of audit and professional audit organizations, in coordination with the authorized body.

The insurance (reinsurance) company, insurance holding and the organization in which the insurance (reinsurance) company and (or) insurance holding are major participants, the insurance broker, the organization guaranteeing implementation of insurance payments, no later than ten working days after the conclusion of the contract for conducting audit or audit of other information shall notify the authorized body on the choice of the audit organization. In the case of audit other information the insurance (reinsurance) company shall be entitled to petition the authorized body on conducting inspection of other information by the organization which is not an audit by the other way, than the audit.

The petition of the insurance (reinsurance) company shall be considered by the authorized body within five working days.

The requirements to the procedure of audit of other information established by this Article shall apply to the procedure of audit of other information by other means than audit.

The authorized body shall have the right to provide the audit organization with information and comments on the results of inspections of the persons, specified in part one of paragraph 8 of this Article, as well as other information related to their activities, including based on the reasoned judgment of the authorized body, including information constituting the secret of insurance and (or) commercial secret, without the consent of the persons, specified in part one of paragraph 8 of this Article before the audit organization issues the audit report and (or) audit conclusion on the audit of other information.

The audit organization shall conduct an obligatory assessment and analysis of the information sent by the authorized body in accordance with part five of this paragraph. The results of the assessment and analysis shall be used by the audit organization in expressing the opinions and conclusions contained in the audit report or audit conclusion on the audit of other information.

14. In case of recognition by the court of audit report and (or) audit conclusion on the audit of other information as invalid, the insurance (reinsurance) company, insurance holding, and organization, in which the insurance (reinsurance) company and (or) the insurance holding are the major participants, an insurance broker, the organization guaranteeing insurance payments, shall be obliged to conduct audit and (or) audit other information again.

15. The authorized body shall have the right to request information from the audit organization, including information constituting a commercial secret, including the list of customers. Information on clients shall be provided with the consent of the clients of the audit organization.

Footnote. Article 20 is in the wording of the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2); as amended by the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (see Article 2); dated 02.01.2021 № 399 -VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

Chapter 6. Creating of an insurance (reinsurance) company

Article 21. Founders and shareholders of an insurance (reinsurance) company

1. Founders and shareholders of an insurance (reinsurance) company may be individuals or legal entities - residents and non-residents of the Republic of Kazakhstan subject to the requirements stipulated in this Law and other regulatory legal acts of the authorized body.

2. The state may be a founder and shareholder of an insurance (reinsurance) company only represented by the Government of the Republic of Kazakhstan and the authorized body.

Organizations, more than fifty percent of the shares in the authorized capital or outstanding shares of which are owned by the state, except for national holding company, may not act as founders and shareholders of an insurance (reinsurance) company.

3. (Is excluded – № 72 dated 8.07.2005).

4. Legal entities, registered in offshore zones, the list of which is established by the authorized body, may not directly or indirectly own and (or) use and (or) dispose of the voting shares of the insurance (reinsurance) companies - residents of the Republic of Kazakhstan.

This restriction shall not apply to the insurance (reinsurance) companies that are subsidiaries of insurance (reinsurance) companies - non-residents of the Republic of Kazakhstan with the minimum required rating from one of the rating agencies.

The list of rating agencies and the minimum required rating shall be established the regulatory legal act of the authorized body.

5. A shareholder, participating in the general meeting of shareholders (except for the shareholder that is a bank - a resident of the Republic of Kazakhstan), shall submit a statement that indicates the implementation of the requirements of first part of paragraph 4 of this Article by its shareholders (participants), if the information about the country of registration of such shareholders (participants) is not in the insurance (reinsurance) company.

A shareholder that did not present such application shall not be permitted to participate in the general meeting of shareholders.

In identifying the unreliability of the information, specified in the application, or identification of violations of the requirements specified in first part of paragraph 4 of this Article:

1) in the case that the decision is adopted by the majority of the voting shares (without voting shares of the shareholder, submitting the application), the decision of the general meeting of shareholders shall be considered as adopted without vote of the shareholder;

2) if the vote of the shareholder, submitting the application, was decisive, this circumstance shall be a ground for annulment of the decision of the general meeting of shareholders at the request of the authorized body or other interested parties in accordance with legislation of the Republic of Kazakhstan.

Footnote. Article 21, as amended by the Laws of the Republic of Kazakhstan dated 08.07.2005 № 72 (the order of enforcement see Art. 2), dated 20.02.2006 № 128 (the order of enforcement see Art. 2), dated 07.07.2006 № 178 (shall be enforced from the day of its official publication), dated 26.07.2007 № 313 (the order of enforcement see Art. 2), dated 23.10.2008 № 72-IV (the order of enforcement see Art. 2), dated 13.02.2009 № 135-IV (the order of enforcement see Art. 3), dated 28.12.2011 № 524-IV (shall be enforced from 01.01.2010), dated 05.07.2012 № 30-V (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 22. The legal status of an insurance (reinsurance) company

1. An insurance (reinsurance) company shall be a commercial organization, established in the legal form of a joint stock company, and shall operate in accordance with this Law and other regulatory legal acts of the Republic of Kazakhstan.

2. The legal status of the insurance (reinsurance) company shall be determined by the state registration of the legal entity as an insurance (reinsurance) company in the State corporation "Government for citizens" (hereinafter – the Corporation) and the availability of a license to carry out insurance activities.

3. The legal status of a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall be determined by the record registration of the branch as a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan in the Corporation and a license for the right to carry out insurance (reinsurance) activities.

Footnote. Article 22 is in the wording of the Law of the Republic of Kazakhstan dated 30.12.2009 № 234-IV; as amended by the Law of the Republic of Kazakhstan dated 02.04.2019 № 241-VI (shall be enforced from 01.07.2019); as amended by the laws of the Republic of Kazakhstan dated 24.11.2015 № 422-V (shall come into force from 16.12.2020); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020).

Article 23. Name of an insurance (reinsurance) company

1. An insurance (reinsurance) company shall use as its name that is specified in its charter.

2. Full name of an insurance company, operating in the field “general insurance” shall necessarily contain the word “insurance” or its derivative words.

2-1. Full name of the Islamic insurance company performing activity in the industry “ general insurance” has to contain without fail the words “Islamic insurance” or derivatives of a word from them.

3. Full name of an insurance company, operating in the field “life insurance” shall necessarily contain the words “life insurance” or its derivative words.

3-1. Full name of the Islamic insurance company performing activity in the industry “life insurance” has to contain without fail the words “Islamic” and “life insurance” or derivatives of a word from them.

4. Full name of a reinsurance company, operating exclusively in reinsurance, shall necessarily contain the word “reinsurance” or its derivative of words.

4-1. Full name of the Islamic reinsurance organization performing activity only on the conclusion and performance of agreements of Islamic reinsurance has to contain without fail the words “Islamic” and “reinsurance” or derivatives of a word from them.

5. The insurance (reinsurance) company shall be prohibited to use in its name the words " national", "central", "budget", "republican", "state" in the full or abbreviated form except for the insurance company, which in accordance with the legislation of the Republic of Kazakhstan has the status of a national company.

6. Using as a name of appellations that are identical or similar to the point of mixing it with the name of the previously created insurance (reinsurance) companies, including insurance (reinsurance) companies – non-residents of the Republic of Kazakhstan shall not be allowed. This prohibition shall not apply to the subsidiary insurance (reinsurance) company in the case of its use of the name of the parent organization.

7. Branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall use as its name the one indicated in the regulation on the branch of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan.

Branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan in its name must use the name of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, as well as the word "branch".

Footnote. Article 23 with the changes made by the Law of the Republic of Kazakhstan dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication); dated 03.04.2019 № 243-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication).

Article 24. The bodies of an insurance (reinsurance) company

1. An insurance (reinsurance) company shall necessarily form the following collegial bodies:

1) a board of directors - the management body;

2) a governing body - the executive body;

3) an internal audit service – the supervising body;

4) council for the principles of Islamic financing (only for the Islamic insurance (reinsurance) organization).

A newly created insurance (reinsurance) company, operating in the field "general insurance" may have one auditor for two years after receiving the license of the authorized body in the field "life insurance" – within three years.

2. In addition to the issues referred by the legislation of the Republic of Kazakhstan to the exclusive competence of the board of directors of a joint stock company, the board of directors of an insurance (reinsurance) company shall be competent to consider the following issues:

violation of the requirements of the legislation of the Republic of Kazakhstan on the financial stability and solvency of the insurance (reinsurance) company, established by the internal audit service, actuary, and audit organization;

appointment and termination of the powers of an actuary, as well as determining the amount of the official salary and the terms of the actuary's remuneration.

Footnote. Article 24 as amended by the Law of the Republic of Kazakhstan dated 8 July, 2005 № 72 (the order of enforcement see Art. 2), dated 20 February, 2006 № 128 (the order of enforcement see Art. 2), dated 5 May, 2006 № 139 (the order of enforcement see Art. 2 of the Law of the Republic of Kazakhstan № 139), dated 23.10.2008 № 72 -IV (the order of enforcement see Art. 2); dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 25. Formation of the authorized capital of an insurance (reinsurance) company

1. Shares of an insurance (reinsurance) company in placing shall be paid exclusively in cash in national currency of the Republic of Kazakhstan, except in cases of payment of shares of an insurance (reinsurance) company during its reorganization, carried out in accordance with the Law of the Republic of Kazakhstan "On Joint Stock Companies".

2. Is excluded by the Law of the Republic of Kazakhstan dated 21.06.2013 №106 -V (shall be enforced upon expiry of ten calendar days after its official publication).

3. Is excluded by the Law of the Republic of Kazakhstan dated 23.12.2005 № 107 (the order of enforcement see Art. 2 of the Law №107).

4. The minimum amount of the authorized capital of an insurance (reinsurance) company to be set up shall be paid by its founders in full within three working days of the state registration of the insurance (reinsurance) company.

5. An insurance (reinsurance) company shall have the right to buy back its own shares from the shareholders, provided that the transaction shall not be violated the requirements of the legislation of the Republic of Kazakhstan relating to issues of financial stability and solvency of an insurance (reinsurance) company.

5-1. The insurance (reinsurance) organization has the right to issue preferred shares which avenue of release provides the right of executive body of the insurance (reinsurance) organization not to charge preferred share dividends if charge of share dividends will give to decrease in prudential standards below of the values established by a regulatory legal act of authorized body.

6. Is excluded by the Law of the Republic of Kazakhstan dated 10.07.2003 № 483 (shall be enforced from 01.01.2004).

Footnote. Article 25, as amended by the Laws of the Republic of Kazakhstan dated 16.05.2003 № 416, dated 08.07.2005 № 72 (the order of enforcement see Art. 2), dated 23.12.2005 № 107 (the order of enforcement see Art. 2 of the Law № 107), dated 20.02.2006 № 128 (the order of enforcement see Art. 2), dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2), dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication), dated 21.06.2013 № 106-V (shall be enforced upon expiry of ten calendar days after its official publication); dated 24.11.2015 № 422-V (shall be enforced dated 01.01.2016); № 272-VI as of 25.11.2019 (shall be enforced from 02.01.2020).

Artcle 25-1. Subordinated debt

Conditions of reference of the unsecured obligation to a subordinated debt is simultaneous availability of the following conditions:

1) the term for which the unsecured obligation is released or received is not less than five years;

2) creditors cannot impose requirement about repayment or execution of the unsecured obligation before five years from the moment of his emergence;

3) the unsecured obligation can be ahead of schedule extinguished or performed at the initiative of the insurance (reinsurance) organization provided that this will not give to decrease in prudential standards below the values established by a regulatory legal act of authorized body;

4) at liquidation of insurance company the unsecured obligation is satisfied in the ninth turn, and at liquidation of the reinsurance organization – in the seventh turn, determined by article 72 of this Law, to requirements of shareholders – owners of common shares.

Footnote. Chapter 6 is added with article 25-1 according to the Law of the Republic of Kazakhstan dated 24.11.2015 № 422-V (shall be enforced dated 01.01.2016).

Article 26. An insurance holding, a major participant of an insurance (reinsurance) organization

1. No person, individually or jointly with another person (other persons), shall, without obtaining the prior written consent of the authorized body, be entitled to:

directly and (or) indirectly own and (or) use, and (or) dispose of, in aggregate, ten or more per cent of the voting shares of an insurance (reinsurance) organization, including through derivative securities issued in accordance with the legislation of the Republic of Kazakhstan

or a foreign state, the underlying asset of which is the voting shares of the insurance (reinsurance) organization;

exercise control over an insurance (reinsurance) organization;

directly and (or) indirectly influence decisions adopted by an insurance (reinsurance) organization (vote) with ten or more per cent of the voting shares of the insurance (reinsurance) organization.

The requirement established by part one of this paragraph shall not apply to:

the Government of the Republic of Kazakhstan;

the national managing holding;

the unified accumulative pension fund, an investment portfolio manager, holding voting shares of an insurance (reinsurance) organization and (or) derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is the voting shares of the insurance (reinsurance) organization, at the expense of pension assets;

a person performing the functions of a nominal holder of voting shares of an insurance (reinsurance) organization and (or) derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is the voting shares of the insurance (reinsurance) organization, as well as the issuer of the said derivative securities;

a person who is entitled solely to receive dividends and (or) other income from the shares of an insurance (reinsurance) company, without the ability to influence the decisions made by the insurance (reinsurance) company;

other persons specified in paragraph 19 of Article 9-5 of the Law of the Republic of Kazakhstan "On the State Regulation, Control and Supervision of the Financial Market and Financial Organizations".

The requirements for persons directly and (or) indirectly owning and (or) using, and (or) disposing of, in aggregate, ten or more per cent of the voting shares of an insurance (reinsurance) organization, including through derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is the voting shares of the insurance (reinsurance) organization, or exercising control over an insurance (reinsurance) organization, or directly and (or) indirectly influencing decisions adopted by an insurance (reinsurance) organization (voting) with ten or more per cent of the voting shares of the insurance (reinsurance) organization, as well as the procedure for obtaining consent by such persons for acquiring the status of a major participant of an insurance (reinsurance) organization or an insurance holding, shall be established by Article 9 -5 of the Law of the Republic of Kazakhstan "On the State Regulation, Control and Supervision of the Financial Market and Financial Organizations".

2. Persons who are jointly a major participant of an insurance (reinsurance) organization shall be deemed to be persons directly and (or) indirectly owning and (or) using, and (or)

disposing of, in aggregate, ten or more per cent of the voting shares of an insurance (reinsurance) organization, including through derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is the voting shares of the insurance (reinsurance) organization, where any of the following conditions is present:

1) the said persons jointly influence decisions of the insurance (reinsurance) organization by virtue of an agreement (supporting documents) concluded between them;

2) the said persons are, individually or mutually, major participants of each other;

3) one of the said persons has authorized (obliged) the other said person to acquire voting shares of the insurance (reinsurance) organization and (or) derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is the voting shares of the insurance (reinsurance) organization, pursuant to an agreement concluded between them, except for cases related to the provision of brokerage services, investment portfolio management services and (or) nominal holding services for securities;

4) one of the said persons has provided money and (or) other property gratuitously to the other said person for the acquisition of voting shares of the insurance (reinsurance) organization and (or) derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is the voting shares of the insurance (reinsurance) organization;

5) one of the said persons is an official of the other said person;

6) one of the said persons is a representative of the other said person, except for cases where the representative acts in strict accordance with the instructions of the person represented and is not entitled to perform actions on behalf of the person represented at his own discretion;

7) one of the said persons is a close relative or spouse of the other;

8) the said persons jointly influence decisions of the insurance (reinsurance) organization in any other manner in cases established by regulatory legal acts of the authorized body.

Where an insurance (reinsurance) organization is part of a banking conglomerate in accordance with the requirements of the banking legislation of the Republic of Kazakhstan, the insurance (reinsurance) organization shall be subject to consolidated supervision in accordance with the banking legislation of the Republic of Kazakhstan.

3. Persons jointly constituting an insurance holding company shall be recognized as persons directly and (or) indirectly owning and (or) using, and (or) disposing of, in aggregate, twenty-five or more percent of voting shares of an insurance (reinsurance) organization, including through derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is voting shares of the insurance (reinsurance) organization, where any of the following conditions is present:

1) the said persons jointly influence the decisions of the insurance (reinsurance) organization by virtue of an agreement (supporting documents) concluded between them;

2) the said persons are, individually or mutually, major participants of each other;

3) one of the said persons has authorized (obliged) another of the said persons to acquire voting shares of the insurance (reinsurance) organization and (or) derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is voting shares of the insurance (reinsurance) organization, pursuant to an agreement concluded between them, except for cases related to the provision of brokerage services, investment portfolio management services and (or) nominal holding services for securities;

4) one of the said persons has provided money and (or) other property gratuitously to another of the said persons for the acquisition of voting shares of the insurance (reinsurance) organization, including through derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is voting shares of the insurance (reinsurance) organization;

5) one of the said persons is a representative of another of the said persons, except for cases where the representative acts in strict compliance with the instructions of the represented person and is not entitled to perform actions on behalf of the represented person at its own discretion;

6) the said persons jointly influence the decisions of the insurance (reinsurance) organization in any other manner in cases established by the regulatory legal acts of the authorized body.

4. The following persons shall not be recognized as a major participant of an insurance (reinsurance) organization or an insurance holding company: persons directly and (or) indirectly owning and (or) using, and (or) disposing of, in aggregate, ten or more percent of voting shares of an insurance (reinsurance) organization, including through derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is voting shares of the insurance (reinsurance) organization, acting on the basis of an agreement concluded between them, which provides for their adoption of joint decisions exclusively on the following matters:

1) convening an extraordinary general meeting of shareholders of the insurance (reinsurance) organization;

2) filing a claim with a court to convene a general meeting of shareholders of the insurance (reinsurance) organization in the event of refusal by the board of directors to convene it;

3) including additional items on the agenda of the general meeting of shareholders of the insurance (reinsurance) organization;

4) convening a meeting of the board of directors of the insurance (reinsurance) organization;

5) conducting an audit of the insurance (reinsurance) organization by an auditing organization at its own expense.

5. If a person has come to meet the criteria of a major participant of an insurance (reinsurance) organization or an insurance holding company without the written consent of the authorized body, such person shall not be entitled to take any actions aimed at exerting influence on decisions taken within the insurance (reinsurance) organization, and (or) to vote the shares of the insurance (reinsurance) organization, including through derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is voting shares of the insurance (reinsurance) organization, until it obtains the written consent of the authorized body in accordance with Article 9-5 of the Law of the Republic of Kazakhstan "On the State Regulation, Control and Supervision of the Financial Market and Financial Organizations."

The authorized body shall have the right to apply supervisory response measures provided for by this Law, and compulsory measures provided for by Article 53-4 of this Law, to a person meeting the criteria of a major participant of an insurance (reinsurance) organization or an insurance holding company without the written consent of the authorized body, including to require the said person to dispose of the voting shares of the insurance (reinsurance) organization and (or) derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is voting shares of the insurance (reinsurance) organization, within a period not exceeding six months.

6. The authorized body shall have the right to request information confirming or refuting data that a person meets the criteria of a major participant of an insurance (reinsurance) organization or an insurance holding company without the written consent of the authorized body.

The said information may be requested by the authorized body from any person possessing it, as well as from any organization under the control of such person.

7. An insurance (reinsurance) organization shall be obliged to notify the authorized body of a change in the composition of persons owning in aggregate ten or more percent of voting shares of the insurance (reinsurance) organization, including through derivative securities issued in accordance with the legislation of the Republic of Kazakhstan or a foreign state, the underlying asset of which is voting shares of the insurance (reinsurance) organization, within fifteen calendar days from the date it establishes this fact.

8. Resident individuals who are major participants of an insurance (reinsurance) organization, as well as their spouses, shall be obliged to annually submit a declaration of income and property in accordance with the procedure and within the time limits established by the tax legislation of the Republic of Kazakhstan.

9. The consent of the authorized body for a bank to acquire the status of an insurance holding company or a major participant of an insurance (reinsurance) organization, the shares

of which were acquired during a reorganization of the bank in the form of merger in accordance with the procedure established by the legislation of the Republic of Kazakhstan, or were transferred in the course of a transaction provided for by Articles 68, 97 and 98 of the Law of the Republic of Kazakhstan "On Banks and Banking Activity in the Republic of Kazakhstan," shall be deemed granted upon registration of the transaction in the system of registers of securities holders (nominal holding).

Footnote. Article 26 as amended by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

Article 26-1. Grounds for refusal to grant the consent by the authorized body for persons wishing to become an insurance holding company or a major participant in the insurance (reinsurance) company

Footnote. Section is supplemented by Article 26-1, in accordance with the Law of the Republic of Kazakhstan dated 23.12.2005 № 107 (the order of enforcement see Art. 2 of the Law № 107); is excluded by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259 -VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

Article 27. Permission to create an insurance (reinsurance) company

1. The following documents shall be submitted to the authorized body to obtain the permission to create an insurance (reinsurance) company:

1) an application to obtain a permission to create an insurance (reinsurance) company;

2) is excluded by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced from 02.01.2020);

3) documents, proving the decision to create an insurance (reinsurance) company;

4) information on founders - legal entities (given such founders), including financial statements for previous two completed financial years, certified by an audit organization, balance sheet and statement of income and expenses as at the end of a previous quarter before the documents' submission. Financial statements for previous two completed financial years are not submitted if these statements are posted on the website of the financial statements depository;

5) information on founders – individuals (if such founders exist), including a description of the sources and amounts of funds used for the establishment of the insurance (reinsurance) organization.

The sources of funds that may be used by an individual for the acquisition of shares (payment for the charter capital) of the insurance (reinsurance) organization being established are defined by paragraph 7 of Article 9-5 of the Law of the Republic of Kazakhstan "On the State Regulation, Control and Supervision of the Financial Market and Financial Organizations";

5-1) documents and information provided for by Articles 9-5 and 9-6 of the Law of the Republic of Kazakhstan "On the State Regulation, Control and Supervision of the Financial Market and Financial Organizations", in the event that the applicant needs to obtain the status of a major participant of an insurance (reinsurance) organization or an insurance holding company, or a permit to establish a subsidiary organization or to acquire a significant participation in the capital of an insurance (reinsurance) organization;

6) business plan;

6-1) (Is excluded - dated 23.10.2008 № 72-IV (the order of enforcement see Art. 2).

7) is excluded by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced from 02.01.2020).

1-1. Excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

2. The founder of an insurance (reinsurance) company that is a non-resident of the Republic of Kazakhstan, shall submit a document of the appropriate supervisory authority of the state, confirming that he is allowed to purchase the shares of the insurance (reinsurance) company - resident of the Republic of Kazakhstan, or a statement that under the legislation of the corresponding state, such permission is not required.

The documents of the founder - non-resident of the Republic of Kazakhstan, issued by a foreign state body shall be legalized in the manner, prescribed by the legislation of the Republic of Kazakhstan.

3. The procedure and conditions for granting the permission to create an insurance (reinsurance) company, as well as the requirements for the content of the documents, specified in sub-paragraphs 1), 4) – 6 of paragraph 1 of this Article, including the order for the calculation of insurance rates and their economic feasibility shall be determined by the regulatory legal acts of the authorized body.

4. A permit to set up an insurance (reinsurance) company shall have legal force until the authorized body makes a decision to issue a license to carry out insurance (reinsurance) activities to an insurance (reinsurance) company.

5. If the applicant fails to obtain a license for the right to carry out insurance (reinsurance) activities within six months from the date of issuance of a permit to establish an insurance (reinsurance) company, a permit issued by the authorized body for the establishment of an insurance (reinsurance) company, as well as permission to establish a subsidiary, significant participation in the capital of the organization and consent to acquire the status of an insurance holding company, a major participant in the insurance (reinsurance) company shall be considered cancelled.

6. An application for a permit to set up an insurance (reinsurance) company shall be considered by the authorized body within fifty working days of the application's submission.

7. The notification about the issuance of a permit to set up an insurance (reinsurance) company is sent to the applicant and to the Corporation.

8. Excluded by the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020).

Footnote. Article 27, as amended by the Laws of the Republic of Kazakhstan dated 10.07.2003 № 483 (shall be enforced from 01.01.2004), dated 08.07.2005 № 72 (the order of enforcement see Art. 2), dated 23.12.2005 № 107 (the order of enforcement see Art. 2 of the Law № 107), dated 23.10.2008 № 72-IV (the order of enforcement see Art. 2), dated 11.07.2009 № 185-IV (shall be enforced from 30.08.2009), dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2), dated 24.12.2012 № 60-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 24.11.2015 № 422-V (shall come into force from 16.12.2020); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); № 272-VI as of 25.11.2019 (shall be enforced from 02.01.2020); № 287-VI as of 26.12.2019 (shall be enforced from 03.01.2020); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

Article 28. Grounds for refusal to grant a permission for the creation of an insurance (reinsurance) company

1. The grounds for refusal to grant a permission for the creation of an insurance (reinsurance) company shall be:

1) non-compliance of the submitted documents with the requirements, specified in paragraphs 1, 2 and 3 of Article 27 of this Law, or non-elimination of the comments of the authorized body on the submitted documents within the period established by it;

2) insufficiency of own funds of the founder to pay for the shares;

3) provision of inaccurate information concerning the newly created organization and its founders to the authorized body;

4) loss-making activities of the founder for the last two completed financial years;

5) (Is excluded – by the Law of the Republic of Kazakhstan dated 23.10.2008 № 72-IV (the order of enforcement see Art. 2).

6) refusal by the authorized body to grant consent for the acquisition of the status of a major participant of an insurance (reinsurance) organization or an insurance holding company on the grounds specified in Article 9-5 of the Law of the Republic of Kazakhstan "On the State Regulation, Control and Supervision of the Financial Market and Financial Organizations";

6-1) non-compliance with the restrictions established by Article 9-5 of the Law of the Republic of Kazakhstan "On the State Regulation, Control and Supervision of the Financial Market and Financial Organizations";

7) presence of unexpunged or outstanding conviction of the founders - individuals, the first head of the executive body or governing body of the founder – a legal entity.

2. The authorized body within the time, specified in paragraph 6 of Article 27 of this Law shall notify the applicant on the refusal to grant the permission for the creation of an insurance (reinsurance) company in writing, including the grounds for refusal.

Footnote. Article 28, as amended by the Laws of the Republic of Kazakhstan dated 23.12.2005 № 107 (the order of enforcement see Article 2 of the Law № 107), dated 23.10.2008 № 72-IV (the order of enforcement see Art. 2), dated 15.07.2010 № 338 -IV (the order of enforcement see Art. 2), dated 27.04.2012 №15-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); № 272-VI as of 25.11.2019 (shall be enforced ten calendar days after its first official publication); dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

Article 29. Grounds for withdrawal of a permission for the creation of an insurance (reinsurance) company

Footnote. Article 29 is excluded by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced from 02.01.2020).

Article 30. State registration of an insurance (reinsurance) company

1. State registration of the insurance (reinsurance) company shall be carried out by the Corporation with the permission of the authorized body for its creation.

2. Is excluded by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced from 02.01.2020).

Footnote. Article 30, as amended by the Law of the Republic of Kazakhstan dated 05.07.2012 № 30-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.04.2019 № 241-VI (shall be enforced from 01.07.2019); № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced from 02.01.2020).

Article 30-1. Opening of a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan

1. A non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall have the right to apply to the authorized body to obtain permission to open a branch in the territory of the Republic of Kazakhstan, subject to the following conditions:

1) the total assets of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan must not be less than the equivalent of five billion US dollars;

2) the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan has at least ten years of experience in insurance (reinsurance) in all sectors and classes of insurance;

3) the state of which the insurance (reinsurance) organization that is a non-resident of the Republic of Kazakhstan is a resident is a participant in international cooperation in the field

of preventing and countering legalization (laundering) of proceeds from crime, financing of terrorism and financing of the proliferation of weapons of mass destruction, and also cooperates with the Financial Action Task Force on Money Laundering (FATF);

4) availability of an agreement between the authorized body and the financial supervisory authority of the state of which the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan is a resident.

An agreement between the authorized body and the financial supervisory authority of the state whose resident is the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan must contain the procedure for the exchange of confidential information constituting a trade secret in the securities market, banking secrecy, insurance secrecy or other secret protected by law, the procedure for cooperation on opening a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, licensing, approval of executives, regulation, control and supervision (including conducting audits of activities) and termination of activities of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan and its branch, as well as other issues of interaction for the purposes of exercising control and supervisory functions;

5) availability of a written notice from the financial supervisory authority of the state whose resident is the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, that it does not object to the opening of a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan in the territory of the Republic of Kazakhstan, or a statement by the financial supervisory authority of the said state that such permission is not required under the laws of the state of which the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan is a resident;

6) availability of a written confirmation from the financial supervisory authority of the state whose resident is the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, that the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan has a valid license for the right to carry out insurance (reinsurance) activities.

2. An application for issuing a permission to open a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan in Kazakh or Russian shall be submitted in the form established by the regulatory legal act of the authorized body, with the following documents attached:

1) a decision of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan on the opening of a branch in the territory of the Republic of Kazakhstan;

2) a draft regulations on the branch of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan;

3) copies of constituent documents of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan (notarized in case of failure to submit originals for verification);

4) information about non-resident insurance (reinsurance) organization of the Republic of Kazakhstan in the form determined by the authorized body, including financial reporting for the last two completed financial years (including consolidated if available), certified by an audit organization;

5) the organizational structure of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan and information about affiliates of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan;

6) business plan of a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, approved by an official of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan or a person authorized to sign documents, endorsed by an actuary of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, developed for the next three years for branches of non-resident insurance (reinsurance) organizationss of the Republic of Kazakhstan, opened in the "general insurance" industry, and for five years for branches of non-resident insurance (reinsurance) organizations of the Republic of Kazakhstan, opened in the "life insurance" industry;

7) documents of persons proposed for positions of executives of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan in accordance with the requirements for executives of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, established by the regulatory legal act of the authorized body;

8) a document certifying that the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan has the minimum required rating of one of the rating agencies, the list of which is established by the regulatory legal act of the authorized body, on the day of submission of the application;

9) written notification of the financial supervisory authority of the state, whose resident is the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, about the absence of objections to the opening of a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan in the territory of the Republic of Kazakhstan or a statement that such permission under the laws of the state of which the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan is a resident is not required;

10) written confirmation of the financial supervisory authority of the state, whose resident is the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, that of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan has a valid license for the right to carry out insurance (reinsurance) activities;

11) written confirmation of the financial supervisory authority of the state, the resident of which is the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, that the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan has no violations of prudential standards and other mandatory to compliance with the norms and limits established by the legislation of the state, the resident of which is the non-resident

insurance (reinsurance) organization of the Republic of Kazakhstan, within two years preceding the submission of the application;

12) a written obligation of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan on the unconditional, immediate execution of this non-resident insurance (reinsurance) organization-non-resident of the Republic of Kazakhstan obligations related to the activities of its branch operating in territory of the Republic of Kazakhstan, in case of non-performance and (or) improper performance by the branch;

13) copies of a valid license of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, issued by the financial supervisory authority of the state of which the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan is a resident;

14) documents for registration of a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, provided for in Article 6-2 ща the Law of the Republic of Kazakhstan "On State Registration of Legal Entities and Record Registration of Branches and Representatives";

15) copies of the document confirming payment of the fee for issuing a license for the right to carry out insurance (reinsurance) activities, except in cases of payment through the digital government payment gateway.

The authorized body shall be entitled to request additional information or documents necessary to make a decision on issuing a permission to open a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan.

An application for issuing a permission to open a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan may be withdrawn by a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan at any time of its consideration by the authorized body.

The procedure for issuing permission to open a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, as well as the requirements for the content of the document specified in subparagraph 6) of part one of this paragraph, shall be established by the regulatory legal act of the authorized body.

3. Refusal to issue a permission to open a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall be made on any of the following grounds:

1) non-compliance with the requirements specified in paragraph 1 of this Article;

2) non-compliance of the submitted documents with the requirements specified in paragraph 2 of this Article;

3) failure to eliminate the comments of the authorized body on the submitted documents within the time period established by it;

4) non-compliance with the requirements established by subparagraphs 8) and 11) of the first part of paragraph 2 of this Article;

5) grounds specified in subparagraphs 4) and 7) of paragraph 1 paragraph 8 of this Law;

6) non-compliance of the name branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan with the requirements of paragraph 7 of Article 23 of this Law;

7) providing the authorized body with false information regarding the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan.

The authorized body, within the time limits provided for in paragraph 5 of this Article, shall notify an insurance (reinsurance) organization - non-resident of the Republic of Kazakhstan of the refusal to issue a permission to open a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan in writing, indicating the grounds for refusal.

4. The issued permission to open a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan is considered canceled in cases:

1) adoption by the non-resident insurance (reinsurance) organization-non-resident of the Republic of Kazakhstan of a decision on the voluntary termination of the activities of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan;

2) adoption by the authorized body of a decision to deprive the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan of a license for the right to carry out insurance (reinsurance) activities;

3) failure to register with the Corporation within two months from the date of issuance of permission to open a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan;

4) failure to obtain a license for the right to carry out insurance (reinsurance) activities within three months from the date of registration branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan.

5. An application for issuing a permission to open a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan must be considered by the authorized body within fifty working days from the date of application.

Notification of the issuance of permission to open a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall be sent to the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan and to the Corporation.

The permission to open a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall have legal force until the authorized body decides to issue a license to the branch of non-resident insurance (reinsurance) organization of the Republic of Kazakhstan carrying out insurance (reinsurance) activities.

6. Record registration of a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall be carried out by the Corporation on the basis of the permission of the authorized body to open a branch of insurance (reinsurance) organization of the Republic of Kazakhstan in accordance with the procedure prescribed by the legislation of the Republic of Kazakhstan.

7. The location of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall be the location in the territory of the Republic of Kazakhstan, specified in the regulation on the branch of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan.

Footnote. The Law was amended with Article 30-1 in accordance with the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020).

Article 31. Changes and additions to the constituent documents of the insurance (reinsurance) company

After the state registration of changes and (or) additions made to the constituent documents requiring re-registration in the Corporation, the insurance (reinsurance) company within fourteen calendar days from the date of re-registration shall be obliged to submit a copy of the changes and (or) additions to the constituent documents to the authorized body.

In the event of making changes and (or) additions to the constituent documents that do not require re-registration, the insurance (reinsurance) company shall be obliged to submit to the authorized body a document confirming the acceptance of the notification, a copy of the amendments and (or) additions to the constituent documents.

Footnote. Article 31 in the wording of the Law of the Republic of Kazakhstan dated 02.04.2019 № 241-VI (shall be enforced from 01.07.2019); as amended by the Law of the Republic of Kazakhstan dated July 14, 2022 № 141-VII (shall be enforced upon expiration of ten calendar days after the day of its first official publication).

Article 31-1. Notification on the statement of financial products insurance (reinsurance) organization

Footnote. Chapter 6 is added by the with article 31-1 according to the Law of the Republic of Kazakhstan dated 16.05.2014 № 203-V (shall be enforced after six months after day of its first official publication); is excluded by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced from 01.07.2026).

Article 32. Subsidiaries of an insurance (reinsurance) organization and a major participation of an insurance (reinsurance) organization in the capital of organizations

1. An insurance (reinsurance) organization in order to exercise the powers authorized them by Article 48 of this Law, may create or acquire a subsidiary only with the prior permission of the authorized body.

2. Subsidiaries of an insurance (reinsurance) organization shall not have the right to create and (or) have subsidiaries, as well as to have a major participation in the capital of the organizations.

3. An insurance (reinsurance) organization shall have the right to establish a subsidiary organization, provided that it has conducted break-even operations on a consolidated and non-consolidated basis based on the results of each of the last two completed financial years

and has complied with the prudential ratios, including on a consolidated basis, established by the authorized body, during the last three months preceding the date of submission of the application to the authorized body for obtaining a permit.

4. A subsidiary organization of an insurance (reinsurance) organization, as well as a non-resident organization of the Republic of Kazakhstan in which the insurance (reinsurance) organization has a significant participation in the capital, shall be obliged to disclose to the authorized body, on the basis of a relevant request, the necessary information for the purposes of ensuring the qualitative and timely performance of the functions assigned to the authorized body for exercising consolidated supervision. In doing so, the information obtained shall not be subject to disclosure.

5. A major participation of an insurance (reinsurance) organization in the capital of organizations shall be permitted only with the prior permit of the authorized body.

6. In the event that an insurance (reinsurance) organization acquires the attributes of control or significant participation in the capital of organizations in the absence of a prior permit of the authorized body:

1) the authorized body shall have the right to apply to the insurance (reinsurance) organization the supervisory response measures provided for by this Law;

2) the insurance (reinsurance) organization shall be obliged, within six months from the moment the attributes of control or major participation in the capital of the organization arise, to dispose of the shares, participation interests, units, or other forms of equity participation in the capital of the organization belonging to it to a person not connected with the insurance (reinsurance) organization by special relations, and to submit to the authorized body documents confirming the said disposal.

7. The procedure for issuing a permit to an insurance (reinsurance) organization for the establishment or acquisition of a subsidiary organization, as well as for a major participation in the capital of an organization, shall be established by Article 9-6 of the Law of the Republic of Kazakhstan “On the State Regulation, Control and Supervision of the Financial Market and Financial Organizations” and a regulatory legal act of the authorized body.

Footnote. Article 32 as amended by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

Article 33. Creation, closing of branches and representative offices of insurance (reinsurance) company and insurance broker

1. Insurance (reinsurance) company-resident of the Republic of Kazakhstan on the basis of the decision of the board of directors of the insurance (reinsurance) company, insurance broker-resident of the Republic of Kazakhstan on the basis of the decision of the general meeting of participants or the general meeting of shareholders without the consent of the authorized body shall be entitled to open its separate units – branches and representative offices both in the territory of the Republic of Kazakhstan and abroad.

2. Insurance (reinsurance) company, insurance broker within thirty working days from the date of registration of its branch and representative office in the Corporation shall be obliged to inform the authorized body about their opening with application of:

1) copies of the regulations on branch or representative office;

2) a notarized copy of the power of attorney issued to the first head of the branch or representative office.

3. The branch of the insurance (reinsurance) company shall carry out insurance activities on behalf of the insurance (reinsurance) company and operate within the powers granted to it by the insurance (reinsurance) company.

The branch of the insurance (reinsurance) company shall have a single balance sheet with the insurance (reinsurance) company, as well as the name that completely coincides with the name of the insurance (reinsurance) company.

4. The branch of the insurance broker shall carry out its activities on behalf of the insurance broker and act within the powers granted to it by the insurance broker. The branch of the insurance broker shall have the same balance with the insurance broker, as well as the name that completely coincides with the name of the insurance broker.

5. The representative office of the insurance (reinsurance) company shall act in the name of and on behalf of the insurance (reinsurance) company and shall not carry out insurance activities.

6. The representative office of the insurance broker shall act in the name of and on behalf of the insurance broker and shall not carry out intermediary activities of the insurance broker for the conclusion of insurance (reinsurance) contracts.

7. The obligatory conditions for opening of branches of the insurance (reinsurance) company, insurance brokers shall be the absence of effective sanctions, provided for by subparagraph 1) of paragraph 1 of Article 53-5 of this Law, as well as non-use by the authorized body within three months preceding the date of registration of branch in Corporation, of administrative penalties for administrative offenses provided for by part two of Article 227, Articles 229, 230, part four of Article 239 of the Code of the Republic of Kazakhstan on administrative offences.

8. The insurance (reinsurance) company-resident of the Republic of Kazakhstan, the insurance broker-resident of the Republic of Kazakhstan shall have the right to open representative offices on condition of break-even activity of the insurance (reinsurance) company, the insurance broker following the results of the last completed financial year.

9. When making changes and (or) additions to the regulations on the branch, representative office, requiring re-registration in the Corporation, insurance (reinsurance) company, insurance broker, who are residents of the Republic of Kazakhstan, shall be obliged , within thirty working days from the date of re-registration in the Corporation to submit to the authorized body a copy of the changes and (or) additions to the regulations on the branch, representative office.

When making changes and (or) additions to the regulations on the branch, representative office, not requiring re-registration in the Corporation, the insurance (reinsurance) company, insurance broker shall be obliged, within thirty working days from the date of acceptance by the body authorized to receive notification about changes and (or) additions, documents of the insurance (reinsurance) company, insurance broker, to submit to the authorized body a document confirming their acceptance, copies of changes and (or) additions to the regulations on the branch, representative office.

10. Insurance (reinsurance) organization-resident of the Republic of Kazakhstan, the insurance broker-resident of the Republic of Kazakhstan in case of opening of branches and representative offices outside the Republic of Kazakhstan shall be obliged, within thirty calendar days from the date of registration with the appropriate body of the state, in written form, to inform the authorized body about their opening with attachment of documents, confirming the registration in the appropriate body of the state.

11. Insurance (reinsurance) company, insurance broker, being non-residents of the Republic of Kazakhstan, shall have the right to open a representative office without the consent of the authorized body.

12. The representative office of the insurance (reinsurance company-non-resident of the Republic of Kazakhstan, insurance broker-non-resident of the Republic of Kazakhstan within thirty working days from the date of registration in the Corporation, must inform the authorized body in written form about the opening with the attachment of:

1) copies of regulations on the representative office;

2) a written confirmation of the insurance supervision body of the relevant state that the insurance (reinsurance) company-non-resident of the Republic of Kazakhstan has a valid license for insurance activities, or statements of the insurance supervision body that the issuance of a written confirmation is not provided for by the legislation of the country of origin of the insurance (reinsurance) company-non-resident of the Republic of Kazakhstan;

3) a written confirmation of the insurance supervision body of the relevant state that the insurance broker-non-resident of the Republic of Kazakhstan has a valid license for the activities of the insurance broker, or electronic confirmation indicating the registration number if the activity of the insurance broker in the relevant state is not a licensed activity, or the statement of the insurance supervision body, that issue of written confirmation is not provided by the legislation of the country of origin of the insurance broker-non-resident of the Republic of Kazakhstan;

4) a written notification of the insurance supervision body of the relevant state that it does not object to the opening of a representative office of the insurance (reinsurance) company-non-resident of the Republic of Kazakhstan, insurance broker-non-resident of the Republic of Kazakhstan in the territory of the Republic of Kazakhstan, or the statement of the insurance supervision body or authoritative legal service of the relevant state that such permission under the legislation of the state of the insurance (reinsurance)

company-non-resident of the Republic of Kazakhstan, insurance broker-non-resident of the Republic of Kazakhstan is not required;

5) a notarized power of attorney addressed to the head of the representative office of the insurance company-non-resident of the Republic of Kazakhstan, insurance broker-non-resident of the Republic of Kazakhstan.

13. The opening of branches of non-resident insurance (reinsurance) organizations of the Republic of Kazakhstan in the Republic of Kazakhstan shall be allowed subject to the conditions provided for in this Law.

14. Representative office of insurance (reinsurance) company-non-resident of the Republic of Kazakhstan, insurance broker-non-resident of the Republic of Kazakhstan shall be obliged within thirty working days from the date of registration (re-registration) in the Corporation to inform the authorized body on changes and (or) additions to the provisions on representative office with attachment of copies of these documents.

In case of making changes and (or) additions to the provision on representative office, which do not require re-registration, the representative office of the insurance (reinsurance) company-non-resident of the Republic of Kazakhstan, the insurance broker-non-resident of the Republic of Kazakhstan shall be obliged within thirty working days from the date of acceptance by the body authorized to receive notification about the changes and (or) additions , documents of the representative office of the insurance (reinsurance) organization-non-resident of the Republic of Kazakhstan, the insurance broker-non-resident of the Republic of Kazakhstan to submit to the authorized body the document, confirming their acceptance, notarized copies of changes and (or) additions to the provision on the branch , representative office.

15. Insurance (reinsurance) company, insurance broker within thirty working days from the date of removal from the registration of its branch and (or) representative office in the Corporation (the relevant registering body of the state upon termination of the branch or representative office outside the Republic of Kazakhstan) must inform the authorized body in written form about the termination of their activities with a copy of the document of the Corporation (the relevant registering body of the state upon termination of the branch or representative office outside the Republic of Kazakhstan), confirming the withdrawal from the registration of the branch and (or) representative office of the insurance (reinsurance) company, insurance broker.

16. The authorized body shall require the closure of the branch and (or) representative office of the insurance (reinsurance) company-resident of the Republic of Kazakhstan, insurance broker-resident of the Republic of Kazakhstan and representative office of the insurance (reinsurance) company-non-resident of the Republic of Kazakhstan, insurance broker-non-resident of the Republic of Kazakhstan in case of failure to comply with the requirements of paragraphs 7, 8, 12 and 14 of this Article.

The authorized body shall apply to the insurance (reinsurance) company, insurance broker supervisory response measures in case of failure to comply with the requirements of paragraphs 2, 9, 10 and 15 of this Article.

Footnote. Article 33 is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-IV (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019); dated 02.04.2019 № 241-VI (shall be enforced from 01.07.2019); as amended by the laws of the Republic of Kazakhstan dated 24.11.2015 № 422-V (shall come into force from 16.12.2020); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020).

Article 34. Executive Employees of an Insurance (Reinsurance) Organization, an Insurance Holding Company and an Insurance Broker

1. The following shall be recognized as executive employees of an insurance (reinsurance) organization:

1) the head and members of the management body;

2) the head of the executive body, his/her deputy and members of the executive body;

3) the chief accountant and the deputy chief accountant;

4) other executives of the insurance (reinsurance) organization who coordinate and (or) control the activities of structural subdivisions of the insurance (reinsurance) organization and have the right to sign documents on the basis of which insurance and (or) investment activities are conducted, with the exception of heads of branches and representative offices of the insurance (reinsurance) organization and their chief accountants;

5) other persons recognized as executive employees of the insurance (reinsurance) organization through the motivated judgment of the authorized body.

At least one of the members of the executive body of the insurance (reinsurance) organization must have supporting documents confirming that he/she has attended at least fifty percent of the courses of the minimum mandatory actuary training program established by a regulatory legal act of the authorized body.

2. The following shall be recognized as executive employees of an insurance broker: the head and his/her deputies, the chief accountant and his/her deputy.

3. The following shall be recognized as executive employees of a branch of an insurance (reinsurance) non-resident organization of the Republic of Kazakhstan:

1) the head of the branch and his/her deputies;

2) other executives of the branch who coordinate and (or) control the activities of structural subdivisions of the branch of the insurance (reinsurance) non-resident organization of the Republic of Kazakhstan and have the right to sign documents on the basis of which insurance activities are conducted;

3) the chief accountant and the deputy chief accountant;

4) other persons recognized as executive employees of the branch of the insurance (reinsurance) non-resident organization of the Republic of Kazakhstan through the motivated judgment of the authorized body.

At least two executive employees of a branch of an insurance (reinsurance) non-resident organization of the Republic of Kazakhstan must be residents of the Republic of Kazakhstan.

The following shall be recognized as executive employees of a branch of an insurance broker – non-resident of the Republic of Kazakhstan: the head and his/her deputies, and the chief accountant.

4. The following shall be recognized as executive employees of an insurance holding company:

1) the head of the management body, his/her deputy and members of the management body;

2) the head of the executive body, his/her deputy and members of the executive body;

3) the chief accountant and the deputy chief accountant;

4) other executives who coordinate and (or) control the activities of the subsidiary organization(s) and (or) the organization(s) in which the insurance holding company has a major participation in the capital;

5) other persons recognized as executive employees of the insurance holding company through the motivated judgment of the authorized body.

5. The requirements for executive employees of an insurance (reinsurance) organization, an insurance holding company, an insurance broker, a branch of an insurance (reinsurance) non-resident organization of the Republic of Kazakhstan and a branch of an insurance broker – non-resident of the Republic of Kazakhstan, and the procedure for their approval shall be established by Article 9-4 of the Law of the Republic of Kazakhstan “On the State Regulation , Control and Supervision of the Financial Market and Financial Organizations”.

6. In the event that a person is recognized as an executive employee of an insurance (reinsurance) organization through the motivated judgment of the authorized body and the supervisory response measure provided for by subparagraph 11) of paragraph 1 of Article 53-3 of this Law is applied to the insurance (reinsurance) organization, the insurance (reinsurance) organization shall be obliged to submit, within the time limit established by the authorized body, documents for obtaining consent for the appointment (election) of the executive employee, confirming the compliance of the person recognized as an executive employee of the insurance (reinsurance) organization through the motivated judgment of the authorized body with the requirements established by Article 9-4 of the Law of the Republic of Kazakhstan “On the State Regulation, Control and Supervision of the Financial Market and Financial Organizations”.

If the documents are not submitted within the time limit established by the authorized body, the insurance (reinsurance) organization shall be obliged to terminate the employment contract with the person recognized as an executive employee of the insurance (reinsurance)

organization through the motivated judgment of the authorized body, or, in the absence of an employment contract, to take measures to terminate the powers of such person.

The provisions of this paragraph shall apply to insurance holding companies and branches of insurance (reinsurance) non-resident organizations of the Republic of Kazakhstan.

7. An insurance (reinsurance) organization and an insurance broker shall be obliged, within one hundred and twenty calendar days after the end of the financial year, to submit to the National Bank reports containing information on the income paid by the insurance (reinsurance) organization or the insurance broker to all executive employees of the insurance (reinsurance) organization or the insurance broker during the financial year, in the form established by a regulatory legal act of the National Bank in coordination with the authorized body.

8. The requirements for the internal policy of an insurance (reinsurance) organization and an insurance broker on remuneration, the accrual of monetary awards, as well as other types of material incentives for executive employees of the insurance (reinsurance) organization and the insurance broker shall be determined by a regulatory legal act of the authorized body.

Footnote. Article 34 as amended by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

Article 35. Additional requirements for insurance (reinsurance) company with the participation of non-resident of the Republic of Kazakhstan

1. Is excluded by the Law of the Republic of Kazakhstan dated 20.02.2006 № 128 (the order of enforcement see Art. 2).

2. Insurance (reinsurance) company with the participation of non-residents of the Republic of Kazakhstan shall be the insurance (reinsurance) company, more than twenty-five percent of voting shares (net of preferred) of which in the aggregate shall be owned or managed by:

1) non-resident of the Republic of Kazakhstan;

2) legal entity - resident of the Republic of Kazakhstan, more than fifty percent of the stakes in the authorized capital or the outstanding shares of which are owned and (or) managed by non-residents of the Republic of Kazakhstan;

3) residents of the Republic of Kazakhstan that are nominee holders of the securities of non-residents of the Republic of Kazakhstan.

Footnote. Article 35, as amended by the Laws of the Republic of Kazakhstan dated 08.07.2005 № 72 (the order of enforcement see Art. 2), dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2).

Article 36. Insurance broker

Footnote. Article 36 is excluded by the Law of the Republic of Kazakhstan dated 20.02.2006 № 128 (the order of enforcement see Art. 2).

Chapter 6-1. Features of creation and activity of Islamic insurance (reinsurance) organizations

Footnote. The law is added with chapter 6-1 according to the Law of the Republic of Kazakhstan dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of itsfirst official publication).

Article 36-1. Principles of Islamic insurance

The principles of Islamic insurance are:

1) mutual protection and cross liability of insurers;

2) prohibition on receiving income from investments or granting loans, expressed as a percentage, provided for in subparagraphs 1), 1-1) and 2) of paragraph 2 of Article 11 of this Law;

3) prohibition on insurance (reinsurance) or financing of the activity connected with production and (or) trade in tobacco, alcoholic products, weapon and ammunition, a gaming and also other types of business activity, insurance (reinsurance) or financing of which is forbidden by council for the principles of Islamic financing.

Footnote. Article 36-1 as amended by the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall come into force upon expiration of ten calendar days after the date of its first official publication).

Article 36-2. Islamic insurance fund

1. The Islamic insurance fund forms the Islamic insurance (reinsurance) organization at the expense of insurance premiums under agreements of Islamic insurance and also other income gained as a result of their investment, for the purpose of implementation of insurance payments under agreements of Islamic insurance.

Rules of forming, accounting, use and distribution of Islamic insurance fund are established by a regulatory legal act of authorized body.

2. The Islamic insurance (reinsurance) organization exercises control of Islamic insurance fund.

3. The Islamic insurance (reinsurance) organization invests means of Islamic insurance fund in assets which list is established by council for the principles of Islamic financing, for the benefit of insurers.

4. The Islamic insurance (reinsurance) organization does not bear liability for damages, the asset costs connected with reduction in which investments of Islamic insurance fund were made, except as specified, when such losses arose through her fault.

5. The Islamic insurance (reinsurance) organization keeps separate account of own means from means of Islamic insurance fund.

6. In case of insufficiency of means of Islamic insurance fund for obligation fulfillment for agreements of Islamic insurance the Islamic insurance (reinsurance) organization is obliged to contribute to Islamic insurance fund money with a condition of their return in the future at the expense of cash receipts in Islamic insurance fund. The Islamic insurance (reinsurance) organization has no right to levy remuneration for transfer of such money.

Rules of transfer of money by the Islamic insurance (reinsurance) organization to Islamic insurance fund are established by a regulatory legal act of authorized body.

7. Distribution of means of Islamic insurance fund between insurers is performed in proportion to a share of each insurer in Islamic insurance fund.

Article 36-3. Reward of the Islamic insurance (reinsurance) organization

The Islamic insurance (reinsurance) organization has the right to earn reward for management of Islamic insurance fund in the form of a part of an insurance premium at signing of the contract of Islamic insurance (reinsurance) and (or) a part of income gained from investment of means of Islamic insurance fund in the order determined by a regulatory legal act of authorized body.

Article 36-4. Activity of council for the principles of Islamic financing

1. For determination of compliance of activity, transactions and transactions to the principles of Islamic insurance specified in article 36-1 of this Law in the Islamic insurance (reinsurance) organization council for the principles of Islamic financing without fail is created .

2. Council for the principles of Islamic financing is the independent body appointed by general meeting of shareholders of the Islamic insurance (reinsurance) organization according to the recommendation of Board of Directors.

Article 36-5. Requirements to activity of the Islamic insurance (reinsurance) organization

1. The Islamic insurance (reinsurance) organization has no right to levy remuneration or to gain other income for management of Islamic insurance fund in any kind, in addition to the remuneration specified in article 36-3 of this Law.

2. The charter of the Islamic of insurance (reinsurance) organization, the regulation on the branch of the Islamic of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, the Council on the principles of Islamic finance may grant the right to determine other requirements for the activities of the Islamic of insurance (reinsurance) organization required for its observance.

Footnote. Article 36-5 as amended by the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020).

Article 36-6. Effects of recognition of the agreement of Islamic insurance not corresponding principles of Islamic insurance

1. In case of recognition by council for the principles of Islamic financing of the agreement of the Islamic insurance which is at a conclusion stage, not to the corresponding principles of Islamic insurance specified in article 36-1 of this Law, such agreement cannot be signed and performed.

2. In case of recognition by council for the principles of Islamic financing of the prisoner, but not performed or partially performed agreement of Islamic insurance not to the

corresponding principles of Islamic insurance specified in article 36-1 of this Law, such agreement upon the demand of the Islamic insurance (reinsurance) organization ahead of schedule stops in the order established by the civil legislation of the Republic of Kazakhstan.

3. In case of recognition by council for the principles of Islamic financing of the performed or partially performed agreement of Islamic insurance not to the corresponding principles of Islamic insurance specified in article 36-1 of this Law, income of the Islamic insurance (reinsurance) organization under such agreement has to be directed to charity.

Article 36-7. Additional requirements for the charter of the Islamic insurance (reinsurance) organization

The charter of the Islamic insurance (reinsurance) organization, the regulation on the branch of the Islamic of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, in addition to the information provided for in the laws of the Republic of Kazakhstan, must contain:

1) activities goals of the Islamic insurance (reinsurance) organization;

2) tasks, functions and powers of the permanent body of the Islamic insurance (reinsurance) organization - the council on the principles of Islamic finance, as well as the procedure for its creation and requirements for members of the council on the principles of Islamic finance;

3) conditions and procedure for receiving remuneration for the management of an Islamic insurance fund, approved by the council for the principles of Islamic finance.

Footnote. Article 36-7 – as amended by the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020).

Chapter 7. Licensing

Article 37. Licensing of insurance (reinsurance) company and insurance broker

1. Is excluded by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced from 02.01.2020).

1-1. The license of the branch of non-resident insurance (reinsurance) organization of the Republic of Kazakhstan for the right to carry out insurance (reinsurance) activities, to the branch of non-resident insurance broker of the Republic of Kazakhstan for the right to carry out the activities of an insurance broker shall be issued by the authorized body if the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, non-resident insurance broker of the Republic of Kazakhstan have valid licenses to carry out essentially similar types of activities issued by the financial supervisory authority of the state of which insurance is a resident (reinsurance) organization-non-resident of the Republic of Kazakhstan, non-resident insurance broker of the Republic of Kazakhstan.

1-2. Before applying to the authorized body with an application for obtaining a license for the right to carry out insurance (reinsurance) activities, the applicant must:

1) perform all organizational and technical measures, including those on accounting and automation of accounting;

2) ensure the availability of risk management and internal control systems, internal audit;

3) fulfill the requirements for the coordination of executives;

4) ensure the availability of internal rules for the implementation of insurance (reinsurance) activities;

5) have an actuary on staff who has a valid license to carry out actuarial activities in the insurance market;

6) agree on participation in an organization that guarantees the implementation of insurance payments to policyholders (insured persons, beneficiaries) in case of forced liquidation of insurance companies, if the mandatory participation of an insurance company in such an organization is established by the laws of the Republic of Kazakhstan;

7) conclude a participation agreement with an organization for the formation and maintenance of a database in accordance with the requirements of this Law and individual laws of the Republic of Kazakhstan.

1-3. To obtain a license for the right to carry out insurance (reinsurance) activities, the applicant shall submit the following documents to the authorized body:

1) an application for a license within the insurance classes provided for in the business plan submitted when obtaining permission to establish an insurance (reinsurance) company;

2) documents confirming the fulfillment of the requirements specified in paragraph 1-2 of this Article;

3) a document confirming the payment of the license fee to the budget;

4) copies of documents confirming the payment of the authorized capital.

2. To obtain a license for the right to carry out insurance activities for an additional (additional) class (classes) of insurance, an insurance company, a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan shall ensure the availability of risk management and internal control systems that meet the requirements of the authorized body, and also provide the following documents to the authorized body:

1) an application;

2) a business plan signed by the head of the executive body of an insurance company or an insurance company - a non-resident of the Republic of Kazakhstan and an actuary with a valid license to carry out actuarial activities, and approved by the board of directors of an insurance company or the relevant management body of an insurance company - a non-resident of the Republic of Kazakhstan;

3) is excluded by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced from 02.01.2020);

3-1) iexcluded by the Law of the Republic of Kazakhstan dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication);

4) a copy of the payment document confirming payment of the license fee, except in cases where payment is made through the “Digital Government” payment gateway;

5) is excluded by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced from 02.01.2020);

6) is excluded by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced from 02.01.2020);

7) is excluded by the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019).

3. The business plan shall be drawn up taking into account the additional (additional) class (classes) of insurance (for the activities of the insurance organization as a whole) and must be developed:

1) for the next three years for insurance (reinsurance) companies of the "general insurance " industry and five years for insurance (reinsurance) companies of the "life insurance" industry - if, as of the date of applying for a license for the right to carry out insurance activities under additional (additional) class (classes) of insurance before the expiration of the period for which the business plan was drawn up, previously submitted in accordance with Article 27 of this Law, is less than two years;

2) for the period until the end of the period for which the business plan was drawn up, submitted in accordance with Article 27 of this Law, - if the insurance organization applied for a license for the right to carry out insurance activities in an additional (additional) class (classes) insurance, no later than two years before the expiration of the period for which the business plan was drawn up, submitted in accordance with Article 27 of this Law.

In addition to the information required in the business plan in accordance with Article 27 of this Law, the business plan must contain the following information:

1) main characteristics (for each additional class of insurance):

covered risks by insurance class;

shares of the insurance class in the structure of the insurance portfolio;

the segment of the market for the provision of services by class of insurance (market size, potential policyholders, geographic area);

ways to sell insurance products within the insurance class;

2) calculation of insurance rates with an economic justification that meets the requirements established by the regulatory legal act of the authorized body (for each additional class of insurance);

3) forecast on profits, and losses (for the activities of the insurance company as a whole);

4) forecast on insurance reserves (for each additional class of insurance and the insurance portfolio as a whole);

5) forecast of unprofitability, assessment of risks in the worst and best situation, forecast of compliance with prudential standards (for the activities of the insurance company as a whole);

6) reinsurance policy (forms and methods of reinsurance, criteria for evaluating reinsurance companies);

7) investment policy (for the activities of the insurance organization as a whole).

4. Excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

5. The license shall be subject to re-issuance upon exclusion from the license of certain classes of insurance and (or) type of activity with the exclusion of these classes of insurance and (or) type of activity, as well as in cases provided for by the legislation of the Republic of Kazakhstan on permits and notifications, except for a change in the location of the licensee.

The decision of the general meeting of shareholders of the insurance (reinsurance) company on the exclusion from the license of certain classes of insurance and (or) type of activity shall be sent by the insurance (reinsurance) company to the authorized body within ten working days from the date of the decision.

The license shall be subject to re-issuance in case of exclusion from the license of certain classes of insurance and (or) type of activity by decision of the general meeting of shareholders within one hundred and eighty days from the date of the decision.

5-1. If a decision is made by the general meeting of shareholders of an insurance (reinsurance) company to exclude certain classes of insurance and (or) types of activity from the license, it shall be prohibited to conclude new insurance (reinsurance) contracts for these classes of insurance and (or) type of activity, including the extension of existing insurance contracts (reinsurance) and their change, providing for an increase in insurance premiums, the volume of liability of the insurance (reinsurance) company. This prohibition shall be effective from the date of notification of the authorized body in accordance with part two of paragraph 5 of this Article.

Under previously concluded insurance (reinsurance) contracts for these classes of insurance (type of activity), the insurance (reinsurance) company shall be obliged to:

1) by classes (types) of insurance for which a guarantee shall be provided in accordance with the Law of the Republic of Kazakhstan "On Insurance Payments Guarantee Fund", transfer the insurance portfolio to another (other) insurance (insurance) company (organizations) with mandatory notification of policyholders (reinsurers) about the insurance (insurance) organization (organizations) that accepted (accepted) the insurance portfolio;

2) for other classes (types) of insurance, subject to the consent of the insured (reinsurer) to the choice of a new insurance (reinsurance) company, transfer the insurance portfolio to another (other) insurance (insurance) company (organizations) or in case of receiving a written objection from the insured (reinsurer) to transfer the insurance portfolio, within ten calendar days from the date of publication of the announcement in accordance with the requirement of paragraph 4 of Article 37-1 of this Law, terminate the insurance (reinsurance) agreement with the insured (reinsurer);

3) terminate insurance (reinsurance) contracts with policyholders (reinsurers) if another (other) insurance (insurance) company (organizations) has legal restrictions on accepting an insurance portfolio for these classes of insurance (type of activity).

5-2. When a decision is made by the general meeting of shareholders of the insurance (reinsurance) company to cancel the earlier decision of the general meeting of shareholders of the insurance (reinsurance) company to exclude certain classes of insurance and (or) type of activity from the license, the insurance (reinsurance) company shall be obliged within ten calendar days from the date of deciding to submit a business plan to the authorized body in accordance with subparagraph 2) of paragraph 2 and paragraph 3 of this Article. The business plan of the insurance (reinsurance) company shall be considered by the authorized body within ten working days.

Therewith, the prohibition specified in the first part of paragraph 5-1 of this Article shall be valid until the approval of the business plan specified in the first part of this paragraph by the authorized body.

6. For exclusion from the license for the right to carry out insurance (reinsurance) activities of certain classes of insurance and (or) type of activity, the insurance (reinsurance) company shall submit the following documents to the authorized body:

1) application;

2) a copy of the payment document confirming payment of the license fee, except in cases where payment is made through the “Digital Government” payment gateway;

3) a copy of the decision of the general meeting of shareholders of the insurance (reinsurance) company on the exclusion from the license of certain classes of insurance and (or) type of activity;

4) documents confirming early termination of insurance (reinsurance) contracts and (or) transfer of the insurance portfolio in the manner prescribed by Article 37-1 of this Law, in cases of early termination of insurance (reinsurance) contracts and (or) transfer of the insurance portfolio.

The requirements of the first part of this paragraph shall not apply to the following cases:

1) adoption by the authorized body of a decision to revoke a license for certain classes of insurance and (or) type of activity;

2) renewal of a license in connection with a change in the legislation of the Republic of Kazakhstan.

In the case provided for by subparagraph 1) of part two of this paragraph, the insurance (reinsurance) company shall be obliged to return the license to the authorized body within the period specified in the relevant decision of the authorized body.

In the case provided for by subparagraph 2) of part two of this paragraph, the insurance (reinsurance) company shall be obliged to return the license to the authorized body within the period specified in the relevant regulatory legal act, or in the absence of such a period within thirty calendar days after the date of entry into force of the relevant normative legal act.

6-1. Decisions provided for by paragraphs 5,5-1, 5-2 and 6 of this Article in respect of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, shall be taken by the management body of an insurance company - a non-resident of the Republic of Kazakhstan.

7. To obtain a license to engage in reinsurance activity, a licensee shall submit the following documents to the authorized body:

1) an application;

2) business plan signed by the head of the executive body of an insurance company or an insurance company - a non-resident of the Republic of Kazakhstan and an actuary with a valid license to carry out actuarial activities and approved by the board of directors of an insurance company or the relevant management body of an insurance company - a non-resident of the Republic of Kazakhstan;

3) is excluded by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced from 02.01.2020);

4) a copy of the payment document confirming payment of the license fee, except in cases of payment via the “Digital Government” payment gateway.

7-1. The license for the right of implementation of Islamic insurance (reinsurance) activity is granted by authorized body only of the Islamic insurance (reinsurance) organization.

7-2. A license to carry out activities for managing an investment portfolio in the securities market is issued by the authorized body exclusively to an insurance organization operating in the life insurance industry.

The license to carry out investment portfolio management activities in the securities market, issued to an insurance company operating in the "life insurance" industry, shall be suspended or terminated, in addition to cases provided for by the legislation of the Republic of Kazakhstan on the securities market, in the event of suspension or termination, accordingly , the validity of the license of the insurance organization for the right to carry out insurance activities in the "life insurance" industry.

7-3. To obtain a license to carry out activities for managing an investment portfolio in the securities market, an insurance organization submits the following documents to the authorized body:

1) application;

2) a document confirming payment of the license fee, except in cases of payment via the “ Digital Government” payment gateway;

3) regulations on structural divisions that will be entrusted with the functions of carrying out activities in the securities market;

4) is excluded by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced from 02.01.2020);

5) is excluded by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced from 02.01.2020);

6) a document confirming that the applicant has software and hardware tools and other equipment necessary to carry out activities in the securities market, in accordance with the requirements of the regulatory legal act of the authorized body.

8. To obtain a license to engage in the activities of an insurance broker, an applicant shall submit the following documents to the authorized body:

1) an application;

2) excluded by the Law of the Republic of Kazakhstan dated 16.05.2014 № 203-V (shall be enforced after six months after day of its first official publication);

3) a notarized copy of the charter that passed the state registration;

4) documents, confirming full payment of the authorized capital;

5) documents for the approval of the insurance broker's senior management in accordance with the requirements of Article 9-4 of the Law of the Republic of Kazakhstan "On the State Regulation, Control and Supervision of the Financial Market and Financial Organizations";

6) is excluded by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced from 02.01.2020);

7) is excluded by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced from 02.01.2020);

8) a copy of the payment document confirming payment of the license fee, except in cases of payment via the "Digital Government" payment gateway;

9) a state registration document, a written notice of the authorized body (for financial institutions - supervisors) of the corresponding state that the founder - a non-resident legal entity of the Republic of Kazakhstan shall be allowed to participate in the authorized capital of the insurance broker - resident of the Republic of Kazakhstan, or a statement that under the legislation of the corresponding state, such approval is not required;

10) a document of the authorized body of the corresponding state, indicating the absence of the founder – an individual non-resident of the Republic of Kazakhstan of the conviction for economic and corruption crimes and offences, work as an executive of the insurance (reinsurance) company, insurance broker or other financial institution in a period not exceeding one year from the date of withdrawal of the license in accordance with legislation, the decision on the compulsory liquidation, forced redemption of shares of the insurance (reinsurance) company, insurance broker.

The above requirement shall apply within five years after the withdrawal of the license, the date of the decision on the compulsory liquidation, forced redemption of shares of the insurance (reinsurance) company, insurance broker.

8-1. To obtain a license for the right to carry out activities of an insurance broker in an additional type of brokerage activities, an insurance broker shall submit the following documents to the authorized body: 1) application; 2) documents confirming the compliance of the size of the authorized and (or) equity capital with the minimum amounts established by the regulatory legal act of the authorized body; 5) a copy of the payment document

confirming the payment of the license fee, except for cases of payment through the payment gateway of "electronic government".

To obtain a license for the right to carry out the activities of an insurance broker for an additional type of brokerage, the branch of a non-resident insurance broker of the Republic of Kazakhstan shall submit the following documents to the authorized body:

1) documents specified in subparagraphs 1) and 5) of the first part of this paragraph;

2) documents confirming the compliance of the amount of assets of the non-resident insurance broker of the Republic of Kazakhstan branch, accepted as a reserve, with the minimum amount established by the regulatory legal act of the authorized body;

3) исключен Законом РК от 25.11.2019 № 272-VI (вводится в действие с 02.01.2020);

4) исключен Законом РК от 25.11.2019 № 272-VI (вводится в действие с 02.01.2020);

5) a copy of the payment document confirming payment of the license fee, except in cases of payment via the “digital government” payment gateway.

8-2. If a separate type of brokerage activity is excluded from the license, the license shall be reissued with the exception of this type of brokerage activity.

Voluntary return of a license for the right to carry out activities of an insurance broker shall be carried out based on an application from an insurance broker with attached documents confirming that the insurance broker has no valid obligations to carry out brokerage activities

8-3. To exclude from the license the right to carry out activities of an insurance broker a certain type of brokerage activity, the following documents shall be submitted to the authorized body:

1) application;

2) a copy of the payment document confirming payment of the license fee, except in cases of payment via the “digital government” payment gateway;

3) a copy of the decision of the general meeting of participants or the general meeting of shareholders of the insurance broker (the management body of the insurance broker - a non-resident of the Republic of Kazakhstan) on the exclusion from the license for the right to carry out activities of an insurance broker of a certain type of brokerage.

The requirements of the first part of this paragraph shall not apply to the following cases:

1) adoption by the authorized body of a decision to revoke a license for a separate type of brokerage activity;

2) renewal of a license in connection with a change in the legislation of the Republic of Kazakhstan.

In the case provided for by subparagraph 1) of part two of this paragraph, the insurance broker shall be obliged to return the license to the authorized body within the period specified in the relevant decision of the authorized body.

In the case provided for by subparagraph 2) of part two of this paragraph, the insurance broker shall be obliged to return the license to the authorized body within the period specified

in the relevant regulatory legal act, or in the absence of such a period within thirty calendar days after the date of entry into force of the relevant regulatory legal act.

9. For the issuance (renewal) of a license, a license fee shall be charged, the amount and procedure for payment of which are determined by the legislation of the Republic of Kazakhstan, except for the decision by the authorized body to deprive an insurance broker of a license for a certain type of brokerage activity or an insurance (reinsurance) company of a license for certain classes of insurance and (or) type of activity or changes in the legislation of the Republic of Kazakhstan.

10. An application for a license must be considered by the authorized body within thirty working days from the date of submission of a complete package of documents that meet the requirements of the legislation of the Republic of Kazakhstan.

When submitting documents on issuing a license to the branch of non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, the branch of non-resident insurance broker of the Republic of Kazakhstan being opened in accordance with paragraph 1 of Article 16-4 and paragraph 2 of Article 30-1 of this Law, the authorized body shall send a decision on issuing or refusing to issue a license to a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, a non-resident insurance broker of the Republic of Kazakhstan within nine working days from the date of record registration of the branch.

When re-submitting documents in connection with a refusal to issue a license created by the insurance (reinsurance) organization, opened by the branch of non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, the documents shall be considered by the authorized body within the period provided for in part one of this paragraph.

If the applicant submits an incomplete package of documents required by the legislation of the Republic of Kazakhstan for obtaining a license, the authorized body shall provide a reasoned refusal to further consider the application within two working days from the date of receipt of the documents.

The phenomenon of reissuing a license, with the exception of cases provided for in Article 34 of the Law of the Republic of Kazakhstan “On Permissions and Notifications”, must be considered by the authorized body within fifteen working days from the date of submission of a complete package of documents that meet the requirements of the legislation of the Republic of Kazakhstan.

In case if the applicant submits an incomplete package of documents provided for in the legislation of the Republic of Kazakhstan for reissuing a license, the authorized body shall issue a reasoned refusal to further consider the application within two working days from the date of receipt of the documents.

11. Information on licensing is published in periodic printing editions of authorized body, an Internet resource of authorized body in the state and Russian languages.

12. The procedure for licensing insurance (reinsurance) activities and the activities of an insurance broker, as well as the requirements for the content of the documents specified in

paragraphs 1-2, 1-3, 2, 3, 6, 7, 7-3, 8, 8-1 and 8-3 of this Article, including the procedure for calculating insurance rates and their economic justification, shall be determined by the regulatory legal acts of the authorized body.

13. The provisions of paragraphs 7-2, 7-3 and 8 of this Article shall not apply to the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, the branch of the Islamic of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan.

14. If an insurance (reinsurance) company or insurance broker does not carry out licensed activities within twelve months from the date of issue of a license, the insurance (reinsurance) company or insurance broker shall be obliged to voluntarily return the license within thirty calendar days from the date of receipt of the relevant notification from the authorized body.

15. Voluntary return of a license for the right to carry out insurance (reinsurance) activities shall be carried out based on an application from the insurance (reinsurance) company and shall be carried out only if the insurance (reinsurance) company does not have an insurance portfolio.

16. After the voluntary return of a license to carry out insurance (reinsurance) activities, an insurance (reinsurance) company shall not be entitled to carry out insurance (reinsurance) activities.

17. The rules for the voluntary return of a license for the right to carry out insurance (reinsurance) activities shall be approved by the regulatory legal act of the authorized body.

Footnote. Article 37, as amended by the Laws of the Republic of Kazakhstan dated 12.01.2007 № 222 (shall be enforced upon expiry of 6 months from the date of its official publication), dated 07.05.2007 № 244, dated 23.10.2008 № 72-IV (the order of enforcement see Art. 2), dated 11.07.2009 № 185-IV (shall be enforced from 30.08.2009), dated 30.12.2009 № 234-IV; dated 19.03.2010 № 258-IV; dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2), dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication), dated 05.07.2012 №30-V (shall be enforced upon expiry of ten calendar days after its first official publication), dated 24.12.2012 № 60-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 16.05.2014 № 203-V (shall be enforced after six months after day of its first official publication); dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication); dated 24.11.2015 № 422-V (shall be enforced dated 01.01.2016); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.07.2018 № 168-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication); № 262-VI as of 03.07.2019 (shall be enforced from 01.01.2020); № 272-VI as of 25.11.2019 (shall be enforced from 02.01.2020); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty

calendar days after the day of its first official publication); dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

Article 37-1. Transfer of the insurance portfolio in case of exclusion from the license of certain classes of insurance and (or) type of activity, change in the insurance industry of the insurance (reinsurance) company, voluntary return of the license to carry out insurance (reinsurance) activities and (or) voluntary liquidation of the insurance (reinsurance) company, and (or) voluntary reorganization of an insurance (reinsurance) company into a legal entity that does not carry out insurance (reinsurance) activities

1. In case of exclusion from the license of certain classes of insurance and (or) type of activity, change in the insurance industry of the insurance (reinsurance) company, voluntary return of the license to carry out insurance (reinsurance) activities and (or) voluntary liquidation of the insurance (reinsurance) company and (or) voluntary reorganization of an insurance (reinsurance) company into a legal entity that does not carry out insurance (reinsurance) activities, the insurance (reinsurance) company shall be obliged:

1) by classes (types) of insurance for which a guarantee is provided in accordance with the Law of the Republic of Kazakhstan "On Insurance Payments Guarantee Fund", transfer the insurance portfolio to another (other) insurance (reinsurance) (insurance (reinsurance) company (organizations) with mandatory notification of policyholders (reinsurers) about the insurance (reinsurance) (insurance (reinsurance) company (organizations) that accepted the insurance portfolio;

2) for other classes (types) of insurance, subject to the consent of the insured (reinsurer) to the choice of new insurance (reinsurance) company, to transfer the insurance portfolio to another (other) insurance (reinsurance) (insurance (reinsurance) company (organizations) or in case of receipt of a written objection of the insurant (reinsurer) to the transfer of the insurance portfolio within ten calendar days from the date of publication of the announcement in accordance with the requirement of paragraph 4 of this Article to terminate the insurance (reinsurance) agreement with the insurant (reinsurer).

2. In case of voluntary return of a reinsurance license (in case of voluntary liquidation and (or) voluntary reorganization of a reinsurance company into a legal entity that does not carry out reinsurance activities), the insurance (reinsurance) company shall be obliged to transfer the insurance portfolio to another (other) insurance (reinsurance) (insurance (reinsurance) to an organization (organizations) that has (have) a reinsurance license, only if the reinsurer (assignor) agrees to such a transfer, with the obligatory notification of the reinsurer (assignor) about it.

3. An insurance (reinsurance) company accepting an insurance portfolio must comply with all prudential standards and other mandatory norms and limits at the time of its adoption, as well as taking into account the newly accepted insurance portfolio.

4. To notify policyholders (insured persons, beneficiaries, reinsurers), the insurance (reinsurance) company shall publish in Kazakh and Russian languages an announcement about the upcoming transfer of the insurance portfolio in two periodicals distributed throughout the territory of the Republic of Kazakhstan, and on the Internet resource of the insurance company (reinsurance company) within five working days from the date of the decision to transfer the insurance portfolio.

The announcement shall indicate the procedure, the deadline for submitting objections, which is ten calendar days from the date of publication of this announcement, and the addresses at which objections of policyholders (reinsurers) are accepted in case they disagree with the transfer of insurance (reinsurance) contracts by classes (types) of insurance specified in subparagraph 2) of paragraph 1 of this Article.

The absence of a written objection of the insured (reinsurer) within ten calendar days from the date of publication of the announcement shall be considered as the consent of the insured (reinsurer) to the transfer of the insurance portfolio according to the classes of insurance specified in subparagraph 2) of paragraph 1 of this Article.

5. The procedure for transferring the insurance portfolio shall be determined by the regulatory legal act of the authorized body.

6. The provisions of this Article shall apply to the branch of an insurance (reinsurance) company that is forcibly terminating its activities - a non-resident of the Republic of Kazakhstan, taking into account the specifics provided for in Article 72-1 of this Law.

Footnote. Section is supplemented by Article 37-1 – by the Law of the Republic of Kazakhstan dated 20 February, 2006 № 128 (the order of enforcement see Art. 2); as amended by the Law of the Republic of Kazakhstan dated July 12, 2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 38. Refusal to issue licenses for the right to carry out insurance activities, reinsurance activities and activities of an insurance broker

1. Refusal to issue (reissue) licenses for the right to carry out insurance activities, reinsurance activities and activities of the insurance broker shall be made on the following grounds:

1) failure to comply with the requirements established by the legislation of the Republic of Kazakhstan;

2) non-compliance with the established prudential standards and other obligatory rules and limits in the period of six months prior to filing an application by the insurance group, which includes the insurance (reinsurance) company;

3) excluded by the Law of the Republic of Kazakhstan dated 25.11.2019 № 272-VI (shall come into force from 02.01.2020);

4) non-compliance of the submitted documents with the requirements of the legislation of the Republic of Kazakhstan;

5) non-approval of an executive from among the candidates proposed for appointment (election) (for a newly created insurance (reinsurance) organization, an insurance broker, a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, a branch of non-resident insurance broker of the Republic of Kazakhstan);

6) non-compliance with the requirement to form the assets of a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, a branch of a non-resident insurance broker of the Republic of Kazakhstan, accepted as a reserve, in accordance with paragraph 4 of Article 16-4 and paragraph 12 of Article 46 of this Law;

7) a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, non-resident insurance broker of the Republic of Kazakhstan have no valid licenses to carry out essentially similar types of activities issued by the financial supervisory authority of the state of which the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, non-resident insurance broker of the Republic of Kazakhstan is a resident;

8) failure to comply with the requirement set forth in the second part of paragraph 3 of Article 34 of this Law, namely that the management of a branch of a non-resident insurance (reinsurance) organization in the Republic of Kazakhstan must include at least two managers who are residents of the Republic of Kazakhstan.

2. Refusal to issue a license for the right to carry out insurance activities for additional classes of insurance or a license for the right to carry out reinsurance activities or for the right to carry out activities of an insurance broker for an additional type of brokerage activity, in addition to the grounds set out in paragraph 1 of this Article, shall be made on the following grounds:

1) forecast of non-compliance with prudential standards, taking into account the additional class of insurance received and (or) type of activity (for insurance (reinsurance) companies);

2) non-compliance with prudential standards within the last three months before the date of filing an application and during its consideration (for insurance (reinsurance) companies);

3) presence of a valid sanction in the form of suspension of the license for the right to carry out insurance activities or the right to carry out the activities of an insurance broker on the date of filing an application (for insurance (reinsurance) companies and insurance brokers).

Footnote. Article 38 is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the laws of the Republic of Kazakhstan dated 25.11.2019 № 272-VI (shall come into force from 02.01.2020); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

Article 38-1. Change in the insurance industry of an insurance (reinsurance) company

1. Changing the insurance industry of an insurance (reinsurance) company shall be allowed after the expiration of the term and execution of the business plan submitted by the insurance (reinsurance) company when issuing a permit for its creation, taking into account the changes and additions to it, based on the decision of the general meeting of shareholders of the insurance (reinsurance) company (insurance company - non-resident of the Republic of Kazakhstan).

2. To change the insurance sector of an insurance (reinsurance) company, an application shall be submitted to the authorized body with the following documents attached:

1) decisions of the general meeting of shareholders of the insurance (reinsurance) company (insurance company - non-resident of the Republic of Kazakhstan) to change the name of the insurance (reinsurance) company and the insurance industry (in the absence of such a decision on the Internet resource of the financial reporting depository);

2) an action plan to change the insurance industry of the insurance (reinsurance) company, indicating the deadlines for each item of the action plan and responsible managers in accordance with the procedures provided in paragraph 3 of this Article.

3. Changing the insurance industry shall be carried out in compliance with the following procedures:

1) transfer of the insurance portfolio by classes (types) of insurance and types of activities that are not subject to combination with the new insurance industry in accordance with Articles 8 and 9 of this Law, or early termination of the relevant insurance (reinsurance) contracts in the manner prescribed by Article 37-1 of this Law;

2) introduction of amendments to the constituent documents of an insurance (reinsurance) company in accordance with Article 31 of this Law or the provision on a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan in accordance with Article 30-1 of this Law;

3) submission to the authorized body of an application for obtaining a license for the right to carry out insurance (reinsurance) activities in a new insurance industry and documents provided for in paragraphs 2 and 7 of Article 37 of this Law.

4. After approval by the authorized body of the plan of measures to change the insurance industry, the insurance (reinsurance) company shall be obliged to carry out the measures provided for by this plan.

5. The period for taking measures to change the insurance industry may not exceed six months from the date of the decision to change the insurance industry by the general meeting of shareholders of the insurance (reinsurance) company (insurance company - non-resident of the Republic of Kazakhstan).

6. If the insurance (reinsurance) company cannot execute the measures within the time limits established in the action plan to change the insurance industry, for reasons beyond its control, the deadline for the implementation of the action plan may be extended by the

authorized body at the request of the insurance (reinsurance) company, insurance holding and (or) a major participant.

7. An insurance (reinsurance) company during the implementation of the action plan to change the insurance industry shall be prohibited from entering into new insurance (reinsurance) contracts, including the extension of existing insurance (reinsurance) contracts and their change, providing for an increase in insurance premiums, the amount of liability of the insurance (reinsurance) company, as well as the implementation of insurance mediation as an insurance agent.

Under previously concluded insurance (reinsurance) contracts for classes and types of insurance that are not subject to combination in accordance with Articles 8 and 9 of this Law, the insurance (reinsurance) company shall be obliged to fulfill its obligations before the transfer of the insurance portfolio or their early termination in the manner prescribed by Articles 37 -1 and 72-1 of this Law.

Under insurance contracts by classes of insurance and types of activities to be combined with the new insurance industry in accordance with Articles 8 and 9 of this Law, the insurance (reinsurance) company shall be obliged to fulfill the obligations assumed before the expiration of their validity period or the fulfillment of obligations arising from the terms of the insurance contract.

8. In the event of a change in the class of insurance of an insurance (reinsurance) organization, obtaining the consents and (or) permits provided for by Articles 26, 32 and 34 of this Law and Articles 9-4, 9-5 and 9-6 of the Law of the Republic of Kazakhstan “On the State Regulation, Control and Supervision of the Financial Market and Financial Organizations” shall not be required for individuals and (or) legal entities that hold the relevant consents and (or) permits prior to the change in the class of insurance of the given insurance (reinsurance) organization.

9. Changing the branch of insurance shall be prohibited in the following cases:

1) failure to eliminate the comments of the authorized body on the submitted documents within the period established by it;

2) non-compliance of the submitted documents with the requirements of the legislation of the Republic of Kazakhstan;

3) non-compliance by the insurance (reinsurance) company with the requirements established by the legislation of the Republic of Kazakhstan;

4) non-compliance by the insurance (reinsurance) company and (or) the insurance group, which includes the insurance (reinsurance) company, with the established prudential standards and other mandatory norms and limits for the period of six months before the filing of the application in accordance with paragraph 2 of this Article and the period of its consideration and implementation of the action plan;

5) forecast of non-compliance with prudential standards, taking into account the received classes of insurance and (or) types of activities in accordance with the business plan submitted in accordance with subparagraph 3) of paragraph 3 of this Article;

6) the existence of existing supervisory response measures provided for in Articles 53-3 and 53-4 of this Law, and sanctions in accordance with Article 53-5 of this Law;

7) violation of the rights of policyholders, insured persons, and beneficiaries as a result of changes in the insurance industry.

10. From the moment the insurance (reinsurance) company is issued a license to carry out insurance (reinsurance) activities in the new insurance industry, the previously issued license to carry out insurance (reinsurance) activities shall cease to be valid.

An insurance (reinsurance) company, within ten working days after obtaining a license to carry out insurance (reinsurance) activities in a new insurance industry, shall be obligated to return to the authorized body the original license previously issued to it (if any).

11. In case of non-fulfillment or untimely fulfillment of the action plan for changing the insurance industry, taking into account the terms of its extension in accordance with paragraph 6 of this Article, the supervisory response measures provided for by this Law are applied to the insurance (reinsurance) company.

Footnote. Chapter 7 is supplemented by Article 38-1 in accordance with the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); as amended by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

Article 39. Licensing of the activities of an authorized auditor

(Article is excluded by the Law of the Republic of Kazakhstan dated 5 May, 2006 № 139 (the order of enforcement see Art. 2 of the Law № 139).

Article 40. Licensing of actuarial activities in the insurance market

1. Licensing of actuarial activity in the insurance market of the Republic of Kazakhstan shall be carried out by the authorized body.

2. To obtain a license for the right to carry out actuarial activities in the insurance market, the applicant shall submit the following documents to the authorized body:

1) an application for a license in the form established by the regulatory legal act of the authorized body;

2) is excluded by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced ten calendar days after its first official publication);

3) a copy of an identity document (with regard to individuals that are non-residents of the Republic of Kazakhstan);

4) a notarized copy of higher education diploma;

5) a copy of the document confirming payment of the license fee, except in cases where payment is made through the “digital government” payment gateway;

6) copies of documents certifying that the applicant for obtaining a license has been trained and successfully passed the relevant exams on the minimum mandatory training program of actuaries established by the regulatory legal act of the authorized body, and (or) a copy of the Master's degree complying with the requirements of the regulatory legal act of the authorized body;

7) for individuals-non-residents of the Republic of Kazakhstan – copies of documents confirming the status of the actuary and membership in international associations of actuaries, the list and requirements to which shall be established by the authorized body;

8) copies of documents certifying that the applicant for obtaining a license has passed the international exams complying with the requirements of the regulatory legal act of the authorized body (if any);

9) a copy of the document confirming the existence of work experience complying with the requirements of the regulatory legal act of the authorized body.

The application for a license shall be considered by the authorized body within one month from the date of submission of the full package of documents complying with the requirements of the legislation of the Republic of Kazakhstan.

In case of submission by the applicant of an incomplete package of documents provided for by the legislation of the Republic of Kazakhstan for obtaining a license, the authorized body shall give a reasoned refusal to further consideration of the application within two working days from the date of receipt of the documents.

The application for reissuance of the license, except for the cases provided for in Article 34 of the Law of the Republic of Kazakhstan "On Permissions and Notifications", shall be considered by the authorized body within fifteen working days from the date of submission of the full package of documents complying with the requirements of the legislation of the Republic of Kazakhstan.

In case of submission by the applicant of the incomplete package of documents provided by the legislation of the Republic of Kazakhstan for reissuance of the license, the authorized body shall give a reasoned refusal to further consideration of the application within two working days from the date of receipt of the documents.

3. The license for carrying out an actuarial activity in the insurance market shall be issued to the applicant after passing the test for knowledge of the legislation of the Republic of Kazakhstan on insurance and insurance activities. The procedure for testing shall be established by the regulatory legal act of the authorized body.

4. Every three years, an actuary having a license to carry out actuarial activities in the insurance market shall confirm its qualification in accordance with the requirements established by the regulatory legal act of the authorized body.

5. The grounds for refusal to issue a license shall be the following cases:

1) non-compliance of the submitted documents with the requirements of the legislation of the Republic of Kazakhstan;

2) availability of data on the revocation of a license on the grounds provided for in subparagraphs 2-1), 2-2) and 3) of paragraph 1 of Article 60 of this Law;

3) negative result of testing conducted by the authorized body.

6. Information on the issuance of a license shall be published on the Internet resource of the authorized body in Kazakh and Russian languages.

Footnote. Article 40 is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced ten calendar days after its first official publication); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Chapter 8. The authorized body and the state regulation, control and supervision over the insurance activities

Footnote. Title of Chapter 8 is in the wording of the Law of the Republic of Kazakhstan dated 05.07.2012 № 30-V (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 41. Main tasks and principles of the state regulation in the field of insurance

Footnote. The title of Article 41 as amended by the Law of the Republic of Kazakhstan dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication).

1. The main tasks of the state regulation in the field of insurance shall be:

1) the establishment and maintenance of a stable insurance system in the Republic of Kazakhstan and the formation of the infrastructure of the national insurance market;

2) the regulation of the insurance market, the control and supervision over the insurance activities;

3) the legislative recognition of the bases of insurance, the establishment of compulsory insurance, the principles of participation of the Republic of Kazakhstan in the system of international insurance;

4) the protection of the rights and legitimate interests of the policyholders, the insured persons and beneficiaries.

1-1. The main principles of state regulation of the activities of professional and other participants in the insurance market are:

1) effective use of resources and regulatory instruments;

2) transparency of the activities of professional and other participants in the insurance market and financial supervision;

3) responsibility of professional and other participants in the insurance market.

2. The implementation of the state policy in the field of insurance, including the provision of the state control over the situation on the insurance market, shall be carried out by the authorized body and other state bodies within their competence.

The powers of other state bodies not regulated by this Law may be provided by the relevant separate legislative acts of the Republic of Kazakhstan regulating obligatory types of insurance.

The interference of state bodies and their officials in the activities of an insurance (reinsurance) company and an insurance broker, except the cases that directly provided for by the legislative acts of the Republic of Kazakhstan, shall be prohibited.

Footnote. Article 41, as amended by the Law of the Republic of Kazakhstan dated 05.07.2012 № 30-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication).

Article 42. The authorized body

The state regulation, control and supervision over the insurance activities shall be carried out by the authorized body in accordance with the powers, provided by the legislation of the Republic of Kazakhstan.

The legal status of the authorized body shall be defined by the Laws of the Republic of Kazakhstan and the acts of the President of the Republic of Kazakhstan.

Footnote. Article 42 is in the wording of the Law of the Republic of Kazakhstan dated 05.07.2012 № 30-V (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 43. The competence of the authorized body

The authorized body shall:

1) implement the state policy to ensure the functioning of the insurance system in the Republic of Kazakhstan and formation of the infrastructure of the national insurance market, protection of the rights and legitimate interests of insurants and other participants of the insurance market;

2) determine the principles and methods of regulation of the insurance market, the procedure for organization of control and supervision over the insurance activities;

3) issue permissions for the creation of insurance (reinsurance) organizations, the opening of a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, a branch of a non-resident insurance broker of the Republic of Kazakhstan;

4) determine taking into account the requirements of this Law, the procedure of issuing and revoking of the consent for acquisition of status of a major participant of insurance (reinsurance) company or insurance holding, issue a permit for acquisition of status of a major

participant of insurance (reinsurance) company or insurance holding, establish the proportion of direct and (or) indirect ownership by the major participant of the voting (excluding the preferred ones) shares of the insurance (reinsurance) company or insurance holding;

5) give consent to the voluntary reorganization and liquidation of the insurance (reinsurance) organization, voluntary termination of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan;

6) issue a license to establish a subsidiary of an insurance (reinsurance) company and to acquire a significant stake in the company's authorized capital;

7) define the procedure for formation of the risks management and internal control system for insurance (reinsurance) companies and insurance groups;

8) determine, taking into account the requirements of this Law, the procedure for issuing and issue licenses for the right to carry out insurance (reinsurance) activities, activities of an insurance broker, actuarial activities in the insurance market;

9) determine the order of transfer of the insurance portfolio;

10) establish prudential standards and other mandatory rules and limits for the insurance (reinsurance) company and insurance group, including the minimum amount of the charter capital, guarantee fund, solvency margin and ensure control over their observance;

11) establish requirements to the minimum size of the charter and own capital of the insurance broker, provide control over their observance;

12) define the terms and procedure for the activities of the insurance broker;

12-1) excluded by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced from 01.01.2027);

13) exercise control over the activities of the liquidation commissions of liquidated insurance (reinsurance) companies, forcibly terminating the activities of branches of insurance (reinsurance) companies-non-residents of the Republic of Kazakhstan;

14) in case of suspension of the license on the grounds provided for by subparagraph 2) of paragraph 1 of Article 54 of this Law, shall have the right to limit the increase in expenses, including administrative, insurance (reinsurance) company;

15) give consent to the appointment (election) of executives of insurance (reinsurance) companies, insurance holdings and insurance brokers;

16) analyze, evaluate and control the financial stability and solvency of the insurance (reinsurance) company;

17) establish the procedure for accounting by an insurance (reinsurance) company of insurance contracts (insurance policies) and reinsurance;

18) impose requirements to the methods of assessment and principles of calculation of insurance tariffs by classes (types) of insurance of insurance (reinsurance) companies;

18-1) determines the procedure for calculating correction coefficients to the coefficients for the territory of vehicle registration for calculating the insurance bonus for compulsory civil liability insurance of vehicle owners;

18-2) determine the procedure for calculating and applying the coefficient according to the "bonus-malus" system for calculating the insurance premium for compulsory insurance of civil liability of vehicle owners;

18-3) determines the procedure, conditions and terms of the simplified procedure for the settlement of insured events, the maximum amount of the insurance amount for each individual insured event, as well as the form of the declaration on the simplified procedure for the settlement of insured events and the requirements for the preparation of documents and information attached to it;

19) determine the procedure for calculating the coefficients characterizing the loss (loss ratio, cost ratio, combined ratio) of the insurance (reinsurance) company;

20) establish the procedure for calculating the redemption amount;

20-1) determine the procedure and conditions for the provision of services by the branch of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, carrying out endowment insurance activities, for the issuance of loans by an insurance organization-non-resident of the Republic of Kazakhstan to its policyholders;

21) excluded by the Law of the Republic of Kazakhstan dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication);

21-1) excluded by the Law of the Republic of Kazakhstan dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication);

22) is excluded by Law № 262-VI of the Republic of Kazakhstan as of 03.07.2019 (shall be enforced from 01.01.2020);

23) establish requirements for the activities of the organization for formation and maintenance of the database, including the requirements to:

information process;

formation of security system and establishment of minimum requirements for electronic equipment;

the safety of database;

rooms;

24) establish requirements for the software and hardware and internet resources of an insurance (reinsurance) organization that enable the conclusion of insurance contracts and the exchange of digital resources between the policyholder and the insurer;

25) establish requirements for organization of safe work, ensuring the safety and protection of information from unauthorized access to data stored in the insurance (reinsurance) company, as well as cybersecurity of insurance (reinsurance) company;

26) determine the procedure and peculiarities of reinsurance activities, as well as the insurance (reinsurance) pool;

27) adopts regulatory legal acts in the field of insurance, binding upon insurance (reinsurance) organizations and other participants of the insurance market, in accordance with the objectives and tasks set forth in Article 1-1 and paragraph 1 of Article 41 of this Law and

the legislation of the Republic of Kazakhstan. The list of subordinate regulatory legal acts shall be determined by the regulation on the authorized body;

28) conduct inspections of insurance business entities, insurance brokers, separate divisions of insurance business entities and insurance brokers, an organization that guarantees insurance payments to policyholders (insured persons, beneficiaries) in the event of liquidation of insurance companies, as well as insurance holding companies, insurance groups and major participants in the insurance (reinsurance) organization;

29) monitors compliance by insurance (reinsurance) organizations and insurance brokers with the requirements stipulated by the legislation of the Republic of Kazakhstan on combating legalization (laundering) of proceeds from crime, financing of terrorism and financing of the proliferation of weapons of mass destruction;

30) imposes sanctions on professional participants of the insurance market, insurance holdings, organizations that are part of an insurance group, and major participants (major shareholders) of an insurance (reinsurance) organization;

31) make decisions on suspension of licenses and deprivation of licenses issued to professional participants of the insurance market;

32) coordinate the decision of the provisional administration on the transfer of the insurance portfolio in case of revocation of the license of the insurance (reinsurance) company;

33) make a decision to apply to the court with a claim for termination of the insurance (reinsurance) company on the grounds provided by the Laws of the Republic of Kazakhstan;

34) have the right to obtain information about the activities of the insurance (reinsurance) company, the legal status and financial state of its founders, as well as persons who are subsidiaries or separate units in relation to the insurance (reinsurance) company and its founders;

35) have the right to receive from professional participants of the insurance market and their associations, insurance agents the necessary information for implementation of their control and supervisory functions in accordance with this Law;

36) have the right to receive from state bodies and organizations the information necessary for implementation of their control and supervisory functions, including information constituting official or commercial secret;

37) establish requirements for the content and procedure of insurance policies;

38) is excluded by the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019).

38) apply early response measures;

39) determine the procedure for the exchange of digital resources between the organization for the formation and maintenance of the database and the insurer, and between the insurer and the policyholder (insured, beneficiary);

40) have the right to apply the measures of supervisory response obligatory for execution to professional participants of the insurance market, the insurance holding, the organization guaranteeing implementation of insurance payments, their executives, the organizations which are a part of insurance group, major participants of the insurance (reinsurance) company, the persons possessing signs of the major participant of the insurance (reinsurance) company or insurance holding;

41) excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced sixty calendar days after the day of its first official publication);

42) carry out cooperation and necessary exchange of information with other authorized bodies of supervision over the subjects of financial market of the Republic of Kazakhstan;

43) represents the interests of the Republic of Kazakhstan in relations with the bodies of insurance supervision of other states, as well as international organizations on the issues of regulation of the insurance market and supervision over insurance activities;

44) determine the procedure for posting information on the internet resource of an insurance organization, an insurance broker, the organization for the formation and maintenance of the database and the organization guaranteeing the making of insurance payments to policyholders (insured persons, beneficiaries) in the event of liquidation of insurance organizations, and the financial ombudsman;

45) establish the terms of appointment and procedure of actuarial calculations by independent actuaries;

46) have the right to demand adjustment of financial and other reporting by the insurance (reinsurance) company, the insurance broker in case of submission of the unreliable (incomplete) reporting by them;

46-1) determine the minimum requirements for standard contracts for imputed insurance;

46-2) excluded by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced from 01.01.2027);

46-3) excluded by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced from 01.01.2027);

46-4) excluded by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced from 01.01.2027);

47) perform other functions provided by this Law, other laws of the Republic of Kazakhstan and acts of the President of the Republic of Kazakhstan.

Footnote. Article 43 is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced upon expiry of ten calendar days after its first official publication); № 262-VI of the Republic of Kazakhstan as of 03.07.2019 (shall be enforced from 01.01.2020); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated July 12, 2022 № 138-VII (Refer to Article 2 for the order of enactment); dated

30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication); dated 16.01.2026 № 259-VIII (Refer to Article 2 for the order of enactment).

Article 44. Checking the activities of insurance (reinsurance) companies, major participants of insurance (reinsurance) companies, insurance brokers, insurance holdings, insurance groups, actuaries having the license to carry out actuarial activities in the insurance market, the organization guaranteeing implementation of insurance payments

1. Checking the activities of insurance (reinsurance) companies, major participants of the insurance (reinsurance) companies, insurance brokers, insurance holdings, insurance groups, actuaries having the license to carry out actuarial activities in the insurance market, the organization guaranteeing implementation of insurance payments shall be made by the authorized body independently or with involvement of other state bodies and (or) organizations.

2. Insurance (reinsurance) organizations, major participants of insurance (reinsurance) companies, insurance brokers, insurance holdings, insurance groups, actuaries having the license to carry out actuarial activities in the insurance market, the organization guaranteeing implementation of insurance payments, as well as their affiliated persons shall be obliged to assist the inspection body on the issues, specified in the task of the authorized body for inspection, as well to ensure the possibility of interviewing any officials and employees and access to any sources necessary to check the information.

3. Persons carrying out checking shall be responsible for the disclosure of information obtained during checking the activities of insurance (reinsurance) companies, major participants of insurance (reinsurance) companies, insurance brokers, insurance holdings, insurance groups, actuaries having a license to carry out actuarial activities in the insurance market, the organization guaranteeing implementation of insurance payments, constituting the secret of insurance or commercial secret.

4. Employees of the authorized body shall be prohibited from disclosure or transfer to third parties of information obtained during checking the activities of insurance (reinsurance) companies, major participants of insurance (reinsurance) companies, insurance brokers, insurance holdings, insurance groups, actuaries having a license to carry out actuarial activities in the insurance market, the organization guaranteeing implementation of insurance payments.

5. State bodies carrying out checking of the activities of insurance (reinsurance) companies, major participants of insurance (reinsurance) companies, insurance brokers, separate divisions of insurance (reinsurance) companies, insurance brokers, insurance holdings, insurance groups, actuaries having a license to carry out actuarial activities in the insurance market, the organization guaranteeing implementation of insurance payments, within the powers granted to them by the legislation of the Republic of Kazakhstan, shall be obliged to inform the authorized body about the identified violations of the legislation of the Republic of Kazakhstan on insurance and insurance activities.

6. The requirements of paragraphs 1 and 2 of this Article shall not apply to non-residents of the Republic of Kazakhstan who are a major participant in the insurance (reinsurance) company – a legal entity, an insurance holding, a person possessing the signs of a major participant of the insurance (reinsurance) company or insurance holding if one of the following conditions is met:

availability of an individual credit rating not lower than the rating A of one of the rating agencies, the list of which is established by the authorized body, as well as written confirmation from the financial supervision body of the country of origin of the insurance holding, a person possessing the signs of the insurance holding, that these specified non-residents of the Republic of Kazakhstan shall be subject to consolidated supervision;

availability of an agreement between the authorized body and the relevant supervisory body of a foreign state on the exchange of information, as well as the minimum required rating of one of the rating agencies. The minimum rating and the list of rating agencies shall be established by the regulatory legal act of the authorized body.

7. When conducting an audit of the activities of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, the authorized body shall be entitled to receive information on the activities of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan from the financial supervision authority of the state, of which the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan is a resident under the agreement specified in subparagraph 4) of paragraph 1 of Article 30-1 of this Law.

Footnote. Article 44 is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020).

Article 44-1. Disclosure of information by authorized body within the international treaties and other agreements providing exchange of confidential information

The authorized body provides information constituting an insurance secret to the organizations, specified in paragraph 4 of Article 15 of the Law of the Republic of Kazakhstan “On State Regulation, Control and Supervision of the Financial Market and Financial Organizations”, subject to conditions provided for by the specified article.

The authorized body provides information obtained according to the international treaties of the Republic of Kazakhstan, agreements providing exchange of confidential information, to other state bodies of the Republic of Kazakhstan only with the consent of the party which provided him such information.

Footnote. Chapter 8 is added with article 44-1 according to the Law of the Republic of Kazakhstan dated 24.11.2015 № 422-V (shall be enforced dated 01.01.2016); as amended by Law № 262-VI of the Republic of Kazakhstan as of 03.07.2019 (shall be enforced from 01.01.2020).

Chapter 9. Regulation of the activities of an insurance (reinsurance) company

Article 45. Solvency and financial stability of an insurance (reinsurance) company

Footnote. Article 45 is excluded by the Law of the Republic of Kazakhstan dated 20 February, 2006 № 128 (the order of enforcement see Art. 2).

Article 46. Prudential standards and other mandatory norms and limits

1. Control and supervision of solvency and financial stability of the insurance (reinsurance) company and individuals, that are subject to the supervision on a consolidated basis shall be made by means of the control and supervision over the execution or compliance with the established by the authorized body prudential standards and (or) other mandatory norms and limits.

2. Prudential standards for insurance (reinsurance) companies shall include:

minimum amount of the authorized capital;

adequacy of solvency margin;

adequacy of highly liquid assets;

standards of asset diversification.

Prudential standards for insurance groups shall be an adequacy of solvency margin.

The authorized body shall have the right to establish the additional prudential standards, including the investment of assets, covering the insurance reserves for annuity insurance.

The authorized body shall have the right to establish additional prudential standards for insurance companies having a license to carry out activities for the management of the investment portfolio in the securities market.

The authorized body in accordance with the legislation of the Republic of Kazakhstan shall take measures to bring to justice the insurance (reinsurance) companies and (or) insurance holding companies or their officials, and (or) the major participants of the insurance (reinsurance) companies or insurance holding companies for breach of the prudential standards and (or) other mandatory standards and limits by the insurance (reinsurance) company.

3. Excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

3-1. It shall be prohibited to pay dividends on ordinary and (or) preferred shares (stakes in the authorized capital) of an insurance (reinsurance) company, or insurance holding company in the following cases:

1) if such payment results in:

to violation of one or more prudential standards of the insurance (reinsurance) company, or insurance group, established by the regulatory legal act of the authorized body;

to the emergence of a factor (factors) influencing (influencing) the deterioration of the financial position of the insurance (reinsurance) company, or insurance group, established by the regulatory legal act of the authorized body;

2) there is a violation by the insurance (reinsurance) company, or insurance group of prudential standards, as well as failure to take measures in accordance with paragraph 4 of this Article;

3) the presence of a factor (factors) affecting (affecting) the deterioration of the financial position of the insurance (reinsurance) company, insurance group and (or) failure to comply with the action plan providing for early response measures to improve the financial stability of the insurance (reinsurance) company, insurance group, preventing deterioration of its financial position and increase in risks associated with insurance activities and with the activities of the insurance group, submitted to the authorized body in accordance with paragraphs 3 and 4 of Article 53 of this Law.

4. The insurance holding company, as well as major participants of the insurance (reinsurance) company – individuals owning directly or indirectly more than twenty-five percent of the voting (minus preferred) shares of the insurance (reinsurance) company, shall be obliged to take measures provided for by regulatory legal acts of the authorized body to maintain prudential standards at a level not lower than the established ones.

In case of deterioration of financial position of the insurance (reinsurance) company or insurance group, the insurance holding, a major participant of the insurance (reinsurance) company shall be obliged, including at the request of the authorized body, to take measures on improving the financial position of the insurance (reinsurance) company or insurance group, on increasing the equity capital of the insurance (reinsurance) company or insurance group in the amount sufficient to ensure the financial stability of the insurance (reinsurance) company or insurance group.

In case of failure to comply with the requirements provided for by this paragraph, the authorized body shall be entitled to apply to the insurance holding, a major participant of the insurance (reinsurance) company compulsory supervisory response measures provided for in Article 53-4 of this Law.

4-1. The measures referred to in this Article may also be applied to the affiliated persons of major participants of the insurance (reinsurance) company, if the authorized body establishes that violations, illegal action or inaction of these persons, their officials or employees have worsened the financial state of the insurance (reinsurance) company.

5. The solvency margin shall be the excess of assets over the liabilities of the insurance (reinsurance) company.

6. The guarantee fund shall be established in order to ensure the financial stability and solvency of the insurance (reinsurance) company by reducing the solvency margin below the minimum specified amount.

7. The requirements to calculation of the size of own deduction of the insurance (reinsurance) company under the contract (contracts) of insurance, reinsurance, co-insurance (joint reinsurance) shall be established by regulatory legal acts of the authorized body.

8. Is excluded by the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

9. Insurance (reinsurance) company shall submit the data on the availability and restriction of the use of derivative financial instruments, not included in the financial statements to the authorized body.

10. Normative values and methods of calculation of the prudential standards of insurance (reinsurance) company and insurance group and other mandatory norms and limits, shall be established by the regulatory legal acts of the authorized body.

Insurance (reinsurance) organizations and insurance groups shall submit reports on compliance with prudential standards in accordance with the regulatory legal act of the National Bank.

10-1. Normative values and techniques of calculations of prudential standards of the Islamic insurance (reinsurance) organization and other regulations and limits, obligatory to observance, are established by regulatory legal acts of authorized body taking into account the features of implementation by the Islamic insurance (reinsurance) organizations of an Islamic insurance activity provided by this Law.

Islamic insurance (reinsurance) organizations and insurance groups shall submit reports on compliance with prudential standards in accordance with the regulatory legal act of the National Bank.

10-2. In order to determine the cost of assets taken into account in calculation of prudential standards, the authorized body shall have the right to require from the insurance (reinsurance) company, the insurance holding to assess their cost at the appraiser or through the chamber of appraisers.

In case of non-fulfillment by the insurance (reinsurance) company, insurance holding of the requirements of the authorized body established by part one of this paragraph, the corresponding asset shall be excluded from the subsequent calculation of prudential standards .

11. In case of failure of the insurance (reinsurance) company, the participant of an insurance group the requirements of the authorized body, specified in a written prescription, to adjust the data in the financial and (or) other accounting, the calculation of prudential standards and other mandatory norms and limits shall be carried out by the authorized body on the basis of the statements, corrected by it.

11-1. The requirements of this Article shall not apply to the insurance (reinsurance) company in cases where the general meeting of shareholders (insurance company - non-resident of the Republic of Kazakhstan) makes a decision on voluntary liquidation (voluntary termination of the activities of the branch of the insurance (reinsurance) company -

non-resident of the Republic of Kazakhstan) of this insurance (reinsurance) company, voluntary reorganization of this insurance (reinsurance) company into a legal entity that does not carry out insurance activities, voluntary surrender of a license for the right to carry out insurance (reinsurance) activities, as well as the availability of documents confirming that the insurance (reinsurance) company does not have an insurance portfolio, within six months from the date of adoption by the general meeting of shareholders (insurance company - non-resident of the Republic of Kazakhstan) of the decision on the voluntary liquidation of the insurance (reinsurance) company (voluntary termination of the activities of the fil of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan), voluntary reorganization of an insurance (reinsurance) company into a legal entity that does not carry out insurance activities, voluntary surrender of a license for the right to carry out insurance (reinsurance) activities.

12. For the purposes of ensuring the integrity and stability of the financial system, protecting investors, policyholders (insured, beneficiaries), the authorized body shall establish prudential standards and other mandatory standards and limits for branches of insurance (reinsurance) non-resident organizations of the Republic of Kazakhstan.

The authorized body shall be entitled to establish additional prudential standards, including for investing assets covering insurance reserves for annuity insurance.

In order to ensure financial stability, the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhsta non-resident insurance (reinsurance) organization of the Republic of Kazakhstan no later than three working days after the registration of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall form the assets of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, accepted as a reserve.

Normative values and methods for calculating the prudential standards of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan and other mandatory norms and limits, including the procedure for forming assets of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, accepted as a reserve, and their minimum amount shall be established by the regulatory legal acts of the authorized body.

The authorized body, in accordance with the legislation of the Republic of Kazakhstan, shall take measures to hold the branches of non-resident insurance (reinsurance) organizations of the Republic of Kazakhstan liable for violations by the branch of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan of prudential standards and (or) other mandatory norms and limits.

Branches of insurance (reinsurance) organizations – non-residents of the Republic of Kazakhstan shall submit reports on compliance with prudential standards to the National Bank in accordance with the regulatory legal act of the National Bank.

Normative values and methods for calculating the prudential standards of the branch of an Islamic non-resident insurance (reinsurance) organization of the Republic of Kazakhstan and other mandatory norms and limits, including the procedure for forming assets of the branch of an islamic non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, accepted as a reserve, and their minimum amount shall be established by the regulatory legal acts of the authorized body, taking into account the specifics of the Islamic non-resident insurance (reinsurance) organizationss of the Republic of Kazakhstan of Islamic insurance activities provided for in this Law.

Branches Islamic of insurance (reinsurance) organizations – non-residents of the Republic of Kazakhstan shall submit reports on compliance with prudential standards to the National Bank in accordance with the regulatory legal act of the National Bank.

An insurance (reinsurance) non-resident organization of the Republic of Kazakhstan, whose branch is opened on the territory of the Republic of Kazakhstan, shall be obliged to take measures provided for in the regulatory legal acts of the authorized body to maintain prudential standards branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan at a level not lower than the established.

In the event of a deterioration in the financial situation, the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhsta non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall be obliged, including upon the request of the authorized body, to take measures to improve of the financial position of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, to increase the assets of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, accepted as a reserve, provided for in part three of this point, in an amount sufficient to ensure financial stability branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan.

In case of insufficiency of the measures taken by the non-resident insurance (reinsurance) organization-non-resident of the Republic of Kazakhstan, specified in part ten of this paragraph, the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall execute unfulfilled and (or) improperly executed branch of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan obligations in accordance with a written obligation previously submitted to the authorized body in accordance with subparagraph 12) of part one of paragraph 2 of Article 30-1 of this Law.

If the branch of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan fails to comply with the requirements of the authorized body specified in the written order to correct the data in the reporting according to accounting data and (or) other reporting, the calculation of prudential standards and other mandatory standards and limits shall be carried out by the authorized body on the basis of the reporting updated by it.

The provisions of paragraphs 5,6 and 10-2 of this Article shall apply to the branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan.

Footnote. Article 46 is in the wording of the Law of the Republic of Kazakhstan dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication), as amended by the Law of the Republic of Kazakhstan dated 05.07.2012 № 30-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of itsfirst official publication); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); № 168-VI as of 02.07.2018 (the enforcement procedure is in Art.2); № 262-VI as of 03.07.2019 (shall be enforced from 01.01.2020); dated 24.11.2015 № 422-V (shall come into force from 16.12.2020); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication).

Article 46-1. The obligation of major participants

Footnote. Section is supplemented by Article 46-1, in accordance with the Law of the Republic of Kazakhstan dated 23.12.2005 № 107 (the order of enforcement see Art. 2), is excluded by the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 47. Insurance reserves

1. n order to comply with prudential standards and other mandatory norms and limits established by the authorized body, an insurance (reinsurance) organization shall be required to maintain insurance reserves in an amount calculated by an actuary holding a license to carry out actuarial activities in the insurance market.

2. Excluded by the Law of the Republic of Kazakhstan dated 18.07.2025 № 215-VIII (shall be enforced from 01.01.2026).

3. The requirements for formation, method of calculation of insurance reserves and their structure shall be established by regulatory legal acts of the authorized body.

4. Assessment of sufficiency of insurance (reinsurance) reserves formed by the insurance company shall be carried out by the authorized body, including the use of reasoned judgment.

Footnote. Article 47 is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication)); as amended by Law № 168-VI of the Republic of Kazakhstan as of 02.07.2018 (shall be enforced from 01.01.2019); dated 18.07.2025 № 215-VIII (shall be enforced from 01.01.2026).

Article 47-1. Insurance liabilities

1. In order to ensure the fulfillment of obligations assumed under insurance and reinsurance contracts, an insurance (reinsurance) organization shall be required to maintain

insurance liabilities in an amount calculated by an actuary holding a license to carry out actuarial activities in the insurance market.

2. he requirements for the assessment and structure of insurance liabilities in accordance with the International Financial Reporting Standards and for the automation of their assessment, the methodology for the assessment of insurance liabilities, as well as the procedure and time limits for its approval, shall be established by a regulatory legal act of the authorized body.

3. For the purpose of assessing the adequacy of the insurance liabilities of an insurance (reinsurance) organization, the authorized body shall have the right to apply a reasoned judgment.

Footnote. Chapter 9 was supplemented with Article 47-1 в соответствии с Законом РК dated 18.07.2025 № 215-VIII (shall be enforced from 01.01.2026).

Article 48. The activities, prohibited or restricted for insurance (reinsurance) companies and insurance holding companies

1. (Reinsurance) organization acquisition of shares in authorized capitals or events of legal entities, creation and participation in activity of non-profit organizations, except for membership in National chamber of entrepreneurs of the Republic of Kazakhstan and also the cases established by this Law and implementation of the security transactions in cases, stipulated in paragraph 4 of the present article.

2. Implementation of transactions and transactions as business activity and also acquisition of shares in authorized capitals or events of legal entities, creation and participation in activity of non-profit organizations, except for membership in National chamber of entrepreneurs of the Republic of Kazakhstan and also the cases established by this Law and implementation of the security transactions in cases, stipulated in Item 4 these articles are prohibited insurance holdings.

3. The prohibition, in paragraphs 1 and 2 of this Article shall not apply to the following cases of establishment, as well as purchase of shares or stakes in the authorized capital:

1) by insurance (reinsurance) companies:

organization for the formation and maintenance of the database;

legal entities, carrying out activities of an insurance agent as an exclusive activity;

an organization that guarantees the implementation of insurance payments to policyholders (insured persons, beneficiaries) in the event of liquidation of insurance organizations;

legal entities in the amount of ten percent of the outstanding (net of preferred and repurchased by the company shares) shares (stakes in the authorized capital), subject to the compliance of the purchased shares (stakes in the authorized capital) with the requirements of the regulatory legal act of the authorized body;

financial institutions, as well as non-resident legal entities of the Republic of Kazakhstan, having the status of banks, insurance companies, pension funds, professional participants of

the securities market, in the amount of ten or more percent of the outstanding (net of preferred and repurchased by the company shares) shares (stakes in the authorized capital) if it has an insurance holding company. At the same time the requirement for availability of insurance holding does not extend to the insurance (reinsurance) organizations which more than fifty percent of voting shares belong to the state or national managing holding;

organizations (residents and non-residents of the Republic of Kazakhstan) engaged in the development, implementation, and support of software used in the activities of financial organizations, including for the automation of their activities;

organizations (residents and non-residents of the Republic of Kazakhstan) that provide services enabling the provision of financial services using artificial intelligence, blockchain, and other innovative technologies;

medical organizations and legal entities (residents and non-residents of the Republic of Kazakhstan) providing assistance services;

legal entities – non-residents of the Republic of Kazakhstan that form capital to provide insurance or reinsurance of risks, within the framework of operating or newly created international insurance syndicates;

An international insurance syndicate is an association of legal entities and (or) individuals established in accordance with the legislation of a foreign state, which ensures the acceptance and distribution of insurance risks or liabilities;

legal entities (residents and non-residents of the Republic of Kazakhstan) providing insurance broker services;

2) by insurance holding companies:

financial institutions;

non-resident legal entities of the Republic of Kazakhstan, having the status of banks, insurance companies, pension funds, professional participants of the securities market;

organizations (residents and non-residents of the Republic of Kazakhstan) engaged in the development, implementation, and support of software used in the activities of financial organizations, including for the automation of their activities;

organizations (residents and non-residents of the Republic of Kazakhstan) that provide services enabling the provision of financial services using artificial intelligence, blockchain, and other innovative technologies.

The provisions set forth in paragraphs seven and eight of subparagraph 1) and paragraphs four and five of subparagraph 2) of part one of this paragraph shall apply to cases of creation, as well as acquisition by insurance (reinsurance) organizations and insurance holding companies of shares or equity interests in the authorized capital of organizations that are non-residents of the Republic of Kazakhstan, subject to the existence of an agreement between the authorized body and the relevant supervisory authority of a foreign state on the exchange of information.

The purchase of the stakes in the authorized capital or shares of the legal entities, specified in paragraph 1) of the first part of this paragraph by the insurance (reinsurance) company, shall not exceed the per legal entity ten percent of the equity capital of the insurance (reinsurance) company.

This restriction shall apply to the ownership of the insurance (reinsurance) company of the stakes in the authorized capital or shares of the specified legal entities, including in cases of their establishment.

The total value of stakes of the insurance (reinsurance) company in the authorized capital of legal entities or shares shall not exceed fifty percent of the equity capital of the insurance (reinsurance) company.

Subsidiaries of insurance (reinsurance) companies shall have the right to purchase only the shares or stakes in the authorized capital of legal entities that meet the requirements, established by the regulatory legal act of the authorized body. This requirement shall not apply to subsidiary banks - residents of the Republic of Kazakhstan.

Subsidiaries of an insurance holding company shall have the right to purchase only the shares or stakes in the authorized capital of legal entities that meet the requirements, established by the regulatory legal act of the authorized body. This requirement shall not apply to:

affiliated insurance (reinsurance) companies - residents of the Republic of Kazakhstan;

subsidiary banks - residents of the Republic of Kazakhstan;

legal entities, in which the insurance holding company shall be the parent organization through the ownership (the availability to vote, make decisions and (or) influence on the decisions, made by virtue of a contract or otherwise) of shares of the insurance (reinsurance) company or bank-residents of the Republic of Kazakhstan that directly own (having the ability to vote, make decisions and (or) influence on the decisions, made by virtue of a or otherwise) the shares or stakes in the authorized capital of these entities;

non-residents of the Republic of Kazakhstan that are subsidiaries of non-residents of the Republic of Kazakhstan that is an insurance holding company, in case of implementation of any of the following conditions:

the presence of an insurance holding company an individual credit rating not lower rated A of one of the rating agencies, the list of which is established by the authorized body, as well as a written confirmation from the financial supervisory authority of the country of origin of these persons that they are subject to the consolidated supervision;

the existence of an agreement between the authorized body and the relevant supervisory authority of a foreign state for the exchange of information, as well as the minimum required rating of one of the rating agencies. Minimum rating and list of rating agencies shall be established by the regulatory legal act of the authorized body.

4. The prohibition, in paragraphs 1 and 2 of this Article shall not apply in cases of purchase to the ownership:

1) by insurance holding companies:

bonds of international financial organizations and digital financial assets, the list of which is established by the authorized body;

bonds with a minimum required rating. The minimum required rating and list of rating agencies shall be established by the regulatory legal act of the authorized body;

2) by insurance (reinsurance) companies:

financial instruments (except for shares and participation interests in the charter capital) and digital financial assets, the list of which is established by the regulatory legal acts of the authorized body.

The restrictions, established by this Article shall not apply to the cases of purchase by the insurance (reinsurance) company, insurance holding company the bonds, instead of the previously purchased, the organizations that are in the process of restructuring, subject to the inclusion of obligations on the previously issued bonds in the list of the restructured obligations of the organization.

5. Insurance (reinsurance) companies shall be prohibited to:

1) to release other types of securities, except events and also not secured bonds corresponding to conditions, the stipulated in Clause 25-1 this Law;

2) raise borrowed funds from banks, branches of non-resident banks of the Republic of Kazakhstan for a period exceeding three months, in an amount exceeding the amount of equity, with the exception of raising an unsecured loan that meets the conditions provided for in Article 25-1 of this Law;

2-1) to attract borrowed funds from individuals and legal entities, except for attracting the loans without collateral, complying with the conditions provided for in Article 25-1 of this Law;

3) provide financial assistance on a grant basis, except for financial assistance to officials and employees of the insurance (reinsurance) company in an amount, not exceeding hundred times of the monthly calculation index;

4) provide loans by any means, except for the cases, established by the legislation of the Republic of Kazakhstan;

5) payment of any types of remuneration to the insurants, including through third parties, unless otherwise provided by the legislation of the Republic of Kazakhstan;

5-1) conclude, through the intermediary of an insurance agent – a second-tier bank, a branch of a bank that is not a resident of the Republic of Kazakhstan, an organization engaged in microfinance activities – an insurance contract without specifying the amount of its commission remuneration therein;

6) to issue the employees and affiliated persons of the insurance (reinsurance) company money without primary accounting documents.

6. In addition to the activities specified in paragraph 2 of this Article, the insurance holding companies shall have the right to engage in the following activities:

1) the purchase of property from a person who is not an affiliated person of the insurance holding, acquired for their own needs;

2) the provision of advisory services on matters related to the financial activities;

3) sale of own property to a person who is not an affiliated person of the insurance holding company.

7. Insurance reinsurance) organizations and insurance holdings forbids implementation of transactions with the derivative financial instruments, except for the transactions made for the purpose of hedging of risks.

7-1. Operations with derivative financial instruments performed by insurance (reinsurance) companies and (or) insurance holding companies for hedging risks may be performed in the form of a transaction (transactions) within the framework of a general financial agreement.

The provisions of subparagraphs 2), 4), 7) and 8) of paragraph 1 of Article 53-3, subparagraphs 2), 3) and 5) of paragraph 2 of Article 53-4, paragraph 1 of Article 53-5, paragraph 5 of Article 54-1, paragraph 3 of Article 55, paragraph 1 of Article 55-1, subparagraph 4) of paragraph 1 and subparagraph 7) of paragraph 2 of Article 55-4, paragraph 2 of Article 69 and paragraph 2 of Article 71 of this Law shall not apply to the set-off of claims and (or) liquidation netting on a transaction(s) under a general financial agreement.

The parties to the general financial agreement shall carry out (apply) the offset of claims and (or) liquidation netting on the transaction (transactions) under the general financial agreement in the manner and on the terms specified in the general financial agreement.

A net claim arising (calculated) as a result of offsetting claims and (or) liquidation netting carried out (applied) in the manner and on the terms specified in the general financial agreement shall be satisfied on a general basis in accordance with the rules for settlements with creditors established by this Law and civil legislation of the Republic of Kazakhstan.

8. The total percentage of shares (stakes in the authorized capital) of the parent organization of group insurance, the insurance (reinsurance) company or the insurance holding company, owned by subsidiaries of the insurance (reinsurance) company or the insurance holding company, the organizations, in which the insurance (reinsurance) company or the insurance holding company has a major participation, shall not exceed the limits defined by the regulatory legal act of the authorized body.

9. The requirements of this article shall not apply to:

1) non-residents of the Republic of Kazakhstan that are an insurance holding company, a person with characteristics of an insurance holding company, in the implementation of any of the following conditions:

the presence of an individual’s credit rating not lower rated A of one of the rating agencies, the list of which shall be established by the authorized body, as well as a written confirmation from the financial supervisory authority of the country of origin of the insurance holding company, the person having the characteristics of the insurance holding company, the

fact that the persons - non -residents of the Republic of Kazakhstan shall be subject to the consolidated supervision;

the existence of an agreement between the authorized body and the relevant supervisory authority of a foreign state for the exchange of information, as well as the minimum required rating of one of the rating agencies. Minimum rating and list of rating agencies shall be established by the regulatory legal act the authorized body;

2) insurance holding companies, that are bank holding companies, including to the banking conglomerates;

3) on the insurance holding companies, indirectly owning (having the ability to vote, make decisions and (or) influence on the decisions, made by virtue of a contract or otherwise) the shares of the insurance (reinsurance) company through the ownership of (the possibility to vote, make decisions and (or) influence on the decisions, made by virtue of a contract or otherwise) shares or stakes in the authorized capital of the insurance holding company - resident of the Republic of Kazakhstan, that directly owns (having the ability to vote, make decisions and (or) influence on the decisions, made by virtue of a contract or otherwise) the shares of the specified insurance (reinsurance) company;

4) insurance holding companies - residents of the Republic of Kazakhstan, that are financial institutions.

10. An insurance (reinsurance) company shall be obliged to transfer part of the insurance risks it has accepted from affiliates of the insurance (reinsurance) company, exceeding the amount of the insurance (reinsurance) company's retention, to insurance (reinsurance) companies that have an international credit rating not lower than the sovereign rating of the Republic of Kazakhstan. The list of rating agencies shall be established by the regulatory legal act of the authorized body.

11. The requirements of this Article shall not apply to the investment of assets formed at the expense of a part of insurance premiums (insurance contributions) received from policyholders for investment purposes, and income (expenses) received (incurred) from their investment, under insurance contracts that provide for the condition of participation investment insured.

Footnote. Article 48 is in the wording of the Law of the Republic of Kazakhstan dated 28.12.2011 № 524-IV (the order of enforcement see Art. 2), as amended by the Law of the Republic of Kazakhstan dated 26.12.2012 № 61 -V (shall be enforced from 04.02.2012); dated 10.06.2014 № 206-V (shall be enforced after ten calendar days after day of its first official publication); dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication); dated 24.11.2015 № 422-V (shall be enforced dated 01.01.2016); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 30.06.2025 № 205-VIII (for

the procedure of enactment see Art. 2); dated 16.01.2026 № 259-VIII (for the procedure of enactment see Art. 2).

Article 49. Performing major transactions on insurance

1. The transaction on insurance (reinsurance) shall be recognized as major, if the insured sum (the accepted volume of obligations) under the separate concluded insurance contract or the accepted volume of obligations under the separate reinsurance contract of the insurance (reinsurance) company exceeds the standard established by the regulatory legal act of the authorized body.

2. The decision on performing a major transaction shall be made in accordance with the Law of the Republic of Kazakhstan "On Joint Stock Companies" on the basis of the conclusion of an actuary having a license to carry out actuarial activities in the insurance market.

Footnote. Article 49 is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 50. Transactions with securities and promissory notes

1. Transactions, made with the shares of insurance (reinsurance) company shall be registered in accordance with the legislation of the Republic of Kazakhstan with the specifications, prescribed in this Law.

2. The insurance (reinsurance) company shall not issue a golden share.

Footnote. Article 50 as amended –by the Law of the Republic of Kazakhstan dated 23 December, 2005 № 107 (the order of enforcement see Article 2 of the Law № 107), dated 20 February, 2006 № 128 (the order of enforcement see Art. 2).

Article 51. Control over the transactions with shares of the insurance (reinsurance) company

1. The person, receiving the right of ownership or control over the voting (net of preferred) shares of the insurance (reinsurance) company in an amount more than five percent of the total number of the voting (net of preferred) shares, shall submit a written notice within ten calendar days to the authorized body on making the transaction with supporting documents.

2. Is excluded by the Law of the Republic of Kazakhstan dated 10.07.2003 № 483 (shall be enforced from 01.01.2004).

3. Is excluded by the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2).

4. The requirements of this Article shall apply to all types of transactions with shares of insurance (reinsurance) companies and depositary receipts, issued for shares of insurance (reinsurance) companies.

Footnote. Article 51, as amended by the Laws of the Republic of Kazakhstan dated 10.07.2003 № 483 (shall be enforced from 01.01.2004), dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2).

Article 52. Participation of the insurance (reinsurance) company in joint activities

1. The insurance (reinsurance) company shall have the right to participate in creation of a consortium or a simple partnership in accordance with the requirements established by Article 13 of this Law.

2. Supervision over the activities of the insurance (reinsurance) company, affiliated with it and its founders, persons and organizations participating in consortia and simple partnerships with participation of insurance (reinsurance) companies may be carried out on a consolidated basis. The rules of consolidated supervision shall be approved by the authorized body.

Footnote. Article 52 is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 52-1. The system of risk management and internal control

1. Insurance (reinsurance) companies form a system of risk management and internal control that shall include:

1) powers and functional responsibilities for risk management and internal control of the board of directors, board, and divisions of the insurance (reinsurance) company (the relevant management body of the insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan), their responsibility;

2) internal policies and procedures for risk management and internal controls;

3) limits on the permissible extent of risks, separately by types of activities of the insurance (reinsurance) company;

4) internal reporting procedures for risk management and internal control to the bodies of the insurance (reinsurance) company;

5) internal criteria for evaluating the effectiveness of the risk management system;

6) excluded by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

The order for formation of the system of risk management and internal control shall be established by the regulatory legal act of the authorized body.

The specifics of forming a risks management system by the insurance companies having a license for implementation of activity on management of an investment portfolio in the securities market shall be determined by the regulatory legal act of the authorized body provided in this paragraph.

1-1. Insurance companies, carrying out activity on investment management of assets, shall form a system of risks management and internal control in the manner prescribed by the regulatory legal act of the authorized body.

1-2. An insurance (reinsurance) organization, when appointing employees to the position of the head of the risk management division (the risk manager of the insurance (reinsurance) organization, solely performing the risk management functions in the insurance (reinsurance) organization), the head of the internal audit service (the auditor of the insurance (reinsurance)

organization, solely performing the internal audit functions in the insurance (reinsurance) organization), the head of the compliance control division (the compliance controller of the insurance (reinsurance) organization, solely performing the compliance control functions in the insurance (reinsurance) organization), shall independently verify their compliance with the requirements established by the regulatory legal act of the authorized body determining the procedure for forming the risk management and internal control system.

2. Insurance group shall have a system of risk management and internal control, corresponding to the requirements, established by the regulatory legal act of the authorized body.

The parent organization of the insurance group shall ensure the compliance with the requirements of the system of risk management and internal control on a consolidated basis.

The parent organization of the insurance group shall be responsible for compliance of the participants of the insurance group with the requirements of the system of risk management and internal controls.

2-1. The insurance holding company ensures the availability of risk management and internal control systems, including those related to risks associated with the activities of a subsidiary or companies, in which the insurance holding company has a significant participatory interest.

The requirements of part one of this paragraph apply to persons willing to acquire the status of an insurance holding company.

3. The authorized body shall assess the compliance of the risks management and internal control system with the requirements established by this Article.

Footnote. Chapter 9 is supplemented by Article 52-1 in accordance with the Law of the Republic of Kazakhstan dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2009); № 272-VI as of 25.11.2019 (shall be enforced ten calendar days after its first official publication); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication); dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

Article 52-2. Advertising distributed and posted by insurance (reinsurance) organizations

Footnote. The heading of Article 52-2 as amended by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

1. Insurance (reinsurance) organizations shall be prohibited from:

1) improper advertising;

2) advertising that does not contain information on the risks inherent to the financial product, as determined by the requirements for the management of financial products established by the authorized body.

The requirements for the management of financial products, the list of financial products (indicating rates and tariffs), the approval, change and termination of provision of which the subject of conduct supervision shall notify the authorized body, the procedure for such notification, as well as the list of documents and information appended to the notification, shall be approved by a regulatory legal act of the authorized body.

2. The authorized body shall have the right to require the insurance (reinsurance) company to make the changes in the advertising that do not correspond to reality, its termination or publication of its denial.

In the case of non-fulfillment of the requirements in the established by the authorized body term, the authorized body may publish the information on inaccurate data, contained in the advertising, or define them at the expense of the insurance (reinsurance) company that published such advertising.

3. It is prohibited to act as an advertiser of services, provided by insurance (reinsurance) companies, to the following persons:

legal entities that are not licensed by the authorized body in the field “life insurance” or “ general insurance”, as well as carrying out the activity on reinsurance;

individuals that are not employees of the insurance (reinsurance) company and not authorized insurance (reinsurance) companies.

Footnote. Chapter 9 is supplemented by Article 52-2 in accordance with the Law of the Republic of Kazakhstan dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (for the procedure of enactment see Art. 2).

Article 52-3. Maintenance of accounting records and preparation of financial statements

Maintenance of accounting records and preparation of financial statements, automation of accounting records by an insurance (reinsurance) company, an Islamic insurance (reinsurance) company and an insurance broker are carried out in accordance with the regulatory legal acts of the National Bank.

Branches of non-resident insurance (reinsurance) organizations of the Republic of Kazakhstan, branches of non-resident insurance brokers of the Republic of Kazakhstan shall carry out accounting and reporting based on accounting data in accordance with international standards and regulatory legal acts of the National Bank.

Footnote. Chapter 9 is supplemented with Article 52-3 in accordance with Law № 262-VI of the Republic of Kazakhstan as of 03.07.2019 (shall be enforced from 01.01.2020).

Article 52-4. Prohibition of dishonest behavior when concluding an insurance contract, during the period of validity of insurance protection and settlement of an insured event

1. When concluding an insurance contract, during the period of validity of insurance protection and settlement of an insured event, the parties to the insurance contract shall be prohibited from providing false information and hiding information that affects the fulfillment of the essential conditions of the insurance contract.

2. Signs of dishonest behavior when concluding an insurance contract, during the period of validity of insurance protection and settlement of an insured event are the following:

1) concealment or distortion of information that affects the essential terms of the insurance contract when it is concluded;

2) unreasonable overestimation of the insured value of the insured property when concluding an insurance contract;

3) concealment and distortion of information about the circumstances of the occurrence of an insured event;

4) giving the event the appearance of an insured event in some way;

5) conclusion of an insurance contract after the occurrence of an insured event;

6) distortion in the insurance contract of information about the insurance agent and their remuneration;

7) applying for an insurance payment to several insurers for the same insured property if the amount of insurance payments exceeds the amount of real damage.

3. When the insurer establishes the signs of dishonest behavior, provided for in paragraph 2 of this Article, before the expiration of the insurance payment period, provided for by the laws of the Republic of Kazakhstan or the insurance contract, the insurer shall have the right to suspend the insurance payment for up to thirty calendar days.

A notice of suspension of an insurance payment must be sent to the insured (beneficiary) with an indication of the relevant verification no later than the day following the day of suspension.

Before the expiration of the term for suspension of the insurance payment, the insurer shall be obliged to send a reasoned refusal to pay the insurance payment or to make an insurance payment, taking into account the penalty calculated based on the base rate of the National Bank on the day the insurance payment is made, for each day over the term of the insurance payment provided for by the laws of the Republic of Kazakhstan or the insurance contract.

4. When the insurant (the insured, the beneficiary) or the authorized body establishes the facts of dishonest behavior on the part of the insurer, the authorized body shall apply measures against the insurer, provided for in Article 53-1 of this Law.

Footnote. Chapter 9 is supplemented by Article 52-4 in accordance with the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Chapter 10. Supervisory response measures, sanctions and other measures of influence

Footnote. The title of chapter 10 is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019).

Article 53. Early response measures

1. To protect the legitimate interests of policyholders (insured persons, beneficiaries), ensure the financial stability of insurance (reinsurance) companies, prevent the deterioration of their financial position and increase the risks associated with insurance activities, the authorized body shall analyze the activities of insurance (reinsurance) companies to identify factors affecting the deterioration of the financial position of insurance (reinsurance) companies established normative legal act of the authorized body.

2. In order to ensure the financial stability of the insurance group, to prevent deterioration of its financial position and increase the risks associated with the activities of the insurance group, the authorized body shall analyze the activities of the insurance group to identify factors affecting the deterioration of the financial position of the insurance group established by the regulatory legal act of the authorized body.

3. In case of identification of the factors, specified in paragraph 1 of this Article, as a result of the analysis of financial position of the insurance (reinsurance) company and (or) following the results of its check, the authorized body shall send to the insurance (reinsurance) company and (or) its shareholders the requirement in written form on representation of the action plan, providing measures of early reaction for the increase of financial stability of the insurance (reinsurance) company, preventing deterioration of its financial position and increasing the risks associated with insurance activity.

The insurance (reinsurance) company and (or) its shareholders shall be obliged to develop and submit to the authorized body the action plan with indication of the terms of execution on each point and responsible executives within no more than five working days from the date of receipt of the specified requirement.

Upon approval of the action plan by the authorized body, the insurance (reinsurance) company and (or) its shareholders shall proceed to its implementation, notifying the authorized body of the results of its execution within the terms established by the plan.

In case of disapproval of the action plan, the authorized body shall apply to the insurance (reinsurance) company and (or) its major participants (insurance holdings) the supervisory response measures provided for by this Law.

4. In case of detection of the factors specified in paragraph 2 of this Article, as a result of analysis of the financial position of the insurance group and (or) by the results of audit of the insurance holding or participants of the insurance group, the authorized body shall send to the insurance holding and (or) its major participant the requirement in written form on representation of the action plan, providing measures of early reaction for the increase of financial stability of the insurance group, preventing deterioration of its financial position and increasing the risks, associated with the activities of the insurance group.

The insurance holding and (or) its major participants shall be obliged to develop and submit to the authorized body the action plan with indication of the terms of execution on each point and responsible executives within no more than five working days from the date of receipt of the specified requirement.

Upon approval of the action plan by the authorized body, the insurance holding and (or) its major participants shall proceed to its implementation, notifying the authorized body of the results of its execution within the terms established by the plan.

In case of disapproval of the action plan, the authorized body shall apply to the insurance holding and (or) its major participants the supervisory response measures provided for by this Law.

5. In case of non-submission within the terms established by paragraphs 3 and 4 of this Article, of an action plan aimed at improving the financial stability of the insurance (reinsurance) company (insurance group), failure to perform or untimely execution of the activities of this plan, the supervisory response measures provided for by this Law shall be applied to the insurance (reinsurance) company (insurance holding) and (or) its (its) major participants.

In case of non-elimination of the factor (factors) influencing deterioration of financial position of the insurance (reinsurance) company (insurance group), after completion of terms and actions of the corresponding plan (plans), supervisory response measures provided by this Law shall be applied to the insurance (reinsurance) company (insurance holding) and (or) to the executives of the insurance (reinsurance) company (insurance holding).

6. If there is no possibility of execution by the insurance (reinsurance) company, insurance holding and (or) a major participant of actions in the terms established in the action plan, due to the reasons beyond their control, the term of execution of the action plan may be prolonged by the authorized body according to the petition of the insurance (reinsurance) company, insurance holding and (or) a major participant.

7. The procedure for approval of the action plan providing for early response measures and the method of determining the factors affecting the deterioration of financial position of the insurance (reinsurance) company (insurance group) shall be established by the regulatory legal act of the authorized body.

Footnote. Article 53 is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019); as amended by the Law of the Republic of Kazakhstan dated July 12, 2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 53-1. Supervisory response measures.

1. In order to protect the legitimate interests of policyholders (insured persons, beneficiaries) of an insurance (reinsurance) organization, ensuring the financial stability of an insurance (reinsurance) organization and an insurance group, preventing the deterioration of their financial position and the increase of risks associated with insurance activities, the

authorized body shall apply supervisory response measures to the insurance (reinsurance) organization, the insurance broker, the participant or shareholder of the insurance broker, the insurance holding, the organization guaranteeing the payment of insurance indemnities, their senior officers, the organizations forming part of the insurance group, the major participants of the insurance (reinsurance) organization, persons possessing the characteristics of a major participant of an insurance (reinsurance) organization or an insurance holding, and to the actuary holding a license to carry out actuarial activities in the insurance market.

2. The grounds for application of supervisory response measures shall be:

1) violation of the legislation of the Republic of Kazakhstan on the issues within the competence of the authorized body;

2) shortcomings and (or) risks in the activities of an insurance (reinsurance) company, an insurance broker, an insurance holding company, an organization that guarantees the implementation of insurance payments, organizations that are part of an insurance group, an actuary licensed to carry out actuarial activities in the insurance market, identified by the authorized body within the framework of exercising the functions of control and supervision, including using a reasoned judgment, which may lead to the creation of a situation that threatens the stable functioning of the insurance (reinsurance) company, and (or) the interests of its policyholders (insured, beneficiaries), and (or) stability of the insurance system of the Republic of Kazakhstan;

3) detection of illegal actions or inaction of executives of an insurance (reinsurance) company, an insurance broker, an insurance holding company, an organization that guarantees the implementation of insurance payments that may threaten their stable functioning and (or) the interests of policyholders (insured, beneficiaries);

4) sufficient data to recognize the actions (inaction) of an executive employee or official (management employees, officials) as not meeting the requirements of the legislation of the Republic of Kazakhstan on issues within the competence of the authorized body, and (or) indicating damage to the insurance (reinsurance) company, an insurance broker, an organization that guarantees the implementation of insurance payments, and (or) policyholders (insured persons, beneficiaries);

5) committing of actions by the person possessing signs of a major participant of the insurance (reinsurance) company or insurance holding, and also by the major participant of the insurance (reinsurance) company (including the organizations over which a major participant has control), the insurance holding or the organizations which are a part of insurance group as a result of which the insurance (reinsurance) company has been caused or may be caused a damage;

6) unstable financial position of the persons possessing signs of a major participant of the insurance (reinsurance) company or insurance holding, and also major participants of the

insurance (reinsurance) company (including the organizations over which a major participant of the insurance (reinsurance) company has control), insurance holding or the organizations which are a part of insurance group;

7) failure to comply with the supervisory response measures previously applied in accordance with this Law;

8) a failure to submit or submission of false reports or information, and also other information requested by the authorized body or the National Bank, to the authorized body or the National Bank;

9) obstruction by an insurance (reinsurance) company, an insurance broker, an insurance holding company, an insurance group, organizations that are part of an insurance group, major participants in an insurance (reinsurance) company, persons with signs of a major participant in an insurance (reinsurance) company or an insurance holding company, an organization that guarantees the implementation of insurance payments, by an actuary licensed to carry out actuarial activities in the insurance market, to conduct an audit that made it impossible to conduct it within the established time limits;

10) non-elimination by an insurance (reinsurance) company, an insurance holding company, an organization that is part of an insurance group, an insurance broker, an organization that guarantees the implementation of insurance payments, shortcomings that affect the financial condition of an insurance (reinsurance) company or an insurance group, an insurance broker, an organization guaranteeing the implementation of insurance payments specified in the audit report, within the time limits provided for in paragraph 10 of Article 20 of this Law;

11) non-payment, late payment or payment of mandatory or emergency contributions, as well as initial one-time and additional contributions in an incomplete amount to an organization that guarantees insurance payments to policyholders (insured persons, beneficiaries) in the event of liquidation of insurance companies;

12) failure or improper fulfillment by an insurance (reinsurance) organization of its obligations to pay mandatory contributions and (or) other payments to the financial ombudsman service;

13) failure by an insurance (reinsurance) organization to comply with a decision of the financial ombudsman within the time period established by such decision;

14) non-fulfillment or improper fulfillment of the requirements for providing information to the database, including its distortion and (or) incomplete and (or) untimely provision;

15) failure to submit the action plan provided for in paragraphs 3 and 4 of Article 53 of this Law within the established time limits, its disapproval by the authorized body, non-fulfillment or untimely fulfillment of the measures of this plan, failure to eliminate the factor (factors) influencing (affecting) the deterioration of the financial position of the insurance (reinsurance) organization (insurance group), within the time limits established by the action plan;

16) non-fulfillment or untimely fulfillment of the measures of the plan provided for by subparagraph 2) of paragraph 2 of Article 38-1 of this Law.

3. In determining the appropriateness of applying the supervisory response measures and selection of the measure of supervisory response shall be taken into account:

1) the level of risk, nature of violations and (or) shortcomings and their consequences;

2) the scale and significance of the violations and (or) shortcomings and their consequences;

3) regularity and duration of violations and (or) shortcomings;

4) the impact of violations and (or) shortcomings on the financial state;

5) the ability to adjust the situation as a result of applying the selected measure of supervisory response;

6) availability and effectiveness (efficiency) of previously applied supervisory response measures;

7) adequacy of the applied supervisory response measure to the grounds for its application ;

8) the reasons which caused occurrence of the revealed violations and (or) shortcomings and (or) risks;

9) acceptance by an insurance (reinsurance) company, an insurance broker, an insurance holding company, organizations that are part of an insurance group, a major participant in an insurance (reinsurance) company, a person who has the characteristics of a major participant in an insurance (reinsurance) company or an insurance holding company, an organization that guarantees the implementation insurance payments, by an actuary licensed to carry out actuarial activities in the insurance market, independent measures aimed at eliminating violations, risks and (or) shortcomings identified in the activity, the effectiveness of such measures and (or) the readiness to take them.

4. The authorized body shall apply the following supervisory response measures:

1) recommendatory measures of supervisory response in accordance with Article 53-2 of this Law;

2) measures to improve the financial state and (or) minimize risks in accordance with Article 53-3 of this Law;

3) compulsory supervisory response measures in accordance with Article 53-4 of this Law .

5. The authorized body shall have the right to apply to an insurance (reinsurance) company, an insurance broker, an insurance holding company, an organization that guarantees the implementation of insurance payments, organizations that are part of an insurance group, major participants in an insurance (reinsurance) company, persons with signs of a major participant in an insurance (reinsurance) company or insurance holding

company, an actuary licensed to carry out actuarial activities in the insurance market, any of the supervisory response measures specified in paragraph 4 of this Article, regardless of the supervisory response measures previously applied to them.

6. Excluded by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (for the procedure of enactment see Art. 2).

Footnote. Article 53-1 is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019); as amended by Law № 262-VI of the Republic of Kazakhstan as of 03.07.2019 (shall be enforced from 01.01.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication); dated 16.01.2026 № 259-VIII (for the procedure of enactment see Art. 2).

Article 53-2. Recommendatory measures of supervisory response

1. The authorized body shall apply advisory supervisory response measures in cases where shortcomings, risks or violations identified in the activities of an insurance (reinsurance) company, insurance broker, insurance group and (or) organizations that are part of an insurance group, insurance holding company, major participant insurance (reinsurance) company, a person who has the characteristics of a major participant in an insurance (reinsurance) company or an insurance holding company, an organization that guarantees the implementation of insurance payments, an actuary licensed to carry out actuarial activities in the insurance market, including using a reasoned judgment, do not provide a significant impact on the financial stability of the insurance (reinsurance) company and (or) insurance group, do not pose a threat to their financial position and (or) the interests of policyholders (insured, beneficiaries) of the insurance (reinsurance) company.

2. Recommendatory measures of supervisory response shall include:

1) notification of identified shortcomings, risks or violations with bringing (if necessary, determined by the authorized body) this information to the attention of individual bodies of the insurance (reinsurance) company, insurance broker, organization that is part of the insurance group, insurance holding company, a major participant in the insurance (reinsurance) company, a person that has the characteristics of a major participant in an insurance (reinsurance) company or an insurance holding company, an organization that guarantees the implementation of insurance payments;

2) providing recommendations of the authorized body on elimination of the revealed shortcomings, risks or violations;

3) warning about the possibility of applying other measures of supervisory response in case of repeated detection by the authorized body of shortcomings, risks or violations, as well as non-compliance with the recommendatory measures of supervisory response.

3. Recommendatory measure of supervisory response shall be issued by the letter of the authorized body.

Footnote. The head is added with article 53-2 according to the Law of the Republic of Kazakhstan dated 20.02.2006 N 128 (an order of enforcement see Art. 2); is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019); as amended by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 53-3. Measures on improving financial state and (or) minimizing risks

1. The authorized body in order to eliminate shortcomings, risks or violations, including those identified with the use of reasoned judgment, shall apply the measures on improving financial state and (or) minimizing the risks of the insurance (reinsurance) company, insurance broker, insurance holding, insurance group and (or) organizations that are part of the insurance group, a major participant of the insurance (reinsurance) company, the organization guaranteeing implementation of insurance payments, an actuary having a license to carry out actuarial activities in the insurance market, through the submission of claims for:

1) maintaining the standard of sufficiency of the solvency margin and (or) the standard of sufficiency of highly liquid assets above the minimum values established by the authorized body;

1-1) elimination of the factor (factors) influencing (influencing) the deterioration of the financial position of the insurance (reinsurance) company (insurance group);

2) suspension and (or) restriction of certain types of transactions, including insurance (reinsurance) contracts, or establishment of a special procedure for their implementation;

3) reduction of expenses, including by means of termination or restriction of additional employment of employees, closing of separate branches and representative offices, subsidiaries, restriction of monetary rewards and other types of material incentives of executives;

4) suspension and (or) restriction of investments in certain types of assets or establishment of their special order of implementation;

5) additional formation of insurance reserves;

5-1) additional formation of insurance liabilities;

6) recognition of an individual and (or) a legal entity as a person related to an insurance (reinsurance) company, an insurance holding by special relations;

7) change of the terms of the transaction made on preferential terms with the person connected with the insurance (reinsurance) company, insurance holding by special relations, to the terms of similar transactions with third parties concluded on the date of the transaction with preferential terms;

8) restriction of operations with persons connected with the insurance (reinsurance) company, insurance holding by special relations;

9) termination of accrual and (or) payment of dividends on common and (or) preferred shares;

10) revision of internal policies and procedures, limits on the permissible amount of risks, procedures for assessing the effectiveness of risks management and internal control system;

11) the suspension from performance of official duties of the persons specified in Article 34 of this Law and (or) the regulatory legal act of the authorized body establishing the procedure for forming the risk management and internal control system, including in the event that the insurance (reinsurance) organization, insurance broker, insurance holding company, organization guaranteeing the making of insurance payments, or insurance (reinsurance) non-resident organization of the Republic of Kazakhstan suspends the persons specified in Article 34 of this Law from performance of official duties prior to the application of such supervisory response measure by the authorized body. When such supervisory response measure is applied to an executive employee, the authorized body shall revoke the consent for the appointment (election) to the position of the executive employee.

From the day following the day of receipt by the insurance (reinsurance) organization, insurance broker, insurance holding company, organization guaranteeing the making of insurance payments, or branch of an insurance (reinsurance) non-resident organization of the Republic of Kazakhstan of a written notification of the authorized body on the application of the supervisory response measure to suspend the persons specified in Article 34 of this Law, all subsequent decisions of the collegial body adopted with the participation of the suspended person shall be deemed invalid;

11-1) removal from the performance of official duties of an executive employee of an organization that guarantees the implementation of insurance payments, with simultaneous withdrawal of consent to the appointment (election) to the position of an executive employee. In case of suspension by the organization guaranteeing the implementation of insurance payments from the performance of official duties or dismissal of this executive employee until the authorized body removes them from the performance of official duties, the authorized body withdraws consent to the appointment (election) of this person to the position of an executive employee of the organization guaranteeing the implementation of insurance payments;

12) carrying out assessment of the cost of property owned by a major participant of the insurance (reinsurance) company and (or) insurance holding;

13) elimination of the causes and (or) conditions that contributed to the violation of the requirements of the legislation of the Republic of Kazakhstan on issues within the competence of the authorized body, the rights and legitimate interests of policyholders (insured, beneficiaries) of insurance (reinsurance) companies;

14) exclusion of the insurance agent from the register of insurance agents;

15) ensuring compliance of their activities with the legislation of the Republic of Kazakhstan.

2. The measures provided for in paragraph 1 of this Article shall be applied in the form of a written instruction or agreement.

3. The written instruction is an indication of the insurance (reinsurance) company, the insurance broker, the organization guaranteeing implementation of insurance payments, the actuary having a license for implementation of actuarial activity in the insurance market, the organizations which are part of insurance group, the insurance holding, a major participant of the insurance (reinsurance) company for acceptance of the measures obligatory to execution established by paragraph 1 of this Article, and (or) on necessity of submission in the established term of the plan of actions for their execution (hereinafter - the plan of actions).

The action plan shall include a description of shortcomings, risks or violations, the reasons for their occurrence, a list of planned activities, terms of their implementation, as well as responsible executives.

4. A written agreement shall be concluded between the authorized body and an insurance (reinsurance) company, an insurance holding company, or organizations that are part of an insurance group, or a major participant in an insurance (reinsurance) company, or an insurance broker, or an organization that guarantees the implementation of insurance payments, a written agreement on the implementation of the measures established by paragraph 1 of this Article, indicating the deadlines for eliminating the identified deficiencies, risks or violations and (or) a list of restrictions that these persons undertake until the identified deficiencies, risks or violations are eliminated.

A written agreement shall be subject to mandatory signing by an insurance (reinsurance) company or an insurance holding company, organizations that are part of an insurance group, a major participant in an insurance (reinsurance) company, an insurance broker, or an organization that guarantees the implementation of insurance payments.

5. The insurance (reinsurance) company, insurance holding, the organization which is a part of insurance group, a major participant of the insurance (reinsurance) company, the insurance broker, the organization guaranteeing implementation of insurance payments, the actuary having a license to carry out actuarial activity in the insurance market shall be obliged to notify the authorized body on execution of the measures, specified in the written instruction and the written agreement in the terms provided by these documents.

6. In case of absence of possibility of elimination of violation in the terms, established in the written instruction and (or) the action plan, the written agreement, for the reasons beyond the control of the insurance (reinsurance) company, the insurance holding, the organizations which are part of insurance group, a major participant of the insurance (reinsurance) company , the insurance broker, the organization guaranteeing implementation of insurance payments, the actuary having a license to carry out actuarial activity in the insurance market, the term on execution of the written instruction and (or) the action plan, the written agreement may be prolonged until the date, established by the authorized body.

7. The non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, which branch is subjected by the authorized body to the requirements specified in paragraph 1 of this Article, shall be obliged to take measures to improve the financial condition of the

branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, including an increase in the amount of assets accepted as a reserve, provided for in paragraph 12 of Article 46 of this Law, minimizing risks by bringing its activities in line with the legislation of the Republic of Kazakhstan and the requirements of the authorized body.

In case of insufficiency of measures taken by a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, specified in part one of this paragraph, the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall fulfill unfulfilled and (or) improperly fulfilled obligations by the branch of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan in accordance with a written obligation previously submitted to the authorized body in accordance with subparagraph 12) of part one of paragraph 2 of Article 30-1 of this Law.

Footnote. Section is supplemented by Article 53-3, in accordance with the Law of the Republic of Kazakhstan dated 20.02.2006 № 128 (the order of enforcement see Art. 2); is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019); as amended by the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 18.07.2025 № 215-VIII (shall be enforced from 01.01.2026); dated 16.01.2026 № 259-VIII (for the procedure of enactment see Art. 2).

Article 53-4. Compulsory measures of supervisory response

1. The authorized body shall apply coercive supervisory measures to persons who meet the criteria of a major participant in an insurance (reinsurance) organization or insurance holding company, as well as to major participants in an insurance (reinsurance) organization, insurance holding companies, major participants in insurance holding companies, and organizations that are part of an insurance group, participants (shareholders) of insurance brokers in the following cases:

1) provided for by paragraph 10 of Article 20, paragraph 3 of Article 26 and paragraph 4 of Article 46 of this Law;

2) if the application of other supervisory response measures cannot ensure the protection of the legitimate interests of policyholders (insured persons, beneficiaries), financial stability of the insurance (reinsurance) company and (or) insurance group, minimization of risks associated with insurance (reinsurance) activities;

3) if the actions (inaction) of the insurance holding company and (or) a major participant in the insurance (reinsurance) company, (or) a major participant in the insurance holding company, and (or) an organization that is part of the insurance group, and (or) a person with the characteristics a major participant in an insurance (reinsurance) company or an insurance holding company, may lead to further deterioration of the financial position of the insurance (reinsurance) company.

2. If there are cases provided for in paragraph 1 of this Article, the authorized body shall have the right to:

1) demand from the person, possessing signs of a major participant of the insurance (reinsurance) company, and also from the major participant of the insurance (reinsurance) company, reduction of the share of its direct or indirect ownership to the level below ten percent of voting shares of the insurance (reinsurance) company;

1-1) require a participant (shareholder) of an insurance broker to dispose of their share in the authorized capital (shares) of the insurance broker;

2) demand from the person possessing signs of insurance holding, and also from the insurance holding, reduction of the share of its direct or indirect ownership to the level below twenty five percent of voting shares of the insurance (reinsurance) company and to suspend implementation of operations (direct and indirect) between it and the insurance (reinsurance) company exposing the insurance (reinsurance) company to the risk;

3) demand from the insurance (reinsurance) company and insurance holding in respect of organizations where insurance (reinsurance) company or insurance holding is a shareholder (participant), as well as organizations which are part of the insurance group, to suspend operations (direct and indirect) between them, exposing the insurance (reinsurance) company and (or) the insurance holding or organizations, that are part of the insurance group, to the risk;

4) demand from the insurance (reinsurance) company or a person possessing signs of an insurance holding, as well as an insurance holding, alienation of its share of ownership or control over a subsidiary or organizations in the capital of which they have a significant participation;

5) demand from the organizations which are part of insurance group to suspend implementation of operations (direct and indirect) between them and their affiliated persons exposing the organizations which are part of insurance group to the risk;

6) in order to increase the equity of the insurance (reinsurance) company or insurance group in an amount sufficient to ensure the financial stability of the insurance (reinsurance) company or insurance group, demand from the insurance holding, a major participant of the insurance (reinsurance) company to take measures for additional capitalization of the insurance (reinsurance) company or insurance group.

3. Excluded by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (for the procedure of enactment see Art. 2).

Footnote. Is supplemented by Article 53-4 in accordance with the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019); as amended by the Law of the Republic of Kazakhstan dated July 12, 2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication); dated 16.01.2026 № 259-VIII (for the procedure of enactment see Art. 2).

Article 53-5. Sanctions

1. The authorized body shall have the right to apply the following sanctions to an insurance (reinsurance) company, an insurance broker, or an actuary licensed to carry out actuarial activities in the insurance market, regardless of the supervisory response measures previously applied to them:

1) suspension of the license on the grounds established by Articles 54 and 59 of this Law;

2) revocation of a license on the grounds provided for in Articles 55 and 60 of this Law;

3) deciding on the compulsory transfer of the insurance portfolio by classes (types) of insurance for which a guarantee is provided in accordance with the Law of the Republic of Kazakhstan "On Insurance Payments Guarantee Fund", in case of repeated (two or more times within six consecutive calendar months) violation the insurance (reinsurance) company of one or more prudential standards and (or) other mandatory norms and limits established by the regulatory legal act of the authorized body, and if the insurance holding, a major participant in the insurance (reinsurance) company fails to take measures for additional capitalization of the insurance (reinsurance) company.

1-1. The authorized body shall have the right to apply to the branch of non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, the branch of non-resident insurance broker of the Republic of Kazakhstan, notwithstanding the supervisory response measures previously applied to them, the following sanctions:

1) suspension of the license on the grounds provided for in paragraph 1-2 of Article 54 of this Law;

2) deprivation of the license on the grounds provided for in paragraph 1-2 of Article 55 of this Law.

2. When determining the appropriateness of applying sanctions and selection of a sanction in the form of suspension or deprivation of a license, the following shall be taken into account :

1) level of risk, nature of violations and (or) shortcomings and their consequences;

2) the scale and significance of violations and (or) shortcomings and their consequences;

3) regularity and duration of violations and (or) shortcomings;

4) the impact of violations and (or) shortcomings on the financial state;

5) the reasons which caused the occurrence of revealed violations and (or) shortcomings;

6) adoption by an insurance (reinsurance) company, an insurance broker, an actuary licensed to carry out actuarial activities in the insurance market, independent measures aimed at eliminating shortcomings, risks or violations identified in the activity, as well as the adoption by an insurance (reinsurance) company of a decision on the voluntary return of the license (voluntary reorganization or liquidation).

Footnote. Is supplemented by Article 53-5 in accordance with the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019); as amended by Law № 262-VI of the Republic of Kazakhstan as of 03.07.2019 (shall be enforced from

01.01.2020); № 272-VI as of 25.11.2019 (shall be enforced from 02.01.2020); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 54. Suspension of the license of an insurance (reinsurance) company and an insurance broker

1. The license of an insurance (reinsurance) company and an insurance broker may be suspended for a period of up to six months in one of the following grounds:

1) failure to comply with the requirements of supervisory response measures applied by the authorized body;

1-1) withdrawal of the status of an insurance holding company, a major participant-individual in the absence of an insurance (reinsurance) company of another insurance holding company or a major participant-individual;

2) failure to comply with prudential standards and other mandatory norms and limits, set by the legislation of the Republic of Kazakhstan;

2-1) identify the violation of the legislative acts of the Republic of Kazakhstan, regulating the compulsory types of insurance, summed up in the use of unreasonable insurance rates, unjustified refusal in the insurance payments, late insurance payment, non-fulfillment or improper fulfillment of the obligations, arising from the conditions and procedures for compulsory types of insurance;

2-2) violation of the prohibition established by Article 15-1 of this Law on granting preferential conditions to the persons connected with the insurance (reinsurance) company by special relations;

2-3) Excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication);

2-4) violation of the prohibition established by paragraph 4 of Article 17 of this Law;

2-5) failure by the insurance broker to comply with the requirements for the minimum amount of equity established by the regulatory legal act of the authorized body;

2-6) identification of the fact of an insurance broker’s participation in public procurement for the provision of services related to the conclusion of an insurance contract, with the exception of the services provision for managing the activities of an insurance (reinsurance) pool;

2-7) failure to comply with the conditions and procedure for the activities of the insurance broker, as determined by the regulatory legal act of the authorized body;

3) Is excluded by the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019).

4) refusal to provide the documents and information, requested by the authorized body within its jurisdiction in connection with the verification of the insurance activities and the activities of an insurance broker;

5) violation of the requirements, relating to the coordination of the executives of an insurance (reinsurance) company, an insurance broker;

6) (Is excluded – dated 20 February, 2006 № 128 (the order of enforcement see Art. 2) ;

7) identification of violation of the legislation, related to the improper reflection in the accounting of financial transactions for insurance (reinsurance), as well as conducting other forms of mandatory accounting forms;

8) establishment of the fact for providing the inaccurate information in the documents that were the basis for issuance of the license;

8-1) is excluded by the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019).

9) Excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication);

10) implementation of the insurance agent activity by the insurance broker;

10-1) implementation by the insurance broker of intermediary activity on conclusion of insurance (reinsurance) contracts without having a valid contract of insurance of its civil liability before the third parties, the object of which are the risks connected with professional liability of the insurance broker;

11) systematic (three or more times within twelve consecutive calendar months) breaching of the requirements stipulated by the legislation of the Republic of Kazakhstan on combating legalization (laundering) of proceeds from crime, financing of terrorism and financing of the proliferation of weapons of mass destruction;

12) absence of the insurance (reinsurance) company the contract of participation in the database in the cases, provided for in this Law;

13) the insurance (reinsurance) company does not have an agreement on participation in an organization that guarantees the implementation of insurance payments to policyholders (insured persons, beneficiaries) in the event of liquidation of insurance companies, the existence of which is provided for by the laws of the Republic of Kazakhstan;

13-1) the insurance (reinsurance) company does not have a major participant - an individual or an insurance holding company in the implementation of compulsory types of insurance, except for the cases provided for by part two of paragraph 3-1 of Article 11 of this Law;

14) Is excluded by the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication);

15) failure by the insurance holding company, a major participant in the insurance (reinsurance) company to comply with the requirements of the authorized body to increase the

equity of the insurance (reinsurance) company, as well as the requirements imposed in accordance with paragraph 2 of Article 53-4 of this Law;

16) non-compliance of the risks management and internal control system with the requirements of the authorized body.

1-1. The validity of the license of an insurance (reinsurance) company may be suspended both for all classes of insurance and (or) types of activity and for individual classes of insurance and (or) types of activity.

1-2. The license of a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan and a branch of a non-resident insurance broker of the Republic of Kazakhstan may be suspended for up to six months on one of the following grounds:

1) the grounds provided for in subparagraphs 1), 2), 2-1), 2-2), 2-4), 2-6), 2-7), 4), 5), 7), 8), 10), 10-1), 11), 12), 13) and 16) of paragraph 1 of this Article;

2) non-compliance by the branch of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, the branch of the non-resident insurance broker of the Republic of Kazakhstan with the requirements for the amount of assets accepted as a reserve, established by the regulatory legal act of the authorized body in accordance with paragraph 4 of Article 16-4 and paragraph 12 of Article 46 of this Law;

3) non-compliance by an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan with the requirements of the authorized body, presented in accordance with paragraph 12 of Article 46 and paragraph 7 of Article 53-3 of this Law;

4) carrying out activities prohibited for the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan in accordance with paragraph 3 of Article 11 of this Law;

5) non-compliance in the course of activity of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, branch of the non-resident insurance broker of the Republic of Kazakhstan with the requirements for executives of the branch of an insurance (reinsurance) organization-non -resident of the Republic of Kazakhstan, branch of the non-resident insurance broker of the Republic of Kazakhstan;

6) suspension of the license of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan for the right to carry out insurance (reinsurance) activities, non-resident insurance broker of the Republic of Kazakhstan to carry out the activities of an insurance broker by a financial supervisory authority or a state court, whose resident is non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, non-resident insurance broker of the Republic of Kazakhstan suspension of the license of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan for the right to carry out insurance (reinsurance) activities, non-resident insurance broker of the Republic of Kazakhstan to carry out the activities of an insurance broker by a financial supervisory authority or a state court, whose resident is non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, non-resident insurance broker of the Republic of Kazakhstan.

2. Suspension of the license of the insurance (reinsurance) company entails a prohibition on the conclusion of the new insurance (reinsurance) contract by it, including the extension of the existing insurance (reinsurance) contracts and their changes, provided for the increase in insurance premiums, extent of the liability of the insurance (reinsurance) company, as well as the implementation of the insurance mediation as an insurance agent. The insurance (reinsurance) company shall meet its obligations under the previously concluded insurance (reinsurance) contracts.

3. The decision to suspend the license shall contain the grounds and the period of suspension of the license.

The license shall be considered as suspended from the date of bring such decision to the attention of the executive body of the licensee.

Information on the decision to suspend the license shall be published on the Internet resource of the authorized body in the Kazakh and Russian languages.

4. The requirements of subparagraph 2) of paragraph 1 of this Article shall not apply in respect of an insurance broker.

Footnote. Article 54, as amended by the Laws of the Republic of Kazakhstan dated 11 June, 2003 № 436, dated 23 December, 2005 № 107 (the order of enforce see Art. 2 of the Law № 107), dated 20 February, 2006 № 128 (the order of enforcement see Art. 2), dated 19 February, 2007 № 230 (the order of enforcement see Art. 2), dated 7 May, 2007 № 244, dated 23.10.2008 № 72-IV (the order of enforcement see Art. 2), dated 28.08.2009 № 192-IV (shall be enforced from 08.03.2010), dated 30.12.2009 № 234-IV; dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2), dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication); dated 10.06.2014 № 206-V (shall be enforced after ten calendar days after day of its first official publication); dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication); dated 24.11.2015 № 422-V (shall be enforced dated 01.01.2016); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 19.04.2024 № 74-VIII (shall be enforced upon expiry of six months after the date of its first official publication).

Article 54-1. Transfer of the insurance portfolio in case of revocation of the license of the insurance (reinsurance) company

1. In case of revocation of the license of an insurance (reinsurance) company by the temporary administration, within thirty working days from the date of revocation of the license, the insurance portfolio must be transferred by classes (types) of insurance for which a

guarantee is provided in accordance with the Law of the Republic of Kazakhstan "On the Guarantee Fund for Insurance payments", another (other) insurance (reinsurance) company (insurance (reinsurance) companies).

At the request of the provisional administration, the period specified in part one of this paragraph may be extended by the authorized body for the period specified in its decision.

2. The transfer of the insurance portfolio shall be carried out without the consent of the insured (reinsurer).

3. The transfer of the insurance portfolio shall be carried out at the expense of the organization that guarantees the implementation of insurance payments to policyholders (insured persons, beneficiaries) in the event of liquidation of insurance companies.

4. The provisional administration shall send for approval to the authorized body the decision made on the choice of the insurance (reinsurance) company (insurance (reinsurance) companies) for the transfer of the insurance portfolio no later than the first business day following the day of making such a decision and shall also notify of the completion of the transfer of the insurance portfolio no later than the first business day following the day of completion of such transfer.

The authorized body shall consider this decision of the provisional administration within five working days from the date of its receipt.

The grounds for the refusal of the authorized body to agree on the decision taken by the provisional administration shall be the non-compliance of the insurance (reinsurance) company accepting the insurance portfolio with the requirements established by the regulatory legal act of the authorized body, including failure to comply with prudential standards and other mandatory norms and limits at the time of its adoption, and also taking into account the newly accepted insurance portfolio.

5. The provisional administration shall publish in Kazakh and Russian languages an announcement on the transfer of the insurance portfolio in two periodicals distributed throughout the territory of the Republic of Kazakhstan and on the Internet resource of the insurance (reinsurance) company.

6. The procedure and features of the transfer of the insurance portfolio in case of revocation of the license of the insurance (reinsurance) company shall be determined by the regulatory legal act of the authorized body.

7. The provisions of this Article shall apply to the branch of an insurance (reinsurance) company that is forcibly terminating its activities - a non-resident of the Republic of Kazakhstan, taking into account the specifics provided for in Article 72-1 of this Law.

Footnote. Law is supplemented by Article 54-1, in accordance with the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2); as amended by the Law of the Republic of Kazakhstan dated July 12, 2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication);

dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication).

Article 55. Revocation of the license of an insurance (reinsurance) company and an insurance broker

1. The authorized body shall have the right to make the decision on the revocation of the license for one of the following grounds:

1) failure to eliminate in the specified period, the circumstances, giving rise to the suspension of the license;

2) excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication);

2-1) repeated (two or more times within twelve consecutive calendar months) failure to comply with the supervisory response measures applied by the authorized body;

2-2) repeated (two or more times during the twelve consecutive calendar months) violations of the legislative acts of the Republic of Kazakhstan, regulating the compulsory types of insurance;

2-3) repeated (two or more times during the twelve consecutive calendar months) non-compliance with the requirements of the prudential standards and other mandatory norms and limits, set by the legislation of the Republic of Kazakhstan;

3) the court's decision on the termination of the activities of the insurance (reinsurance) company or the insurance broker;

4) excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication);

5) is excluded by the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2);

6) excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication);

7) repeat violation within the last twelve months of the requirements stipulated by the legislation of the Republic of Kazakhstan on combating legalization (laundering) of proceeds from crime, terrorism financing and financing the proliferation of weapons of mass destruction, for which a sanction in the form of suspension of the license was applied on the grounds provided for in subparagraph 11) of paragraph 1 of Article 54 of this Law;

8) participation of an insurance (reinsurance) organization or insurance broker in transactions related to money laundering, terrorist financing, or financing the proliferation of weapons of mass destruction.

1-1. An insurance (reinsurance) company may be deprived of a license both for all classes of insurance and (or) types of activity and for individual classes of insurance and (or) types of activity.

1-2. The authorized body shall have the right to make a decision to deprive the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, the branch of the non-resident insurance broker of the Republic of Kazakhstan of a license on one of the following grounds:

1) the grounds provided for in subparagraphs 1), 2-1), 2-2), 2-3), 7) and 8) of paragraph 1 of this Article;

2) repeated (two or more times within twelve consecutive calendar months) violation provided for in subparagraphs 2), 3), 4), 5) and 6) of paragraph 1-2 of Article 54 of this Law;

3) revocation of the license of the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan for the right to carry out insurance (reinsurance) activities, non-resident insurance broker of the Republic of Kazakhstan for the right to carry out the activities of an insurance broker by a financial supervisory authority or a state court, whose residents are non-resident insurance (reinsurance) organization of the Republic of Kazakhstan , non-resident insurance broker of the Republic of Kazakhstan;

4) adoption by the court of the state, the resident of which is the non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, the non-resident insurance broker of the Republic of Kazakhstan, of a decision on the forced liquidation (termination of activities) of the insurance (reinsurance) organization-non- resident of the Republic of Kazakhstan, non-resident insurance broker of the Republic of Kazakhstan;

5) adoption by the court of a decision to terminate the activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan in the cases provided for by part two of paragraph 5 of Article 72-1 of this Law.

1-3. An insurance (reinsurance) company may be deprived of a license to carry out insurance (reinsurance) activities in the presence of an insurance portfolio. In the absence of an insurance portfolio, such a license shall be voluntarily returned.

2. The decision on the revocation of the license shall specify the ground of its revocation.

3. The insurance (reinsurance) company that is revoked of a license, shall not be entitled to carry out the insurance or other activity, shall cease all operations on the existing bank accounts, with the exception of the operations, a list of which is determined by the authorized body.

4. An insurance broker, that is revoked a license, shall not be entitled to carry out its activity, shall cease all operations on the existing bank accounts, except in cases related to the current maintenance costs, transfer of money flowing to the insurance broker.

5. The decision to revoke the licenses of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan and the branch of non-resident insurance broker of the Republic of Kazakhstan shall enter into force from the date of its

adoption by the authorized body. Information on the decision taken to revoke a license is published on the Internet resource of the authorized body in Kazakh and Russian.

The non-resident insurance (reinsurance) organization of the Republic of Kazakhstan shall have the right to appeal against the decision to revoke the license of the branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan for the right to carry out insurance (reinsurance) activities.

Footnote. Article 55, as amended by the Laws of the Republic of Kazakhstan dated 10.07.2003 № 483 (shall be enforced from 01.01.2004), dated 23.12.2005 № 107 (the order of enforcement see Art. 2 of the Law № 107), dated 20.02.2006 № 128 (the order of enforcement see Art. 2), dated 12.01.2007 № 222 (shall be enforced upon expiry of 6 months from the date of its official publication), dated 07.05.2007 № 244, dated 28.08.2009 № 192-IV (shall be enforced from 08.03.2010), dated 30.12.2009 № 234-IV; dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2); dated 10.06.2014 № 206-V (shall be enforced after ten calendar days after day of its first official publication); dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019); dated 02.04.2019 № 241-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 19.09.2025 № 219-VIII (effective sixty calendar days after the date of its first official publication).

Article 55-1. Conservation of insurance (reinsurance) company

Footnote. Article 55-1 is excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 55-2. Temporary administration for administering the insurance (reinsurance) company

1. The temporary administration shall be appointed by the authorized body from among its employees or other persons who meet the requirements established by paragraph 2 of Article 9-4 of the Law of the Republic of Kazakhstan “On the State Regulation, Control and Supervision of the Financial Market and Financial Organizations”.

2. The rights and responsibilities, as well as the conditions of payment for the head and members of the temporary administration (except for the employees of the authorized body) shall be established by a separate agreement, concluded between the authorized body and the temporary administration.

3. The temporary administration shall be governed by this Law, regulatory legal acts of the authorized body and other legislation of the Republic of Kazakhstan.

4. The authorized body shall have the right to replace the members of the temporary administration at any time.

5. The head and members of the temporary administration shall be liable for damage, caused by the insurance (reinsurance) company in accordance with the laws of the Republic of Kazakhstan. Laying on the head and members of the temporary administration the responsibility for any damage that may be classified as normal business risks shall not be allowed.

6. The provisions of this Article shall apply to the branch of an insurance (reinsurance) company that is forcibly terminating its activities - a non-resident of the Republic of Kazakhstan, taking into account the specifics provided for in Article 72-1 of this Law.

Footnote. Law is supplemented by Article 55-2 in accordance with the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2); with the change made by the Law of the Republic of Kazakhstan dated 24.11.2015 № 422-V (shall be enforced dated 01.01.2016); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

Article 55-3. The decision to conduct the conservation of the insurance (reinsurance) company

Footnote. The Law is supplemented by Article 55-3 in accordance with the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Article 2); is excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 55-4. Features of administering the insurance (reinsurance) company in the conservation period. Powers of the temporary administration for administering the insurance (reinsurance) company

Footnote. Law is supplemented by Article 55-4 in accordance with the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2); is excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 55-5. Control over the activity of the temporary administration (temporary manager) of the insurance (reinsurance) company

Footnote. The Law is supplemented by Article 55-5 in accordance with the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Article 2); is excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 55-6. Termination of conservation

Footnote. Law is supplemented by Article 55-6 in accordance with the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2); is excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 56. Consequences of withdrawal of the license of the insurance entities and insurance broker

1. The decision on deprivation of licenses of the subjects of insurance activity and the insurance broker shall enter into force from the date of its adoption by the authorized body. Information on the taken decision on deprivation the license shall be published on the Internet resource of the authorized body in the Kazakh and Russian languages.

2. The authorized body shall apply to the court for the compulsory termination of the activity (liquidation) of the insurance broker in accordance with legislation within fifteen days from the date of withdrawal of the license.

3. The authorized body shall appoint the temporary administration of the insurance (reinsurance) company from the date of entry into force of the decision on the withdrawal of the license and the powers of all bodies of the insurance (reinsurance) company shall transfer to it.

Powers of the previously existing bodies of the insurance (reinsurance) organization shall be suspended. Shareholdres of insurance (reinsurance) organization shall have the right to appeal the decision on withdrawal of the license in accordance with the procedure established by the laws of the Republic of Kazakhstan.

3-1. Temporary administration of an insurance (reinsurance) company in case of deprivation of the license of an insurance (reinsurance) company shall:

1) transfer the insurance portfolio by classes (types) of insurance for which a guarantee shall be provided in accordance with the Law of the Republic of Kazakhstan "On Insurance Payments Guarantee Fund", in the manner prescribed by Article 54-1 of this Law and the regulatory legal act of the authorized body;

2) within two working days from the date of revocation of the license of the insurance (reinsurance) company, form and transfer to the organization that guarantees the implementation of insurance payments to policyholders (insured, beneficiaries) in the event of liquidation of insurance companies, register of contracts of the liquidated insurance (reinsurance) company from the databases of the organization on the formation and maintenance of a database and a liquidated insurance (reinsurance) company by classes (types) of insurance for which a guarantee shall be provided in accordance with the Law of the Republic of Kazakhstan "On Insurance Payments Guarantee Fund";

3) publish an announcement on the implementation by an organization that guarantees the implementation of insurance payments to policyholders (insured, beneficiaries) in the event of liquidation of insurance companies, guarantee payments by classes (types) of insurance for which a guarantee shall be provided in accordance with the Law of the Republic of Kazakhstan "On Insurance Payments Guarantee Fund". This announcement on the implementation of guarantee payments shall be published in Kazakh and Russian languages in two periodicals distributed throughout the territory of the Republic of Kazakhstan and on the Internet resource of the insurance (reinsurance) company.

The authorized body, within ten working days from the date of transfer of the insurance portfolio, shall apply to the court for the forced termination of the activities (liquidation) of the insurance (reinsurance) company in the manner prescribed by the legislation of the Republic of Kazakhstan.

4. The temporary administration shall carry out its activities in the period before the appointment of the liquidation commission of the insurance (reinsurance) company by the authorized body.

Control over the activities of the temporary administration of the insurance (reinsurance) company shall be carried out by the authorized body before the appointment of the liquidation commission of the insurance (reinsurance) company.

For the purpose of activity control of temporary administration the authorized body has the right at identification in activity of temporary administration of requirement violations of the legislation of the Republic of Kazakhstan, the rights and legitimate interests of creditors to take out written instructions, obligatory for execution by temporary administrations, about elimination established violations and (or) the reasons and also conditions promoting their commission, at the scheduled time and (or) representation at the scheduled time of the actions plan.

In the actions plan submitted in time, established by the written instruction, descriptions of violations, the reasons which led to their emergence, the list of the planned actions, terms of their implementation and also responsible officials are specified.

The appeal of the written instruction of authorized body shall be carried out in accordance with the procedure, established by the laws of the Republic of Kazakhstan. The appeal of the written instruction of authorized body does not stop his execution.

5. Report of the temporary administration (temporary manager) of the insurance (reinsurance) company on the executed work shall be submitted to the authorized body for approval.

Acceptance-transfer of documents and property of the insurance (reinsurance) company from the temporary administration to the chairman of the liquidation commission shall be executed by an act that is made in four copies. One copy of the acceptance-transfer act shall be sent to the authorized body, the other – to the court, ordered the liquidation of the insurance (reinsurance) company.

6. The temporary administration of the insurance (reinsurance) company shall not be entitled to carry out debit transactions, except as provided for in paragraph 3 of Article 55 of this Law during its activity.

7. The operating procedure of the insurance (reinsurance) organization, appointment of her temporary administration (the interim administrator), powers of temporary administration (the interim administrator) and also an order, forms and terms of providing by temporary administration (the interim administrator) of the reporting and other information in authorized body are defined by regulatory legal acts of authorized body.

8. It is prohibited to financing by the authorized body of expenses on termination of activity of insurance (reinsurance) companies on the grounds of compulsory liquidation, except for the expenses connected with payment of work of employees of the authorized body included in the structure of temporary administration (temporary administrator) of the insurance (reinsurance) company and liquidation commission, and also of expenses on publication in official periodicals of the central body of justice of information on the decision made by the court on compulsory liquidation of the insurance (reinsurance) company and the expenses connected with state registration of termination of activity of the insurance (reinsurance) company on the ground of compulsory liquidation by the Corporation, and delivery of documents for storage in the archive after the liquidation of the insurance (reinsurance) company in the absence of the property of the insurance (reinsurance) company or if its value is insufficient to cover these costs.

9. The provisions of this Article shall apply to the branch of an insurance (reinsurance) company that is forcibly terminating its activities - a non-resident of the Republic of Kazakhstan, taking into account the specifics provided for in Article 72-1 of this Law.

Footnote. Article 56, as amended by the Laws of the Republic of Kazakhstan dated 10.07.2003 № 483 (shall be enforced from 01.01.2004), dated 20.02.2006 № 128 (the order of enforcement see Art. 2), dated 12.01.2007 № 222 (shall be enforced upon expiry of 6 months from the date of its official publication), dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2), dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication); dated 24.11.2015 № 422-V (shall be enforced dated 01.01.2016); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019); dated 02.04.2019 № 241-VI (shall be enforced from 01.07.2019); dated 29.06.2020 № 351-VI (shall come into force from 01.07.2021); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 57. Suspension of a license of the authorized auditor

(Is excluded by the Law of the Republic of Kazakhstan dated 5 May, 2006 № 139 (the order of enforcement see Art. 2 of the Law of the Republic of Kazakhstan № 139)

Article 58. Withdrawal of a license of the authorized auditor

(Is excluded by the Law of the Republic of Kazakhstan dated 5 May, 2006 № 139 (the order of enforcement see Art. 2 of the Law of the Republic of Kazakhstan № 139).

Article 59. Suspension of the actuary license

1. The validity of the actuary's license may be suspended by the authorized body for a period of up to three months on one of the following grounds:

1) failure to submit an actuarial opinion and other documents requested by the authorized body within its competence, within the period established by the legislation of the Republic of Kazakhstan or the authorized body;

1-1) failure to comply with the requirements of supervisory response measures applied by the authorized body, and other requirements of the authorized body;

1-2) failure to comply with the requirements of paragraph 4 of Article 40 of this Law;

2) implementation of actuarial activities in violation of the legislation of the Republic of Kazakhstan on insurance and insurance activities;

3) establishment of the fact of providing unreliable information in the documents sent to the authorized body, including those that were the grounds for the issuance of a license;

4) is excluded by the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication);

5) is excluded by the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication);

6) excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

2. The decision to suspend the license shall specify the grounds and the period of the license suspension. The license shall be deemed as suspended from the date of bringing such a decision to the licensee.

Information on the decision to suspend the actuary's license shall be published on the Internet resource of the authorized body in the Kazakh and Russian languages.

Footnote. Article 59, as amended by the Laws of the Republic of Kazakhstan dated 23.12.2005 № 107 (the order of enforcement see Art. 2 of the Law № 107), dated 20.02.2006 № 128 (the order of enforcement see Art. 2), dated 19.02.2007 № 230 (the order of enforcement see Art. 2), dated 30.12.2009 № 234-IV (shall be enforced from 01.01.2012), dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2), dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); № 168-VI as of 02.07.2018 (the enforcement procedure is in Art.2); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 60. Withdrawal of the actuary license

1. The authorized body shall have the right to decide on the withdrawal of the license for one of the following grounds:

1) failure to remove the circumstances in a timely manner, that giving rise to the suspension of the license;

2) Excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication);

2-1) violation by an actuary of the legislation of the Republic of Kazakhstan on insurance and insurance activities, resulting in a systematic (three or more times within twelve

consecutive calendar months) non-compliance by the insurance organization with the requirements of prudential standards and (or) other mandatory norms and limits;

2-2) provision of a knowingly false actuarial opinion;

3) disclosure or transfer to third parties (except the authorized body) the data obtained in the course of actuarial calculations, as well as acting as an independent actuary and those that are the subject of security secrets or commercial secrets;

4) Excluded by the Law of the Republic of Kazakhstan dated July 12, 2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication);

5) the court decision on the termination of entrepreneurial activity of an actuary.

2. The decision on the withdrawal of the license shall specify the ground of its withdrawal . Licensee shall be deemed to be withdrawing of the license from the date of bringing such a decision to the licensee.

Information on a decision made to revoke the actuary's license is published on the website of the authorized body in Kazakh and Russian.

Footnote. Article 60, as amended by the Laws of the Republic of Kazakhstan dated 12 January, 2007 № 222 (shall be enforced upon expiry of 6 months from the date of its official publication), dated 15.07.2010 № 338-IV (shall be enforced from 01.01.2012); № 168-VI as of 02.07.2018 (shall be enforced from 01.01.2019); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 61. Compulsory redemption of shares

Footnote. Article 61 is excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Chapter 11. Reorganization

Article 62. Voluntary reorganization of the insurance (reinsurance) company and insurance holding company

1. Voluntary reorganization (merger, consolidation, split-up, spin-off, transformation) of the insurance (reinsurance) company (insurance holding company) shall be carried out in accordance with the legal acts of the Republic of Kazakhstan with the specifications, established by this Law and the regulatory legal acts of the authorized body.

2. Voluntary reorganization of the insurance (reinsurance) company (insurance holding company) can be carried out with the permission of the authorized body.

The insurance (reinsurance) company shall, within one week return all the previously issued licenses to the authorized body in obtaining the permission for voluntary reorganization into a legal entity, not carrying out the insurance activities.

3. The basis for applying for obtaining permission to conduct a voluntary reorganization of an insurance (reinsurance) company (insurance holding company) shall be the presence of

a decision of the general meeting of shareholders (members) of this insurance (reinsurance) company (insurance holding company).

The decision of the general meeting of shareholders (participants) of the insurance (reinsurance) company (insurance holding company) on its voluntary reorganization shall be sent by the insurance (reinsurance) company (insurance holding company) to the authorized body within five working days from the date of such a decision.

If the general meeting of shareholders of an insurance (reinsurance) company decides on its voluntary reorganization into a legal entity that does not carry out insurance (reinsurance) activities, it shall be prohibited to conclude new insurance (reinsurance) contracts, including the extension of existing insurance (reinsurance) contracts and their change, providing for an increase in insurance premiums, the volume of liability of the insurance (reinsurance) company. This prohibition shall be effective from the date of notification of the authorized body in accordance with part two of this paragraph.

When a decision is made by the general meeting of shareholders of an insurance (reinsurance) company to cancel the earlier decision of the general meeting of shareholders of an insurance (reinsurance) company on its voluntary reorganization into a legal entity that does not carry out insurance (reinsurance) activities, the insurance (reinsurance) company shall be obliged within five calendar days from the date of signing the minutes of the general meeting of shareholders, submit a business plan to the authorized body in accordance with subparagraph 2) of paragraph 2 and paragraph 3 of Article 37 of this Law.

The business plan of the insurance (reinsurance) company shall be considered by the authorized body within ten working days.

Therewith, the prohibition specified in part three of this clause shall be valid until the approval of the business plan specified in part four of this clause by the authorized body.

4. An application for permission of the authorized body to conduct the voluntary reorganization of the insurance (reinsurance) company (insurance holding company) shall be accompanied by the following documents:

1) the decision of the supreme body of the insurance (reinsurance) company (insurance holding company) on its voluntary reorganization (if no such information is available on the website of the financial statements depository);

2) an action plan for the reorganization of the insurance (reinsurance) company (insurance holding company).

3) is excluded by Law № 272-VI of the Republic of Kazakhstan as of 25.11.2019 (shall be enforced ten calendar days after its first official publication).

5. An application for a permit for voluntary reorganization of an insurance (reinsurance) company (insurance holding company) shall be considered by the authorized body within thirty-five working days of submission of a complete package of documents.

6. The reorganized insurance (reinsurance) company (insurance holding) within two weeks from the date of receipt of the permit of the authorized body to conduct reorganization,

shall be obliged to inform about the forthcoming changes all its insurants by direct notification and publication of the corresponding announcement not less than in two periodicals, distributed throughout the territory of the Republic of Kazakhstan, in the Kazakh and Russian languages and on the Internet resource of the insurance (reinsurance) company.

7. State registration or re-registration of the legal entities, formed as a result of the reorganization shall be carried out, in accordance with the legislative acts of the Republic of Kazakhstan.

8. The procedure for issuing the permission for voluntary reorganization of the insurance (reinsurance) company (insurance holding company) or refusal to issue this permission shall be determined by the regulatory legal act of the authorized body.

9. The requirements of this article shall not apply to non-residents of the Republic of Kazakhstan that are an insurance holding company, a person with characteristics of the insurance holding company, subject to one of the following conditions:

availability of an individual credit rating not lower than A rated of one of the rating agencies, the list of which is established by the authorized body, and a written confirmation from the financial supervision authority of the country of origin of the insurance holding company, the person having the characteristics of the insurance holding company, that these non-residents of the Republic of Kazakhstan shall be subject to the consolidated supervision;

existence of an agreement between the authorized body and the relevant supervisory authority of the foreign state on information exchange, as well as the minimum required rating of one of the rating agencies. Minimum rating and list of rating agencies shall be established by the regulatory legal act of the authorized body.

Footnote. Article 62 is in the wording of the Law of the Republicio of Kazakhstan dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication), as amended by the Law of the Republic of Kazakhstan dated 26.12.2012 № 61-V (shall be enforced from 04.02.2012); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); № 272-VI as of 25.11.2019 (shall be enforced ten calendar days after its first official publication); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 63. Refusal to issue a permission for voluntary reorganization

1. Refusal to issue a permission for voluntary reorganization of the insurance (reinsurance) company (insurance holding company) shall be made by the authorized body for the following reasons:

1) breach of the legitimate interests of policyholders and other creditors as a result of the assumed voluntary reorganization;

2) violation of the minimum conditions to ensure the financial sustainability and other mandatory norms and limits and other requirements, established by this Law and the regulatory legal acts of the authorized body as a result of the assumed reorganization;

2-1) absence of the relevant decisions of the supreme bodies of the reorganized insurance (reinsurance) companies (insurance holding companies);

2-2) violation as a result of expected requirement reorganization of the legislation of the Republic of Kazakhstan in the protection field of the competition;

3) non-elimination of comments of the authorized body on the submitted documents within the period established by it;

4) inconsistency of the submitted documents with the legislation of the Republic of Kazakhstan.

2. The authorized body shall notify the applicant on the refusal to issue the permission for its voluntary reorganization with indication of the reasons.

Footnote. Article 63, as amended by Law of the Republic of Kazakhstan dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication); dated 29.10.2015 № 376-V (shall be enforced dated 01.01.2016); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 64. Specific aspects of the forced reorganization of the insurance (reinsurance) company

Footnote. Article is excluded by the Law of the Republic of Kazakhstan dated 20 February, 2006 № 128 (the order of enforcement see Art. 2).

Chapter 12. Liquidation

Article 65. Types and grounds for liquidation of insurance (reinsurance) company

1. Liquidation of the insurance (reinsurance) company, including on the ground of bankruptcy, shall be carried out in accordance with this Law and other regulatory legal acts of the Republic of Kazakhstan.

2. Insurance (reinsurance) company may be liquidated on the following grounds:

1) by the decision of its shareholders with the permit of the authorized body (voluntary liquidation);

2) by the court decision in cases provided by the legislation of the Republic of Kazakhstan (compulsory liquidation).

Footnote. Article 65 as amended by the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 66. Committee of creditors of compulsorily liquidated insurance (reinsurance) organizations

Footnote. The heading of Article 66 as amended by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

1. To ensure the interests of creditors and make decisions with their participation in the procedure for the compulsory liquidation of insurance (reinsurance) companies, a committee of creditors shall be created.

The committee of creditors of the liquidated insurance (reinsurance) company shall be approved by the authorized body by the representation of the liquidation commission of the insurance (reinsurance) company.

2. Features of formation and activities of the creditors' committee shall be established by the regulatory legal acts of the authorized body.

Footnote. Article 66, as amended by the Law of the Republic of Kazakhstan dated 10 July , 2003 № 483 (shall be enforced from 1 January, 2004); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 67. Features of voluntary liquidation of an insurance (reinsurance) company

1. After the general meeting of shareholders of an insurance (reinsurance) company decides on its voluntary liquidation, the insurance (reinsurance) company shall be obliged to:

1) send a copy of such a decision to the authorized body within three working days from the date of drawing up and signing the minutes of the general meeting of shareholders of the insurance (reinsurance) company.

The decision of the general meeting of shareholders of the insurance (reinsurance) company on its voluntary liquidation shall entail a ban on the conclusion of new insurance (reinsurance) contracts, including the extension of existing insurance (reinsurance) contracts and their change, providing for an increase in insurance premiums, the amount of liability of the insurance (reinsurance) company, with the day of notification of the authorized body in accordance with this subparagraph, which, in case of refusal by the authorized body to issue permission for the voluntary liquidation of the insurance (reinsurance) company, shall be valid until such refusal;

2) transfer the insurance portfolio to another (other) insurance (reinsurance) company (insurance (reinsurance) companies) that has (have) a license (licenses) for transferred classes (types) of insurance and is (are) a participant (s) of the insurance guarantee system payments.

The procedure for issuing a permit for the voluntary liquidation of insurance (reinsurance) companies or refusal to issue the said permit, as well as the procedure for transferring the insurance portfolio, shall be determined by the regulatory legal act of the authorized body.

After the transfer of the insurance portfolio in the manner prescribed by Article 37-1 of this Law and the regulatory legal act of the authorized body, the insurance (reinsurance) company shall be obliged to apply to the authorized body with a request to issue a permit for its voluntary liquidation.

2. When a decision is made by the general meeting of shareholders of the insurance (reinsurance) company to cancel the earlier decision of the general meeting of shareholders of the insurance (reinsurance) company on its voluntary liquidation, the insurance (reinsurance)

company shall be obliged within three calendar days from the date of drawing up and signing the minutes of the general meeting of shareholders insurance (reinsurance) company to submit a business plan to the authorized body in accordance with subparagraph 2) of paragraph 2 and paragraph 3 of Article 37 of this Law.

The business plan of the insurance (reinsurance) company shall be considered by the authorized body within ten working days.

Therewith, the prohibition specified in subparagraph 1) of part one of paragraph 1 of this Article shall be valid until the approval of the business plan specified in part one of this paragraph by the authorized body.

3. An application for issuing a permit to conduct voluntary liquidation of an insurance (reinsurance) company must be accompanied by documents, the list of which shall be established by the regulatory legal acts of the authorized body.

4. An application for obtaining permission to conduct voluntary liquidation of an insurance (reinsurance) company must be considered by the authorized body within two months from the date of receipt of all necessary documents.

5. After receiving permission for voluntary liquidation, the insurance (reinsurance) company shall be obliged to return the license and (or) attachment to the license to the authorized body within ten working days.

6. After obtaining the permission of the authorized body for the voluntary liquidation of the insurance (reinsurance) company, the liquidation shall be carried out by its shareholders (sole shareholder) or persons authorized by them (him), in the manner prescribed by the Civil Code of the Republic of Kazakhstan.

7. After registering the termination of the insurance (reinsurance) organization's activities, the liquidation commission of the insurance (reinsurance) organization shall notify the authorized body of the completion of the voluntary liquidation process within ten working days.

Footnote. Article 67 - as amended by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication).

Article 68. Refusal to issue the permission for voluntary liquidation

1. Refusal to issue the permission for voluntary liquidation of the insurance (reinsurance) company shall be made by the authorized body for the following reasons:

1) breach of the legitimate interests of policyholders and other creditors as a result of the assumed voluntary liquidation;

2) non-elimination of comments of the authorized body on the submitted documents within the period established by it;

3) inconsistency of the submitted documents with the legislation of the Republic of Kazakhstan;

4) insufficiency of funds of the insurance (reinsurance) company to settle its obligations;

5) existence of obligations under insurance (reinsurance) contracts.

2. The authorized body shall notify the applicant of the refusal to issue the permission for its voluntary liquidation, with indication of the reasons.

Footnote. Article 68, as amended by Law of the Republic of Kazakhstan dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 69. Specific aspects of compulsory liquidation of the insurance (reinsurance) company

1. The temporary administration shall resign its powers and transfer the documents and property of the insurance (reinsurance) company to the chairman of the liquidation commission after the court makes a decision on the forced liquidation of the insurance (reinsurance) company and complete the procedures provided for by the regulatory legal act of the authorized body.

1-1. The chairman and members of the liquidation commission of a forcibly liquidated insurance (reinsurance) company shall be appointed by the authorized body, who may be appointed from among:

1) employees of the authorized body;

2) employees of an organization that guarantees insurance payments to policyholders (insured persons, beneficiaries) in the event of liquidation of insurance companies;

3) its shareholders (sole shareholder) or persons authorized by them (him) in the manner prescribed by the Civil Code of the Republic of Kazakhstan.

2. From the date of deprivation of the license of the insurance (reinsurance) company:

1) its shareholders (sole shareholder) or persons authorized by them (him), in the manner prescribed by the Civil Code of the Republic of Kazakhstan, the bodies of the insurance (reinsurance) company shall not be entitled to dispose of the property of the insurance (reinsurance) company, except for the liquidation of the insurance (reinsurance) company organization and provision of settlements with its creditors, in case of appointment of the chairman of the liquidation commission of the forcibly liquidated insurance (reinsurance) company from among its shareholders (sole shareholder) or persons authorized by them (him) , in the manner prescribed by the Civil Code of the Republic of Kazakhstan;

2) the execution of earlier decisions of the courts concerning the liquidated insurance (reinsurance) company shall be suspended, except for court decisions on the implementation of insurance payment (insurance payments) for guaranteed classes (types) of insurance provided for by the Law of the Republic of Kazakhstan "On Insurance Payments Guarantee Fund", which shall be done by an organization that guarantees insurance payments to

policyholders (insured persons, beneficiaries) in the event of liquidation of insurance organizations, in accordance with the Law of the Republic of Kazakhstan "On Insurance Payments Guarantee Fund";

3) claims of creditors against a liquidated insurance (reinsurance) company may be presented in liquidation proceedings, except for claims related to expenses provided for in paragraph 3 of Article 55 of this Law, as well as with payments for guaranteed classes (types) of insurance provided for by the Law of the Republic of Kazakhstan "On Insurance Payments Guarantee Fund";

4) it shall be prohibited to collect money from the bank accounts of the insurance (reinsurance) company according to the requirements of creditors, state revenue authorities, including those subject to satisfaction in an indisputable (non-acceptance) order, as well as a foreclosure on the property of the insurance (reinsurance) company and assets formed at the expense of a part of insurance premiums (insurance contributions) received from policyholders for investment purposes, and income (expenses) received (incurred) from their investment, under insurance contracts providing for the condition of participation of the insurant in investments;

5) shareholders of an insurance (reinsurance) company shall be prohibited from alienating their shares of the insurance (reinsurance) company;

6) management, and if necessary, other employees shall be suspended from work in accordance with the labor legislation of the Republic of Kazakhstan.

3. In case of forced liquidation of an insurance (reinsurance) company, the court shall notify the authorized body and the organization that guarantees the implementation of insurance payments to policyholders (insured, beneficiaries) in the event of liquidation of insurance companies, and within ten calendar days from the date of the decision on the forced liquidation of the insurance (reinsurance) of the organization shall send them a copy of such a decision.

3-1. From the date of entry into force of the court decision on the compulsory liquidation of the insurance (reinsurance) company, the powers of the previously existed bodies of the insurance (reinsurance) company shall be terminated, the executives and if necessary, other employees shall be dismissed in the manner prescribed by the labour legislation of the Republic of Kazakhstan.

3-2. From the date of entry into force of the court decision on the compulsory liquidation of the insurance (reinsurance) company, the consequences provided for in subparagraphs 1) - 5) of paragraph 2 of this Article shall occur.

3-3. From the date of entry into force of a court decision on the forced liquidation of an insurance (reinsurance) company, insurance (reinsurance) contracts concluded with a forcibly liquidated insurance (reinsurance) company shall terminate early in the manner prescribed by

the Civil Code of the Republic of Kazakhstan, except for contracts for guaranteed types (classes) of insurance provided for by the Law of the Republic of Kazakhstan "On Insurance Payments Guarantee Fund".

4. If the court makes the decision on the compulsory liquidation of the insurance (reinsurance) company on the grounds, not involving the withdrawal of the licenses by the authorized body, the authorized body shall consider the question of withdrawing its license in the manner, prescribed by the legislation of the Republic of Kazakhstan.

5. excluded by the Law of the Republic of Kazakhstan dated 07.03.2014 № 177-V (shall be enforced after ten calendar days after day of its first official publication).

Footnote. Article 69 is in the wording of the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2), as amended by the Law of the Republic of Kazakhstan dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication); dated 07.03.2014 № 177-V (shall be enforced after ten calendar days after day of its first official publication); dated 07.11.2014 № 248-V (shall be enforced after ten calendar days after day of his first official publication); dated 28.11.2014 № 257 (an order of enforcement see subitem 12) Art. 10); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 69-1. Transfer of the insurance portfolio from the date of entry into force of the court decision on the compulsory liquidation of the insurance (reinsurance) company

Footnote. Law is supplemented by Article 69-1 in accordance with the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2), is excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 70. The liquidation commission of the compulsorily liquidated insurance (reinsurance) company

1. After deciding on the liquidation of the insurance (reinsurance) company, including the reason of bankruptcy, the court shall initiate the liquidation proceedings and assign the duty to the authorized body to establish the liquidation commission of the insurance (reinsurance) company with regard to its branches and representative offices.

The procedure for appointment and dismissal of the liquidation commission of the compulsorily liquidated insurance (reinsurance) companies and the requirements for the chairman and members of the liquidation commission shall be determined by regulatory legal acts of the authorized body.

The rights and obligations of the chairman and a member of the liquidation commission, including the right to compensation, the amount of powers to manage the affairs and property of the compulsorily liquidated insurance (reinsurance) company shall be governed by the regulatory legal acts of the authorized body and the agreement, concluded between it and the

creditors' committee, subject to the requirements established by the legislation of the Republic of Kazakhstan.

1-1. The liquidation commission of a compulsorily liquidated insurance (reinsurance) company may demand that a transaction concluded by an insurance (reinsurance) company within one year before the withdrawal of its license be declared invalid by a court on the following grounds:

1) unequal counter-performance of obligations by the other party:

if the transaction price and (or) its other terms differ significantly in the worst part for the insurance (reinsurance) company from the price and (or) other terms under which similar transactions are made in comparable circumstances;

if the market value of the property transferred by the insurance (reinsurance) company or other performance of obligations performed by it significantly exceeds the cost of the received counter performance of obligations determined taking into account the terms and circumstances of such counter performance of obligations;

if the transaction was made free of charge or in respect of a person connected with an insurance (reinsurance) company by special relations, in violation of the requirements of the legislation of the Republic of Kazakhstan;

2) commission by the insurance (reinsurance) company of calculations in relation to a separate creditor or other person, which entailed the provision of preference to one of creditors before other creditors in satisfaction of claims, if the transaction resulted in satisfaction of requirements of one creditors, the deadline of which at the time of transaction has not occurred, in the presence of not executed obligations before other creditors in due time.

The limitation period for disputes related to the invalidity of transactions concluded by the insurance (reinsurance) company within one year before the deprivation of its license is five years from the date of their reveal.

In case of invalidation of the transaction, the consequences of invalidity of the transaction established by the Civil code of the Republic of Kazakhstan (General part) shall be applied.

1-2. The provisions of paragraph 1-1 of this Article shall not apply to the transaction (transactions) under the general financial agreement, except for the following cases:

1) the transaction (transactions) within the framework of the general financial agreement is (are) made after the initiation of a case on the compulsory liquidation of an insurance (reinsurance) company or within one month before the date of initiation of a case on the compulsory liquidation of an insurance (reinsurance) company;

2) the transaction (transactions) within the framework of the general financial agreement is (are) made within one month before the date of withdrawal of the license from the insurance (reinsurance) company;

3) the transaction (transactions) within the framework of the general financial agreement is (are) made within six months before the date of initiation of a case on the compulsory

liquidation of the insurance (reinsurance) company or the date of deprivation of the license of the insurance (reinsurance) company with a person associated with the insurance (reinsurance) company special relationship, or in his interest;

4) the transaction (transactions) within the framework of the general financial agreement is (are) made within six months before the date of initiation of a case on the compulsory liquidation of the insurance (reinsurance) company or the date of deprivation of the license of the insurance (reinsurance) company with a person who knew (or should have known) on signs of an unstable financial position of an insurance (reinsurance) company;

5) a transaction (transactions) within the framework of a general financial agreement has a change of parties (except for a change of parties as a result of universal succession) in one of the following cases:

after the initiation of a case on the compulsory liquidation of an insurance (reinsurance) company or within one month before the date of initiation of a case on the compulsory liquidation of an insurance (reinsurance) company;

within one month before the date of deprivation of the license of the insurance (reinsurance) company;

within six months before the date of initiation of a case on the compulsory liquidation of the insurance (reinsurance) company or the date of deprivation of the insurance (reinsurance) company's license with a person associated with the insurance (reinsurance) company by special relations;

within six months before the date of initiation of a case on the compulsory liquidation of the insurance (reinsurance) company or the date of deprivation of the license of the insurance (reinsurance) company with a person who knew (or should have known) about the signs of an unstable financial position of the insurance (reinsurance) company.

1-3. The invalidity of one or several transactions under the general financial agreement shall not entail the invalidity of the general financial agreement itself and other transactions within the framework of the general financial agreement if there are no grounds for invalidating them concerning the general financial agreement and other transactions.

If one or several transactions within the framework of the general financial agreement are recognized as invalid after the determination of the net obligation (net claim), the net liability (net claim) shall be subject to recalculation by the party to the transaction by which the net liability (net claim) was determined, by eliminating from it the results of a transaction or transactions declared invalid.

2. An interim liquidation balance sheet and a register of creditors' claims of a forcibly liquidated insurance (reinsurance) company shall be approved by the authorized body.

3. The liquidation commission of the forcibly liquidated insurance (reinsurance) company shall be obliged to submit to the authorized body reports on the work done and, upon its written request, additional information about its activities and data relating to the forcibly liquidated insurance (reinsurance) company.

4. The liquidation bankruptcy estate of an insurance (reinsurance) company shall be formed in the manner established by the legislation of the Republic of Kazakhstan, taking into account the specifics established by this Law.

Assets formed at the expense of a part of insurance premiums (insurance contributions) received from policyholders for investment purposes, and income (expenses) received (incurred) from their investment, under insurance contracts providing for the condition of participation of the insurant in investments, in a competitive (liquidation) the mass of the insurance (reinsurance) company shall not be included.

The monthly amount of remuneration paid to the chairman, members of the liquidation commission of the forcibly liquidated insurance (reinsurance) company and other involved employees should not exceed ten times the minimum wage for each of them, established for the corresponding financial year by the law on the republican budget.

The sale of the property of a forcibly liquidated insurance (reinsurance) company shall be carried out by the liquidation commission in the manner determined by the regulatory legal acts of the authorized body.

Control over the activities of the liquidation commission of a forcibly liquidated insurance (reinsurance) company shall be carried out by the authorized body.

5. The liquidation commission shall submit to the court the agreed with the authorized body report on the liquidation and the liquidation balance.

Court shall approve the report of liquidation and the liquidation balance and make a ruling on the completion of the liquidation proceedings.

The liquidation commission shall send a copy of the court ruling to the Corporation as well as to the authorized body.

The liquidation commission shall be obliged within thirty calendar days after the approval of the liquidation balance sheet and the liquidation report to submit them to the Corporation, and copies of these documents – to the authorized body.

The procedure for liquidation and requirements for the work of the liquidation commission of a forcibly liquidated insurance (reinsurance) company shall be determined by the regulatory legal acts of the authorized body.

Upon completion of the liquidation of the insurance (reinsurance) company, the liquidation commission shall in the prescribed manner pass the documents to the archive and notify the authorized body about it.

6. Is excluded by the Law of the Republic of Kazakhstan dated 10.07.2003 № 483 (shall be enforced from 01.01.2004).

7. After registration of the termination of the insurance (reinsurance) company, the liquidation commission shall, within five business days, submit a copy of the order for registration of the termination of the insurance (reinsurance) company to the authorized body.

Footnote. Article 70, as amended by the Laws of the Republic of Kazakhstan dated 10.07.2003 № 483 (shall be enforced from 01.01.2004), dated 20.02.2006 № 128 (the order

of enforcement, see Art. 2), dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2) , dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication), dated 05.07.2012 № 30-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.04.2019 № 241-VI (shall be enforced from 01.07.2019); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 71. Recognition of insurance (reinsurance) company as bankrupt

1. Insolvency of the insurance (reinsurance) organization is established taking into account the conclusion of the authorized body brought into court, made taking into account a method of calculation of prudential standards and other regulations and limits, obligatory to observance, the size of the capital of the insurance (reinsurance) organization, including presence at the insurance (reinsurance) organization of the monetary commitments and other requirements of monetary character which are not performed by the insurance (reinsurance) organization within three and more months from the moment of approach of term of their execution.

The insurance (reinsurance) organization is insolvent at her inability to fulfill monetary commitments and other requirements of monetary character within three months from the moment of approach of term of their execution.

2. Rehabilitation procedures for insurance (reinsurance) company may be assigned by the court in the presence of the appropriate conclusion of the authorized body.

3. Rehabilitation procedures for insurance (reinsurance) company may be in the form of financial rehabilitation or in the form of transfer of insurance liabilities and their corresponding amount of assets to the concerned insurance (reinsurance) companies through a public auction, conducted in accordance with the procedure established by the legislation of the Republic of Kazakhstan.

4. Insurance (reinsurance) company may be declared as bankrupt by the court only in the manner prescribed by the legislation. Extrajudicial liquidation procedure of the insolvent insurance (reinsurance) company under the decision of its creditors and the insurance (reinsurance) company shall not be permitted.

5. Conclusion of a settlement agreement by the parties shall not be permitted in the bankruptcy case of the insurance (reinsurance) company.

Footnote. Article 71 with the change made by the Law of the Republic of Kazakhstan dated 07.03.2014 № 177-V (shall be enforced after ten calendar days after day of its first official publication).

Article 72. Priority of creditors of the insurance (reinsurance) company

1. Claims of creditors of the insurance company, recognized in the manner, established by the legislation, shall be satisfied in the following order:

1) first of all, the claims of the creditors on insurance payments for insurance cases that occurred before the entry into force of the court decision on liquidation of the insurance company shall be satisfied;

1-1) in the second, the claims for payment of withheld wages, and (or) other maintenance income, as well as the demands of citizens to whom the liquidated insurance company is responsible for damage to life or health, through the capitalization of the corresponding time payments on the grounds, not related to the liability under the insurance contracts, shall be satisfied;

2) in the third, the calculations on payment of wages and compensation to persons, who worked under an employment contract, outstanding social contributions to the State Social Insurance Fund, payment of mandatory pension contributions withheld from wages, as well as royalties under the copyright contracts shall be paid;

3) in the fourth stage, the claims of creditors under the insurance contracts, related to the insured person shall be satisfied;

4) in the fifth stage, the claims of creditors - individuals under the contracts, concluded by them on property insurance and other types of insurance, not related to the insured person, shall be satisfied;

5) in the sixth place, the requirements of creditors under concluded insurance contracts other than those specified in subparagraphs 3) and 4) of this paragraph shall be satisfied, as well as the requirements of the organization guaranteeing the implementation of insurance payments to policyholders (insured, beneficiaries) in the event of liquidation of insurance companies, under insurance contracts, on the guarantee payments made, expenses related to payment of the insurance portfolio of the liquidated insurance company, transferred to another insurance company in the manner and on the terms provided for by the legislation of the Republic of Kazakhstan on insurance and insurance activities, and other expenses associated with their implementation;

6) in the seventh stage, the claims of creditors under the obligations, secured by a pledge of assets of the liquidated insurance company within the amount of security, shall be satisfied;

7) in the eighth stage, the liabilities for taxes, duties and other obligatory payments to the budget, as well as the repayment of loans, granted from the republican budget shall be paid;

8) in the ninth stage, the settlements with other creditors shall be carried out in accordance with the legislative acts of the Republic of Kazakhstan.

2. Costs, associated with the liquidation procedure of the insurance (reinsurance) company shall be paid out of turn.

3. Claims of creditors of the reinsurance companies, recognized in the manner, established by the legislation, shall be satisfied in the following order:

1) Firstly, the claims for payment of withheld wages, and (or) other maintenance income, as well as the demands of citizens to whom the liquidated reinsurance company is responsible

for damage to life or health, through the capitalization of corresponding time payments for grounds, not related to the liability under the reinsurance contracts, shall be satisfied;

2) in the second, the calculation on payment of wages and compensation to persons, who work under an employment contract, outstanding social contributions to the State Social Insurance Fund, the payment of mandatory pension contributions withheld from wages, as well as the royalties under copyright contracts, shall be paid;

3) in the third, the claims of assignors, arising out of contracts for “life insurance” shall be satisfied;

4) in the fourth stage, the claims of assignors, arising out of contracts for “general insurance” shall be satisfied;

5) in the fifth stage, the claims of creditors under the obligations, secured by a pledge of assets of the liquidated reinsurance company within the amount of security, shall be satisfied;

6) in the sixth stage, the liabilities for taxes, duties and other obligatory payments to the budget, as well as the repayment of loans granted from the republican budget shall be paid;

7) in the seventh stage, the settlements with other creditors shall be carried out in accordance with the legislative acts of the Republic of Kazakhstan.

4. The claims of each subsequent turn shall be satisfied after full satisfaction of the previous turn.

When addressing the claims of creditors of one queue, the funds shall be apportioned between them in proportion to the amounts of claims, subject to satisfaction.

5. Upon the occurrence of the relevant queue, the claim of the creditor with his consent can be satisfied in ways, not contrary to the legislation of the Republic of Kazakhstan, including in cash and (or) through the transfer of assets in kind in compliance with the principle of proportionality calculations.

6. Creditors' claims expressed in foreign currency shall be satisfied in tenge at the rate established by the National Bank of the Republic of Kazakhstan on the date of entry into force of the court decision on compulsory liquidation of the insurance (reinsurance) company.

Footnote. Article 72, as amended by the Laws of the Republic of Kazakhstan dated 11.06.2003 № 436, dated 10.07.2003 № 483 (shall be enforced from 01.01.2004), dated 20.02.2006 №128 (the order of enforcement see Art. 2), dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 72-1. Termination of activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan

1. Termination of activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan shall be carried out in accordance with this Law and other regulatory legal acts of the Republic of Kazakhstan.

Termination of activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan may be carried out:

1) by decision of the insurance (reinsurance) company - non-resident of the Republic of Kazakhstan based on the permission of the financial supervision authority of the state, the resident of which is the insurance (reinsurance) company - non-resident of the Republic of Kazakhstan, or the statement of the financial supervision authority of the relevant state that such a permit under the legislation of the insurance (reinsurance) organization - non-resident of the Republic of Kazakhstan is not required (voluntary termination of activities);

2) based on the decision of the authorized body to withdraw the license (forced termination of activities).

2. After the adoption by an insurance (reinsurance) company - non-resident of the Republic of Kazakhstan of a decision on the voluntary termination of the activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan shall be obliged to:

1) send a copy of such a decision to the authorized body within three working days from the date of drawing up and signing the protocol of the insurance (reinsurance) company - non-resident of the Republic of Kazakhstan with the permission of the financial supervision authority of the state, the resident of which is the insurance (reinsurance) company - non-resident of the Republic of Kazakhstan, or statements of the financial supervision authority of the relevant state that such permission is not required under the legislation of the insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan.

The decision of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan on the voluntary termination of the activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan premiums, the scope of liability of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, from the date of notification of the authorized body in accordance with this subparagraph, which, in case of refusal by the authorized body to issue a permit for the voluntary termination of the activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, shall be valid until such refusal;

2) transfer the insurance portfolio to another (other) insurance (reinsurance) company (insurance (reinsurance) companies), another (other) branch (branches) of the insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, having a license (licenses) by transferable classes (types) of insurance and being a participant(s) of the system of guaranteeing insurance payments.

The procedure for issuing a permit for the voluntary termination of the activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan or refusal to issue the said permit, as well as the procedure for transferring the insurance portfolio shall be determined by the regulatory legal act of the authorized body.

After the transfer of the insurance portfolio in the manner prescribed by Article 37-1 of this Law and the regulatory legal act of the authorized body, as well as the repayment of all obligations, the branch of the insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan shall be obliged to apply to the authorized body with a request to issue a permit for voluntary termination of activities branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan.

3. When a decision is made by an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan to cancel an earlier decision of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan on the voluntary termination of the activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, a branch of an insurance (reinsurance) company - a non-resident The Republic of Kazakhstan shall be obliged, within three calendar days from the date of drawing up and signing the protocol of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, to submit a business plan to the authorized body in accordance with subparagraph 2) of paragraph 2 and paragraph 3 of Article 37 of this Law.

The business plan of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan shall be considered by the authorized body within ten working days.

Therewith, the prohibition specified in part two of subparagraph 1) of paragraph 2 of this Article shall be valid until the approval of the business plan specified in part one of this paragraph by the authorized body.

An application for issuing a permit to conduct a voluntary termination of the activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan must be accompanied by documents, the list of which is established by the regulatory legal acts of the authorized body.

An application for obtaining permission to conduct a voluntary termination of the activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan must be considered by the authorized body within two months from the date of receipt of all necessary documents.

After obtaining permission for voluntary termination of activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan shall be obliged to return the license and (or) attachment to the license to the authorized body within ten working days.

The assets of the branch of the insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, accepted as a reserve, shall be returned to the insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan after obtaining permission from the

authorized body for the voluntary termination of the activities of the branch of the insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan and return of the license and (or) attachments to the license to the authorized body.

After obtaining permission from the authorized body for the voluntary termination of the activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, the termination of activities shall be carried out by an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan or persons authorized by them (him), in the manner determined by the Civil Code of the Republic of Kazakhstan.

After deregistration of a branch of a non-resident insurance (reinsurance) organization in the Republic of Kazakhstan, the insurance (reinsurance) organization that is not a resident of the Republic of Kazakhstan shall, within ten working days, notify the authorized body of the completion of the process of voluntary termination of the activities of the branch of the insurance (reinsurance) organization that is not a resident of the Republic of Kazakhstan.

4. Refusal to issue a permit for voluntary termination of activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan shall be made by the authorized body on the following grounds:

1) provided for by subparagraphs 2), 3) and 5) of paragraph 1 of Article 68 of this Law;

2) violation as a result of the alleged voluntary termination of the activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, of the legitimate interests of policyholders and other creditors;

3) insufficiency of funds of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan to calculate the obligations of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan.

5. Forced termination of activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan shall be carried out in connection with the deprivation of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan by the authorized body of a license for the right to carry out insurance (reinsurance) activities on the grounds provided for by the legislation of the Republic of Kazakhstan on insurance and insurance activities, including in connection with the decision of the competent authority of the state, the resident of which is the insurance (reinsurance) company - non-resident of the Republic of Kazakhstan, on the deprivation of the insurance (reinsurance) company - non-resident of the Republic of Kazakhstan of the license for the right to carry out insurance (reinsurance) activities and (or) forced liquidation (termination of activities) of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan.

If a court decides to forcibly terminate the activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan on the grounds not

related to the deprivation of its license by the authorized body, the authorized body shall consider the issue of deprivation of its license in accordance with the procedure established by the legislation of the Republic of Kazakhstan.

In case of forced termination of the activities of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, the authorized body notifies the organization that guarantees the implementation of insurance payments to policyholders (insured persons, beneficiaries) in the event of liquidation of insurance companies, and within ten calendar days from the date of the decision on the forced termination of the activities of the branch insurance (reinsurance) company - non-resident of the Republic of Kazakhstan shall send it a copy of such a decision.

6. From the date of revocation of the license of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan for the right to carry out insurance (reinsurance) activities, the authorized body shall appoint a temporary administration that performs the functions and powers established by Article 55-2 of this Law and transfers the insurance portfolio in the manner and the terms provided for in Article 54-1 of this Law, taking into account the specifics of this Article.

From the date of the decision to revoke the license of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, insurance (reinsurance) contracts concluded with a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan that is forcibly terminating its activities, shall terminate ahead of schedule, except for contracts for guaranteed types (classes) of insurance provided for by the Law of the Republic of Kazakhstan "On Insurance Payments Guarantee Fund".

The transfer of the insurance portfolio of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan that is forcibly terminating its activities shall be carried out only at the expense of the assets of the branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, accepted as a reserve, and money on bank accounts opened for the activities of the branch of the insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan.

In case of insufficiency of the assets of the branch of the insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan accepted as a reserve, and the money in bank accounts opened for the activities of the branch of the insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, the transfer of the insurance portfolio for guaranteed types (classes) of insurance shall be carried out at the expense of the organization that guarantees the implementation of insurance payments to policyholders (insured persons, beneficiaries), in the event of liquidation of insurance organizations.

After the provisional administration completes the procedure for transferring the insurance portfolio and terminating insurance (reinsurance) agreements, the provisional administration shall terminate its powers and transfer documents related to the transfer of the insurance portfolio and termination of insurance (reinsurance) agreements to the founders (

participants) and (or) the body of the insurance (reinsurance) organization - a non-resident of the Republic of Kazakhstan and (or) executives of a branch of an insurance (reinsurance) company - a non-resident of the Republic of Kazakhstan, forcibly terminating its activities. The founders (participants), bodies of the insurance (reinsurance) company - non-resident of the Republic of Kazakhstan shall be obliged to complete the process of forced termination of the branch, including satisfaction of the claims of creditors of the branch of the insurance (reinsurance) company - non-resident of the Republic of Kazakhstan, forcibly terminating the activities, in accordance with the civil legislation of the Republic of Kazakhstan.

The exchange of information between the authorized body and the financial supervision authority of the state, the resident of which is the insurance (reinsurance) company - non-resident of the Republic of Kazakhstan, on the progress and results of the liquidation procedure of the insurance (reinsurance) company - non-resident of the Republic of Kazakhstan shall be carried out on the basis and in the manner provided for by the agreement specified in subparagraph 4) of paragraph 1 of Article 30-1 of this Law.

Footnote. The Law was amended with Article 72-1 in accordance with the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); as amended by the Law of the Republic of Kazakhstan dated July 12, 2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication); as amended by the Law of the Republic of Kazakhstan dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication).

Article 73. Control powers of the authorized body in the liquidation process of the insurance (reinsurance) company

1. To exercise control over the activities of the liquidation commission of a forcibly liquidated insurance (reinsurance) company, including on the grounds of bankruptcy, the authorized body shall have the right to:

1) receive from the liquidation commission reports on the work done, and, if necessary, additional information;

2) establish the form, terms and frequency of submission of reports and additional information by the liquidation commission;

3) conduct inspections of the activities of the liquidation commission in the manner prescribed by the laws of the Republic of Kazakhstan;

4) in case of revealing shortcomings and (or) risks in the activities of the liquidation commission that may lead to the creation of a situation that threatens the interests of insurers (beneficiaries) and (or) other creditors, violations of the legislation of the Republic of Kazakhstan, the rights and legitimate interests of creditors, issue mandatory liquidation by the commission, written instructions to eliminate the identified violations and (or) causes, as well as the conditions that contributed to their commission, within the prescribed period and (or), submit an action plan within the established period.

The action plan, submitted within the period established by the written order, shall contain descriptions of violations, the reasons that led to their occurrence, a list of planned activities, and the timing of their implementation, as well as responsible officials.

Appeal against a written order of the authorized body in court shall not suspend its execution;

5) in case of non-execution by the liquidation commission within the established period of a written order to replace the members of the liquidation commission, apply the measures provided for by the legislation of the Republic of Kazakhstan, and also apply to the court or prosecution authorities for the protection of the rights and legally protected interests of creditors;

6) establish the features and procedure for the formation and approval of estimates of liquidation expenses;

7) determine the requirements for the implementation by the liquidation commission of the rules for keeping cash in the cash register, making incoming and outgoing transactions with cash, maintaining cash documents, ensuring the spending of cash, limits on cash balances, as well as the deadlines for depositing cash to the current account of the liquidation commission.

2. In case of violation by the liquidation commission of the legislation of the Republic of Kazakhstan, the chairman, head of the subdivision of the liquidation commission shall bear responsibility established by the laws of the Republic of Kazakhstan.

Footnote. Article 73 - as amended by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Chapter 13. Reporting and other issues

Article 74. Financial and other reports

1. An insurance (reinsurance) company and an insurance broker shall perform the registration of their operations in accordance with international financial reporting standards, the legislation of the Republic of Kazakhstan on accounting and financial reporting.

1-1. An insurance (reinsurance) company and an insurance broker are obliged to timely submit reliable and complete financial and other statements to the National Bank.

The branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan and the branch of a non-resident insurance broker of the Republic of Kazakhstan shall be obliged to timely submit reliable and complete reporting according to accounting data and other reporting to the National Bank.

2. Insurance (reinsurance) organizations and insurance brokers shall submit financial and other reports, including consolidated financial and other reports, to the National Bank in accordance with the regulatory legal acts of the National Bank.

Branches of insurance (reinsurance) organizations that are non-residents of the Republic of Kazakhstan and branches of insurance brokers that are non-residents of the Republic of Kazakhstan shall submit accounting data and other reports to the National Bank in accordance with the regulatory legal acts of the National Bank.

2-1. Is excluded by the Law of the Republic of Kazakhstan dated 05.07.2012 № 30-V (shall be enforced upon expiry of ten calendar days after its first official publication).

3. An insurance (reinsurance) company and an insurance broker shall submit to the authorized body, upon its request, the data about their property, including outside the Republic of Kazakhstan, about the size of the taken risks, provided guarantees and warranties, on the concluded and concluding transactions on insurance and reinsurance, the data about the participation in the authorized capital of legal entities, including the data constituting the insurance secret, in order to implement the controlling and supervisory functions.

3-1. The authorized body shall be entitled to demand corrections of reporting according to accounting data and other reporting of a branch of a non-resident insurance (reinsurance) organization of the Republic of Kazakhstan, a branch of a non-resident insurance broker of the Republic of Kazakhstan in case they submit false (incomplete) reporting.

4. Is excluded by the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2).

5. For the purposes of supervision, early identification of risks, as well as secure exchange of information, an insurance (reinsurance) organization and a branch of an insurance (reinsurance) non-resident organization of the Republic of Kazakhstan shall ensure the formation, maintenance and updating of a data mart on their information and communication infrastructure, as well as the provision of access to the data mart to the authorized body in the cases, procedure, time limits and formats determined by the regulatory legal acts of the authorized body.

The data mart must contain information on insurance (reinsurance) and other operations, including on the insurance portfolio, major insurance (reinsurance) transactions, co-insurance (joint reinsurance) activities and other information, the list of which shall be established by a regulatory legal act of the authorized body.

An insurance (reinsurance) organization and a branch of an insurance (reinsurance) non-resident organization of the Republic of Kazakhstan shall have the right to provide access to the data mart to an organization that complies with the uniform requirements in the field of information and communication technologies and information security, as determined by the insurance (reinsurance) organization.

When forming, storing and providing access to the data mart, the insurance (reinsurance) organization, the branch of the insurance (reinsurance) non-resident organization of the Republic of Kazakhstan, and other persons that have gained access to the data mart shall be obliged to ensure the protection of personal data and the preservation of insurance secrecy in accordance with the laws of the Republic of Kazakhstan.

Footnote. Article 74, as amended by the Laws of the Republic of Kazakhstan dated 11.06.2004 № 562, dated 08.07.2005 № 69, dated 20.02.2006 № 128 (the order of enforcement see Art. 2), dated 05.05.2006 № 139 (the order of enforcement see Art. 2 of the Law of the Republic of Kazakhstan № 139), dated 28.02.2007 № 235 (the order of enforcement see Art. 2), dated 19.03.2010 № 258-IV; dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2), dated 05.07.2012 № 30-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.07.2018 № 168-VI (shall be enforced upon expiry of ten calendar days after its first official publication); № 262-VI as of 03.07.2019 (shall be enforced from 01.01.2020); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication); dated 16.01.2026 № 259-VIII (shall be enforced from 01.01.2027).

Article 74-1. Reporting of a major participant of an insurance (reinsurance) company and insurance holdings

1. Major participants in insurance (reinsurance) organizations and insurance holding companies shall submit financial and other reports to the National Bank in accordance with the regulatory legal acts of the National Bank.

2. A major participant in the insurance (reinsurance) organization, which is an individual - a resident of the Republic of Kazakhstan, in addition to the reporting provided for in paragraph 1 of this Article, must, within five working days after the date of submission to the tax authority of the income and property declaration, shall submit to the authorized body its copy with confirmation of the submission of the declaration to the tax authority.

Footnote. The chapter is supplemented by Article 74-1 in accordance with the Law of the Republic of Kazakhstan dated 23.12.2005 N 107 (the order of enforcement, see Article 2 of the Law N 107); is in the wording of the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI (shall be enforced upon expiry of ten calendar days after its first official publication); as amended by the laws of the Republic of Kazakhstan dated 18.11.2015 № 412-V (shall come into force from 01.01.2021); as amended by Law № 262-VI of the Republic of Kazakhstan as of 03.07.2019 (shall be enforced from 01.01.2020); dated 30.06.2025 № 205-VIII (shall be enforced sixty calendar days after the day of its first official publication).

Article 75. Obligatory actuarial report

1. Mandatory actuarial opinions on the calculation of insurance reserves and the assessment of insurance liabilities are an integral part of the annual financial statements of an insurance (reinsurance) organization, annual reports based on accounting data of a branch of an insurance (reinsurance) organization that is not a resident of the Republic of Kazakhstan, and shall be submitted to the authorized body.

2. Requirements for the content and procedure for providing mandatory actuarial opinions shall be established by the regulatory legal acts of the authorized body.

Footnote. Article 75 as amended by the Law of the Republic of Kazakhstan dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 18.07.2025 № 215-VIII (shall be enforced from 01.01.2026).

Article 75-1. Coefficients, characterizing the unprofitability

1. Insurance (reinsurance) companies in order to analyze their activities during all or certain classes (types) of insurance shall calculate the coefficients, characterizing unprofitability (loss ratio, cost ratio, combined ratio).

2. Coefficients, characterizing the unprofitability (loss ratio, cost ratio, combined ratio) are the relative indicators, reflecting the unprofitability of the insurance (reinsurance) company activity in the implementation of all or certain classes (types) of insurance.

Procedure for calculating the coefficients, characterizing the unprofitability (loss ratio, cost ratio, combined ratio) shall be established by the regulatory legal acts of the authorized body.

Footnote. Section is supplemented by Article 75-1 – by the Law of the Republic of Kazakhstan dated 20 February, 2006 № 128 (the order of enforcement see Art. 2). Article is in the wording of the Law of the Republic of Kazakhstan dated 7 May, 2007 № 244.

Article 76. Publication of the basic indicators of insurance (reinsurance) organization, insurance broker and insurance holding company

Footnote. Article 76 is excluded by the Law of the Republic of Kazakhstan dated 16.01.2026 № 259-VIII (shall be enforced upon expiry of sixty calendar days after the day of its first official publication).

Article 77. Procedure and terms of document storage

1. Professional participants of the insurance market, insurance agents, engaged in entrepreneurial activities shall generate data on insurance (reinsurance), insurance mediation and provide the registration and storage of documents, related to their activities in accordance with the legislation of the Republic of Kazakhstan.

Insurance (reinsurance) company shall maintain a register of insurance (reinsurance) contracts in the manner, prescribed by the regulatory legal act of the authorized body. Contract of insurance (reinsurance) shall be entered in the register of insurance (reinsurance) contracts within one business day from the date of its conclusion.

Information about a policyholder (insured person) (surname, first name, middle name (if available) or name of a legal entity, the number of the insurance contract, the date of its conclusion, the entry into force of the insurance contract and the expiration period, personal identification number or business identification number), contained in the register of insurance contracts and in the database shall match.

2. The list of documents, subject to the mandatory storage, the order and terms of their storage by the professional participants of the insurance market, insurance agents, engaged in entrepreneurial activities, shall be established by the authorized body in consultation with the authorized body for managing the archives and documentation.

Footnote. Article 77 is in the wording of the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2).

Article 78. Appeal against a decision of the authorized body

1. A decision of the authorized body may be appealed by the concerned person within ten days from the date of its entry into force in accordance with the legislative acts of the Republic of Kazakhstan.

2. Appeal against the decision of the authorized body on the application of supervisory response measures (except for advisory supervisory response measures) and (or) sanctions, as well as the actions of the temporary administration (temporary administrator) of the insurance (reinsurance) company until the court decision on the compulsory liquidation of the insurance (reinsurance) company enters into legal force (reinsurance company) shall not suspend the execution of the appealed decision or actions (inaction).

If a transaction concluded based on a decision of the authorized body and (or) a party to which is the temporary administration (temporary administrator) of the insurance (reinsurance) company before the court decision on the compulsory liquidation of the insurance (reinsurance) company comes into force, the return by the parties of all received shall be prohibited under this deal.

Footnote. Article 78 as amended by the Law of the Republic of Kazakhstan dated 02.07.2018 № 168-VI ((shall be enforced from 01.01.2019); № 262-VI as of 03.07.2019 (shall be enforced from 01.01.2020); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Chapter 14. Activity on the formation and maintenance of the database

Footnote. The Law is supplemented by Chapter 14 in accordance with the Law of the Republic of Kazakhstan dated 15.07.2010 № 338-IV (the order of enforcement see Art. 2).

Article 79. The establishment procedure and main functions of organization for the formation and maintenance of database

1. The organization for the formation and maintenance of the database (hereinafter referred to as the Organization) is a non-profit organization established in the organizational and legal form of a joint stock company, one hundred percent of the voting shares of which belong to the National Bank.

The organization shall carry out the formation and maintenance of a database on compulsory and voluntary types of insurance, reinsurance, co-insurance, and joint reinsurance based on this Law and certain laws of the Republic of Kazakhstan regulating compulsory types of insurance.

The organization shall develop, coordinate with the authorized body and approve the database development plan.

The organization shall maintain a unified register of insurance agents.

1-1. Was valid till 01.07.2017 in accordance with the Law of the Republic of Kazakhstan dated 24.11.2015 № 422-V (shall come into force from 01.01.2016).

1-2. Was valid till 01.07.2017 in accordance with the Law of the Republic of Kazakhstan dated 24.11.2015 № 422-V (shall come into force from 01.01.2016).

1-3. Was valid till 01.07.2017 in accordance with the Law of the Republic of Kazakhstan dated 24.11.2015 № 422-V (shall come into force from 01.01.2016).

1-4. The competence of the board of directors of the organization, in addition to the issues determined by the legislation of the Republic of Kazakhstan on joint-stock companies, shall include the following issues:

1) approval of the rate of contributions payable to the organization by recipients of insurance reports specified in subparagraph 3) of part one of paragraph 4 of Article 80 of this Law;

2) approval of the database development plan for the coming calendar year.

2. Excluded by the Law of the Republic of Kazakhstan dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication).

3. Excluded by the Law of the Republic of Kazakhstan dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication).

4. Excluded by the Law of the Republic of Kazakhstan dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of first official publication).

5. The input order of the database by classes (types) of insurance consists of the following stages:

1) excluded by the Law of the Republic of Kazakhstan dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication);

2) putting into service the management system of database;

3) organization of information process on the formation of database;

4) testing of the information process, referred to in subparagraph 3) of this paragraph, with information providers who concluded a contract on the provision of information with them.

The requirements for the content of internal rules, establishing the procedure for the organization shall be determined by the regulatory legal act of the authorized body. The regulatory legal act of the authorized body shall be binding on providers of information, referred to in subparagraph 1) of paragraph 3 of Article 80 of this Law, in respect of their activities as information providers to participate in the creation and protection of databases.

6. The organization in it activity shall be obliged to:

1) have technical and other premises for the secure placement and operation of digital systems and databases;

2) when forming and using digital systems for the placement of databases and means of protection of the said digital systems, use certified equipment and software;

3) to conduct at least once every three years an audit of the organization's software and hardware, including information and communication technologies used by the organization in its activities;

4) provide the authorized state bodies exercising state control over the subjects of the database in accordance with the requirements of the legislation of the Republic of Kazakhstan with round-the-clock access to the information listed in paragraph 2 of Article 80 of this Law, in real time, in accordance with the requirements of the Digital Code of the Republic of Kazakhstan and other laws of the Republic of Kazakhstan;

4-1) ensure the publication on its Internet resource of statistical information on classes of insurance, without disclosing the secret of insurance or other secrets protected by law, in the manner determined by the regulatory legal act of the authorized body;

5) ensure the immediate sending of a notification on the conclusion of an insurance contract in electronic form and the settlement of insured events under it in cases provided for by the laws of the Republic of Kazakhstan;

5-1) restrict access to the database to the recipients of the insurance report, specified in subparagraph 3) of part one of paragraph 4 of Article 80 of this Law, in order not to conclude new insurance contracts for the period specified in the notification of the authorized body on the restriction of such access;

6) ensure the storage of information on insurance contracts, including information on insured events (events considered as insured events) and insurance payments, in electronic form;

7) provide the policyholder (insured, beneficiary) with permanent access to the organization's Internet resource to view information on insurance contracts in electronic form concluded with this policyholder, in cases provided for by the laws of the Republic of Kazakhstan;

7-1) ensure the availability of a backup server for storing copies of information about the subjects of a single insurance database, located outside the boundaries of the settlement in which the organization is located;

8) comply with other requirements established by the legislation of the Republic of Kazakhstan and (or) contracts on provision of information and (or) receipt of insurance reports.

7. The main functions of the organization shall be:

1) collection of information provided for in paragraphs 1 and 2 of Article 81 of this Law;

2) formation and issuance of insurance reports, the requirements for the content of which are established by this Law and separate legislative acts of the Republic of Kazakhstan regulating obligatory types of insurance;

3) formation of insurance statistics, including those necessary for actuarial researches in the field of insurance and insurance activities;

4) create and maintain an information analytical system for statistical recording, analysis and aggregation of data on the insurance market and post them on digital facilities, including on the internet resource of the organization, as well as provide them to the persons specified in paragraph 4 of Article 80 of this Law, in accordance with the procedure established by this Law;

4-1) interaction with state databases to provide analytical and other information services to the persons specified in paragraph 4 of Article 80 of this Law.

The procedure for providing analytical and other information services shall be determined by the organization independently, taking into account the restrictions established by this Law and other laws of the Republic of Kazakhstan;

5) automatic calculation of insurance premiums under the contracts of obligatory insurance in accordance with separate legislative acts of the Republic of Kazakhstan, regulating compulsory types of insurance;

6) maintain a digital database of insurance, reinsurance, co-insurance and joint reinsurance contracts for storing information thereon, including information on insured events (occurrences considered as insured events) and insurance payments, in electronic form, for each policyholder (insured, beneficiary);

7) post on its internet resource a list of internet resources of insurance organizations used for concluding insurance contracts in electronic form and settling insured events thereunder through the exchange of digital resources;

8) other functions provided for by the regulatory legal act of the authorized body and (or) the charter of the organization.

8. In order to ensure high-quality and timely performance of functions for implementation of the requirements provided for by legislative acts of the Republic of Kazakhstan and this Law, the organization shall have the right to receive information from individuals and legal entities, as well as state bodies, including information constituting the secret of insurance.

For the purposes of ensuring that insurance (reinsurance) organizations comply with the requirements of the legislation of the Republic of Kazakhstan on combating the legalization (laundering) of proceeds from crime, the financing of terrorism and the financing of the proliferation of weapons of mass destruction, the organization shall have the right to obtain access to the relevant digital systems and databases of state bodies in accordance with the requirements of the Digital Code of the Republic of Kazakhstan and other laws of the Republic of Kazakhstan.

Employees of the company shall be responsible for disclosure of information obtained in the course of their functions, constituting official, commercial secrets, insurance secrets or other secrets protected by the Law, in accordance with the Laws of the Republic of Kazakhstan.

Footnote. Article 79, as amended by the Law of the Republic of Kazakhstan dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first

official publication), dated 05.07.2012 № 30-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 27.04.2015 № 311-V (an order of enforcement see Art. 2); dated 24.11.2015 № 419-V (shall be enforced dated 01.01.2016); dated 24.11.2015 № 422-V (an order of enforcement see Art. 2); dated 02.07.2018 № 166-VI (for the procedure of enactment see Art. 2); dated 12.07.2022 № 138-VII (Refer to Article 2 for the order of enactment); dated 09.01.2026 № 256-VIII (shall be enforced upon expiry of six months after the day of its first official publication).

Article 80. Database

1. The structure of the database is defined by the organization with the requirements established by this Law.

2. The insurance report shall be divided into the following types:

1) limited access insurance report - an insurance report containing information on double insurance, insurance payments, paid insurance premiums, amounts of the sum insured and other information related to the identity of the policyholder, the insured or the beneficiary;

2) standard access insurance report - an insurance report containing information about insured events, the object of insurance, insurance agents, and other information that is not related to insurance secrecy or other secrets protected by law;

3) summary insurance report - an insurance report that does not disclose the secret of insurance or other secret protected by law, containing a summary amount of data in quantitative form, including in the context of concluded insurance contracts, the volume of insurance premiums, insurance payments, the number of insured events and other insurance parameters.

3. Providers of information for the formation of database shall be:

1) insurance (reinsurance) companies, including branches of insurance (reinsurance) companies - non-residents of the Republic of Kazakhstan, based on agreements concluded with the organization on the provision of information;

1-1) an organization that guarantees the implementation of insurance payments to policyholders (insured persons, beneficiaries) in the event of liquidation of insurance organizations, based on an information provision agreement concluded with the organization;

1-2) a unified pension savings fund, voluntary accumulative pension fund on the basis of agreements concluded with the organization on the provision of information;

2) authorized state bodies exercising state control over the subjects of the database in accordance with the requirements of certain legislative acts of the Republic of Kazakhstan regulating obligatory types of insurance;

3) an authorized body;

4) other persons on the basis of contracts on provision of information.

4. Recipients of the insurance report shall be:

1) the authorized body;

1-1) National Bank;

2) authorized state bodies exercising state control over the subjects of the database, in accordance with the requirements of the laws of the Republic of Kazakhstan;

2-1) the state body, carrying out within its competence, statistical activity in the field of legal statistics and special accounts for the purpose of providing information concerning the contracts of obligatory insurance of civil liability of owners of vehicles by the authorized state body by means of system of information exchange of law enforcement, special state and other bodies;

3) insurance (reinsurance) companies, including branches of insurance (reinsurance) companies - non-residents of the Republic of Kazakhstan, based on agreements concluded with the organization on receipt of insurance reports;

3-1) an organization guaranteeing the implementation of insurance payments to policyholders (insured persons, beneficiaries) in the event of liquidation of insurance organizations, based on an agreement concluded with the organization on receipt of insurance reports;

3-2) a unified pension savings fund, a voluntary pension savings fund on the basis of agreements concluded with the organization on the receipt of insurance reports;

4) subjects of database (an insurant, insured, beneficiary);

5) excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication);

6) other entities in accordance with the procedure provided for by legal acts of the Republic of Kazakhstan;

7) financial ombudsman;

8) the persons, specified in subparagraphs 1), 2), 3), 4) and 4-4) of paragraph 5 of Article 830 of the Civil code of the Republic of Kazakhstan (Special part);

9) banks, branches of non-resident banks of the Republic of Kazakhstan, organizations engaged in certain types of banking operations, organizations engaged in microfinance activities, on the basis of an agreement concluded with the organization on the provision of information and (or) receipt of insurance reports and the consent of the database subject;

10) foreign organizations based on an agreement on the exchange of information between the authorized body and the relevant supervisory body of a foreign state;

11) other persons with the consent of the subject of the database.

It shall be prohibited to provide information to persons not specified in this paragraph, except for the submission of a consolidated insurance report, provided for in subparagraph 3) of paragraph 2 of this Article.

5. The issuance of insurance reports from the database to the recipients of the insurance report specified in paragraph 4 of this Article shall be carried out depending on the levels of access and the type of insurance reports, except for the submission of a consolidated insurance report, provided for in subparagraph 3) of paragraph 2 of this Article:

1) the recipients of the insurance report specified in subparagraphs 1) and 1-1) of part one of paragraph 4 of this Article shall be entitled to receive all types of insurance reports on all subjects of the database;

2) the recipients of the insurance report specified in subparagraphs 2) and 2-1) of part one of paragraph 4 of this Article shall be entitled to receive all types of insurance reports on all subjects of the database, subject to the restrictions established by this Law and other laws of the Republic of Kazakhstan;

3) the recipient of the insurance report specified in subparagraph 3) of part one of paragraph 4 of this Article shall be entitled to receive all types of insurance reports on the subject of the database under the insurance contracts concluded with this recipient in accordance with the requirements of the laws of the Republic of Kazakhstan, and for other subjects only if there is the consent of the subject of the database;

4) the recipient of the insurance report specified in subparagraph 3-1) of part one of paragraph 4 of this Article shall be entitled to receive all types of insurance reports on all subjects of the database within the guaranteed classes (types) of insurance included in the system of guaranteeing insurance payments;

5) the recipient of the insurance report specified in subparagraph 3-2) of part one of paragraph 4 of this article has the right to receive all types of insurance reports on all subjects of the database under pension annuity contracts concluded within the framework of the Law of the Republic of Kazakhstan “On pension security in the Republic of Kazakhstan”;

6) the recipients of the insurance report, specified in subparagraph 4) of part one of paragraph 4 of this Article, shall be entitled to receive the insurance report of limited and standard access only about themselves;

7) the policyholder (insured person) shall have the right to receive a limited access insurance report on the beneficiary to fulfill the requirements of Article 924 of the Civil Code of the Republic of Kazakhstan;

8) the beneficiary shall have the right to receive a limited access insurance report on the insured (insured) to exercise their rights as a victim;

9) recipients of the insurance report, specified in subparagraph 6) of part one of paragraph 4 of this Article, shall be entitled to receive insurance reports containing information provided for by the laws of the Republic of Kazakhstan;

10) The financial ombudsman shall have the right to obtain limited-access and standard-access insurance reports on database entities when resolving disputes in accordance with the procedure established by the laws of the Republic of Kazakhstan;

11) the recipients of the insurance report specified in subparagraph 9) of part one of paragraph 4 of this Article shall be entitled to receive insurance reports of limited and standard access on the subjects of the database, subject to the conclusion of an agreement

with the organization on the provision of information and (or) receipt of insurance reports, as well as when the consent of the subject of the database for each receipt of information containing the secret of insurance or other secret protected by law, including personal data;

12) the recipients of the insurance report specified in subparagraph 10) of part one of paragraph 4 of this Article shall be entitled to receive standard access insurance reports;

13) the recipients of the insurance report, specified in subparagraph 11) of part one of paragraph 4 of this Article, shall have the right to receive insurance reports of standard and limited access with the written consent of the subject of the database.

Recipients of the insurance report specified in subparagraphs 1), 1-1), 2), 2-1), 3), 3-1), 3-2), 6), 7), 8), 9) and 11) of part one of paragraph 4 of this article are responsible for the disclosure of information constituting official, commercial secrets, insurance secrets or other secrets protected by law.

The recipients of the insurance report specified in subparagraphs 1), 1-1), 2), 2-1), 3), 3-1) , 6), 7), 8) and 9) of the first part of paragraph 4 of this Article, shall bear responsibility for disclosure of information constituting official, commercial secrets, insurance secrets or other secrets protected by law.

6. Submission by the organization of the insurance report to the recipients specified in the first part of paragraph 4 of this Article shall be carried out in writing based on their request.

The request is submitted in writing on behalf of recipients of insurance reports of standard and (or) limited access specified in subparagraphs 3-1), 3-2), 4), 7), 9), 10) and 11) of part one of paragraph 4 of this article, an authorized person responsible for submitting a request to the organization, information about which is contained in the register of recipients of the database.

6-1. Authorized state bodies exercising state control over database entities in accordance with the requirements of the legislative acts of the Republic of Kazakhstan shall have the right to receive the information listed in paragraphs 1 and 2 of this article, 24 hours a day in real time using digital systems integrated with the relevant software, in accordance with the requirements of the Digital Code of the Republic of Kazakhstan and other laws of the Republic of Kazakhstan.

7. Non-performance and (or) untimely accomplishment of the duties provided in point 1 of article 82 of this Law the organization bears the responsibility established by the Code of the Republic of Kazakhstan about administrative offenses for distortion of information obtained from suppliers of information.

Footnote. Article 80, as amended by the Law of the Republic of Kazakhstan dated 28.12.2011 № 524-IV (shall be enforced upon expiry of ten calendar days after its first official publication); dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 03.07.2019 № 262-VI (shall come into force from 01.01.2020); dated 02.01.2021 № 399-VI (shall come into force

from 16.12.2020); dated 05.01.2021 № 407-VI (shall come into force upon expiration of ten calendar days after the date of its first official publication); dated 12.07.2022 № 138-VII (for the procedure for putting it into effect, see Article 2); dated 16.01.2026 № 259-VIII (shall be enforced from 01.01.2027).

Article 81. Information, provided for the formation of a database

1. The information providers specified in subparagraph 1) of paragraph 3 of Article 80 of this Law shall be obliged to provide information on each concluded insurance, reinsurance, co-insurance and joint reinsurance agreement, including on the amendments and additions made to them, on their early termination, volumes insurance (reinsurance) premiums, insured events (events considered as insured events), insurance agents and insurance brokers, as well as the amounts of insurance (reinsurance) payments in the manner, terms and volume stipulated by the agreement on the provision of information and (or) receipt insurance reports, taking into account the requirements provided for by this Law and the regulatory legal act of the authorized body.

Branches of insurance (reinsurance) companies - non-residents of the Republic of Kazakhstan provide the information specified in part one of this paragraph for all classes of insurance (reinsurance) specified in the license.

1-1. The information provider specified in subparagraph 1-1) of paragraph 3 of Article 80 of this Law provides information on each insured event, as well as on the amounts of insurance payments in the manner, terms and volume that are provided for by the agreement on the provision of information and (or) receipt of insurance reports, taking into account the requirements provided for by this Law, the Law of the Republic of Kazakhstan "On Insurance Payments Guarantee Fund" and the regulatory legal act of the authorized body.

1-2. Information providers referred to in subparagraph 1-2) of paragraph 3 of Article 80 of this Law shall provide information on pension annuity agreements concluded in accordance with the Social Code of the Republic of Kazakhstan, in the manner, terms and volume stipulated by the agreement on the provision of information and (or) receipt of insurance reports, taking into account the requirements provided for by this Law, the Social Code of the Republic of Kazakhstan and the regulatory legal act of the authorized body.

2. The regulatory legal act of the authorized body may establish additional requirements for the content of the information provided by information providers specified in subparagraphs 1), 1-1) and 1-2) of paragraph 3 of Article 80 of this Law to the database.

3. The information listed in paragraphs 1, 1-1, 1-2, and 2 of this Article shall be provided by the information providers specified in subparagraphs 1), 1-1), and 1-2) of paragraph 3 of Article 80 of this Law, in electronic form using digital systems integrated by the relevant software, within the time limits established by a regulatory legal act of the authorized body.

4. The suppliers of information specified in subparagraphs 1) and 3) of point 3 of article 80 of this Law bear the responsibility established by the Code of the Republic of Kazakhstan about administrative offenses for distortion of information by its providing in the database,

non-performance and (or) untimely accomplishment of the duties provided in point 3 of article 82 of this Law.

Footnote. Article 81 with the changes made by the Law of the Republic of Kazakhstan from 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020); dated 12.07.2022 № 138-VII (Refer to Article 2 for the order of enactment); dated 20.04.2023 № 226-VII (shall be enforced from 01.07.2023).

Article 82. Rights and obligations of persons, involved in the formation and maintenance of a database

1. The organization shall:

1) carry out the formation of insurance reports;

2) provide insurance reports in the manner, prescribed by this Law and the regulatory legal acts of the authorized body;

3) not prevent the disclosure of information, contained in the insurance reports, except as provided in this Law;

4) provide to the recipient of the insurance report and the subject of the database the corrected insurance report, if the insurance report presented to the recipient, as a result of actions or omissions of the employees of the organization contain the information, not corresponding to the information, provided to the organization by the providers of information, within five business days from the date of detection of the specified mismatch.

If necessary the confirmation by the provider of information of the fact of discrepancy of the insurance report, issued by the organization, the calculation of the term for provision of the information of the corrected insurance report to the recipient of the insurance report and the subject of a database, shall be carried out from the time of receipt by the organization of the relevant information from the provider of information in the period specified in subparagraph 7) of paragraph 3 of this Article;

5) at the request of the subject of a database, provide it with information about the provider of information, that provided the information, contested by the subject of a database;

6) refuse to represent the insurance report, if the request on its submission is made in violation of the requirements, established by the legislation of the Republic of Kazakhstan;

7) keep records of requests for presentation of insurance reports and record of the presented insurance reports;

8) contact the provider of information with the requirement for an adjustment, supplement of the received information, that shall be subject to reissuance or clarification in the presence of relevant grounds;

9) use digital resources and digital systems in accordance with the legislation of the Republic of Kazakhstan;

10) ensure the equal conditions for participation of providers of information referred to in paragraph 3 of Article 80 of this Law, in the creation of and access to the information resources of a database;

11) provide the information, requested by the authorized body for the implementation of its powers, stipulated by the legislation of the Republic of Kazakhstan, including:

the information on failure to provide, untimely provision or provision of incomplete information by the providers of information, referred to in subparagraph 1) of paragraph 3 of Article 80 of this Law, which provision is required by this Law, the regulatory legal act of the authorized body and the contracts for provision of information and (or) receiving the insurance reports;

the information on the amount of insurance premiums, calculated by the providers of information referred to in subparagraph 1) of paragraph 3 of Article 80 of this Law, in violation of the requirements of the legislative acts of the Republic of Kazakhstan on compulsory types of insurance;

12) provide the access to a database to the authorized body;

13) within two working days from the date of application of the subject of database, provide him (her) with information on the presence in the database of data on the insurance contract, concluded by the insurant with the insurer (information provider), whose duties include entering information into the database under the insurance contract;

14) within three business days from the date of receipt of the written request of the injured or the person, who is entitled under the Laws of the Republic of Kazakhstan to compensation in connection with the death of the injured, submit in writing the information on the presence or absence of the insurance policy in the cases, stipulated by legislation of the Republic of Kazakhstan on compulsory types of insurance;

15) comply with other requirements, established by the legislation of the Republic of Kazakhstan and (or) by contracts for provision of information and (or) receipt of insurance reports;

16) maintain a unified register of insurance agents, including:

provide information to the insurer about the presence of an insurance agent in the unified register and confirm the powers of insurance agents to provide intermediary services in the conclusion of insurance contracts;

exclude from the unified register of insurance agents on the grounds provided for by this Law.

2. Organization shall have the right to:

1) conclude the contracts for the provision of information with providers of information and (or) the receipt of insurance reports with the recipients of insurance reports;

2) require from the providers of information the complete and accurate information, providing for the formation of a database;

3) return the information provided by the information supplier, without its use in the database, due to its incorrect or incomplete execution, or the non-compliance of the data of the information supplier, the recipient of the insurance report, or the subject of the database with the requirements in the digital system used;

3-1) to purchase information materials related to entrepreneurial activities from a self-regulatory organization;

3-2) for the formation and use of the database, receive information from databases and digital systems of state bodies and organizations;

3-3) to provide the recipients of insurance reports with information on the history of the insured vehicle;

4) have other rights, stipulated by legislative acts of the Republic of Kazakhstan and the contracts, concluded in accordance with this Law.

3. Providers of information shall:

1) conclude the contract with the organization for the provision of information and (or) the receipt of insurance reports;

2) provide the information to the database for its formation in the volume, manner and time as defined by the contracts for provision of information and (or) receipt of insurance reports;

3) make corrections to the information, transmitted to the organization, at the request of the subject of a database;

4) provide the information to the organization in strict accordance with the data, available on the subject of a database;

5) use digital resources and digital systems in accordance with the legislation of the Republic of Kazakhstan;

6) provide the appropriate conditions for obtaining and processing the information at their own expense;

7) provide, within three business days, the information to the organization in the cases, stipulated by subparagraph 4) of paragraph 1 of this Article.

4. Provider of information shall have the right to:

1) require the use by the organization of the information, provided in accordance with this Law;

2) have other rights in accordance with the legislative acts of the Republic of Kazakhstan and (or) the contract for provision of information and (or) receipt of information.

5. The recipient of the insurance report specified in subparagraph 3) of part one paragraph 4 of Article 80 of this Law shall be obliged to:

1) report on the changes in the data, submitted by them in the register as a recipient of the information;

2) comply with the confidentiality of the received information and not disclose it to third parties;

3) use the received information only for the purposes, provided in this Law;

4) introduce the subject of a database at its request with the content of the information or provide him a copy of this information in accordance with the internal regulations;

5) pay for services to provide the information from a database in the order, amount and terms that are defined by the contract for provision and (or) receipt of insurance reports;

6) have other duties in accordance with the legislative acts of the Republic of Kazakhstan and (or) the contract for provision of information and (or) receipt of insurance reports.

6. Recipient of information shall have the right to receive the insurance report and have other rights in accordance with the legislative acts of the Republic of Kazakhstan.

7. Subject of a database shall have the right to:

1) receive in accordance with the requirements, established by this Law, the insurance report of itself;

2) in the conclusion of the insurance contract, require the recipient of the insurance report, referred to in subparagraph 3) of paragraph 4 of Article 80 of this Law, the acquaintance with the insurance report or issue him a copy of the insurance report, obtained by this recipient from the database;

3) disagree with the information, contained in the insurance report, with obtaining the information about the provider of information;

4) contact the provider of information and the organization, demanding the correction of incorrect information;

5) have other rights in accordance with the legislative acts of the Republic of Kazakhstan.

Footnote. Article 82 with the changes made by the Law of the Republic of Kazakhstan dated 24.11.2015 № 419-V (shall be enforced dated 01.01.2016); dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 83. Mandatory terms of the contract for provision of information and (or) receive of insurance reports

Contract for provision of information and (or) receipt of insurance reports shall contain:

1) full name of the parties, data about their location and bank details;

2) indication of the subject matter of the contract in accordance with this Law;

3) list and forms of insurance reports, submitted from the database;

4) rights and obligations of the parties, in accordance with this Law;

5) procedure for payment of services to provide the information from the database;

6) types, amount, periods (frequency), procedure for provision of information for the formation of a database;

7) types, periods (frequency), volume of information, contained in the insurance reports, and the order to obtain the insurance reports;

8) term of the contract, grounds and procedure for its changing, termination at the unilateral refusal to perform the contract in the cases, provided by this Law, as well as the size of the forfeit for non-fulfillment or improper fulfillment of obligations under the contract;

9) obligation of the provider of information on compliance with the confidentiality in respect of all information, sent to the organization;

10) obligation of the organization on compliance with the confidentiality in respect of all the received information;

11) provisions for the responsibilities of the parties for breach of contract.

Unilateral refusal on performance of the contract for provision of information shall be possible only in cases of voluntary return, and deprivation of a license of the insurance company to conduct the insurance activities. At the same time the insurance company shall, prior to the expiration of the insurance contract, provide to the organization the information, prescribed in Article 81 of this Law.

When concluding a contract for provision of information and (or) receive of insurance reports with providers of information, referred to in subparagraph 1) of paragraph 3 of Article 80 of this Law, the following conditions shall be included in the contract for provision of information and (or) receive the insurance reports:

1) on the list and forms of information, required by paragraph 2 of Article 81 of this Law;

2) on the mandatory joint implementation of organizational and technical measures and technological requirements for the protection of software applied in the formation and operation of digital systems used for the creation of the database and the means of protection of the said digital systems.

Article 84. Registration in the organization

For registration in the organization, the providers of information, referred to in paragraph 3 of Article 80 of this Law, shall submit the following documents:

1) an application for registration in the organization;

2) a certificate of the state registration (reregistration) of a legal entity;

2-1) a certificate of record registration of a branch of a non-resident insurance organization of the Republic of Kazakhstan;

3) the information about the surname, first name, middle name (if any) of the officials, authorized to make the requests to the database in the order, established by the organization.

If necessary, this information shall be certified by a digital signature of these individuals.

Footnote. Article 84, as amended by Law of the Republic of Kazakhstan dated 24.12.2012 № 60-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 02.01.2021 № 399-VI (shall come into force from 16.12.2020).

Article 85. Reorganization and liquidation of organizations

Footnote. Article 85 is excluded by the Law of the Republic of Kazakhstan dated 27.04.2015 № 311-V (shall be enforced after ten calendar days after day of its first official publication).

Chapter 15. Insurance ombudsman

Footnote. The Law is supplemented by Chapter 15 in accordance with the Law of the Republic of Kazakhstan dated 02.07.2018 № 166-VI (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 86. Insurance ombudsman, his status, principles of activity, procedure of election and early termination of his powers

1. The insurance ombudsman shall be an individual who is independent in his/her activity and carries out the settlement of disputes:

1) between the insurance companies arising on the issues of compulsory and voluntary insurance;

2) between the insurants (insured, beneficiaries) and insurance companies arising from insurance contracts.

Individuals and (or) small businesses that are policyholders (insured, beneficiaries) shall have the right to apply to the insurance ombudsman to resolve disagreements on all types of insurance. Other legal entities may apply to the insurance ombudsman only for the class (type) of compulsory insurance of civil liability of vehicle owners.

The sum of the requirements for the differences of persons specified in part two of this paragraph, shall not exceed ten thousand times the monthly calculation index.

2. The insurance ombudsman shall be guided by the following principles in his/her activity:

1) equality of the parties;

2) objectivity and impartiality in making a decision by the insurance ombudsman;

3) keeping secrecy of insurance and other secrets protected by the Law;

4) respect for the rights and interests of the parties protected by the Law;

5) transparency and justification of the decision-making procedure.

3. The insurance ombudsman shall be elected by the authorized body for a term of three years.

3-1. The procedure for electing and carrying out activities of the insurance ombudsman shall be determined by the regulatory legal act of the authorized body.

4. Excluded by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

5. The meeting of the council of representatives of the insurance ombudsman shall be deemed competent, and the quorum conditions shall be met, if the members of the council of representatives of the insurance ombudsman present at the meeting have in total not less than two thirds of the total votes.

6. Early termination of the powers of the insurance ombudsman shall be carried out by the authorized body, including at the request of the council of representatives of the insurance ombudsman.

7. The same person may not be elected as an insurance ombudsman more than twice in a row.

8. Early termination of the powers of the insurance ombudsman on their initiative shall be carried out based on a written notification of the council of representatives of the insurance ombudsman and the authorized body one month before the termination of powers.

Footnote. Article 86 as amended by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 87. Council of representatives of the insurance ombudsman and its competence

1. The council of representatives of the insurance ombudsman shall be formed by one representative from:

1) each insurance company having a license for the right to carry out insurance activities;

2) the authorized body.

2. The competence of the council of representatives shall include:

1) approval of the list of candidates in the amount of at least three candidates for the position of insurance ombudsman who meets the requirements established by Article 88 of this Law;

2) approval of the structure and staff (office of the insurance ombudsman);

3) approval of the annual budget, report on the results of the activities of the insurance ombudsman and determination of the amount of the mandatory annual contribution based on the methodology for calculating the number of mandatory contributions, the procedure and terms for payment of mandatory contributions by insurance organizations to the office of the insurance ombudsman, approved by the authorized body;

4) approval of the internal rules of the insurance ombudsman in coordination with the authorized body;

4-1) providing recommendations to the insurance ombudsman on improving their activities based on the analysis of complaints from consumers of insurance services against the actions of the insurance ombudsman and consideration of reports of the insurance ombudsman;

5) sending a petition to the authorized body for early termination of the powers of the insurance ombudsman;

6) other issues related to the activities of the insurance ombudsman in accordance with this Law.

Footnote. Article 87 as amended by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 88. Requirements for the insurance ombudsman

1. A person may be recommended for election as an insurance ombudsman:

1) with higher law education;

2) having an impeccable business reputation;

3) having experience in the field of insurance for more than five years;

4) who has not previously been an executive employee of an insurance (reinsurance) company or other legal entity within a period of not more than one year before the adoption by the authorized body of a decision to revoke the license of an insurance (reinsurance) company, as well as the forced liquidation of an insurance (reinsurance) company or other legal entity; persons or declaring them bankrupt in accordance with the procedure established by the legislation of the Republic of Kazakhstan.

A person recognized incapable or partially capable by the court in accordance with the procedure established by the Law of the Republic of Kazakhstan, as well as a person against whom criminal prosecution is carried out may not be recommended as an insurance ombudsman.

2. The insurance ombudsman shall not be entitled to hold any of the positions in financial organizations and (or) be an affiliate of insurance organizations.

Footnote. Article 88 as amended by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 89. Rights and duties of the insurance ombudsman

1. The insurance ombudsman shall have the right to:

1) request from the insurance companies the information necessary for consideration of application of the applicant;

2) publish in the media materials on the activities of the insurance ombudsman in compliance with the requirements of subparagraph 2) of paragraph 2 of this Article;

3) the formation of the staff (office of the insurance ombudsman).

2. The insurance ombudsman shall be obliged to:

1) be guided in their activities by the principles provided for in paragraph 2 of Article 86 of this Law;

2) keep confidentiality in respect to information obtained in the course of dispute resolution, and not to disclose it to the third parties;

3) report annually to the council of representatives of the insurance ombudsman on its activities;

4) ensure the completeness, reliability and timeliness of posting information and data on its Internet resource.

Footnote. Article 89 as amended by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced upon expiration of sixty calendar days after the day of its first official publication).

Article 90. Decision-making procedure by the insurance ombudsman

1. The decision shall be taken by the insurance ombudsman individually and shall be communicated in written form to the parties involved in the dispute.

2. When making decisions, the insurance ombudsman is guided by the legislation of the Republic of Kazakhstan and the terms of contracts.

3. The decision of the insurance ombudsman on the disputes between insurance companies shall be obligatory for insurance companies.

The decision of the insurance ombudsman on the disputes between the insurant (insured, beneficiary) and the insurance company shall be obligatory for the insurance company in case of its acceptance by the insurant (insured, beneficiary).

4. In case of non-fulfillment by the insurance company of the decision of the insurance ombudsman within the period established by him/her, the insurance ombudsman shall be obliged to inform the authorized body no later than three working days with attachment of documents confirming the violation of the requirements of this Law and regulatory legal acts of the authorized body.

5. The persons specified in part two of paragraph 1 of Article 86 of this Law, who are policyholders (insured, beneficiaries), as well as the insurer, have the right to go to court in accordance with the legislation of the Republic of Kazakhstan after receiving a decision of the insurance ombudsman. At the same time, execution of the decision of the insurance ombudsman is not mandatory for the policyholder (insured, beneficiary).

Footnote. Article 90 as amended by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (shall be enforced from 01.01.2024).

Article 91. Activities of the insurance ombudsman

1. The activities of the insurance ombudsman, including the procedure and terms for considering applications for resolving disagreements and making decisions, shall be carried out based on the procedure for electing and carrying out the activities of the insurance ombudsman, approved by the authorized body, and the internal rules of the insurance ombudsman.

2. To properly perform the assigned functions, the activities of the insurance ombudsman shall be financed by the contributions of insurance organizations. The methodology for calculating the number of mandatory contributions and the procedure and terms for the payment of mandatory contributions by insurance organizations to the office of the insurance ombudsman shall be established by the regulatory legal act of the authorized body.

3. Settlement of disputes in the cases provided for in paragraph 1 of Article 86 of this Law shall be carried out by the insurance ombudsman free of charge.

4. In case of non-payment, late payment or partial payment of mandatory contributions, the insurance ombudsman shall be obliged to notify the authorized body within seven working days of the improper performance by the insurance company of its obligations under this Law.

5. The office of the insurance ombudsman must contain services and specialists in information technology, jurisprudence, accounting and financial reporting, in the field of assessment, for working with applications from applicants and other services (specialists) based on the decision of the insurance ombudsman, approved by the council of representatives of the insurance ombudsman

Footnote. Article 91 as amended by the Law of the Republic of Kazakhstan dated 12.07.2022 № 138-VII (the order of enforcement see Article 2).

Article 92. Features of the settlement of disputes arising from obligatory insurance contracts

Features of settlement of disputes arising from obligatory insurance contracts shall be established by separate legislative acts of the Republic of Kazakhstan regulating obligatory types of insurance.

The President of the Republic of Kazakhstan

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