

Travel Insurance Conditions

Main definitions used in the wording

Unless otherwise defined in Conditions all terms used herein shall have the following meanings assigned to them:

Insurer - is the party to an insurance agreement, which is a local legal entity with a relevant license to carry out insurance activities and legally liable to pay an indemnity in the case of an insurance event indicated in the Insurance Agreement takes place;

Insured – is the party to Insurance Agreement who pays the insurance premium and has an insurable interest on the object being insured;

Insured person – a person whose proprietary interests are insured under an insurance agreement;

Beneficiary – a person entitled to receive the indemnity under an insurance agreement;

Assistance Company – A company which organizes providing of medical and other assistance to the insureds outside the borders of Azerbaijan Republic, under the agreement concluded with an Insurer;

Insurance Agreement – an agreement where the terms of Insurer's obligation to undertake to pay losses and damages occurred as a result of a certain event or to pay agreed amount against the insurance premium paid by Insured are set.

Insurance policy – document proofing the fact of binding an Insurance Agreement, issued by the Insurer to Insured and/or Insured Person;

Insurance coverage – the volume of services provided by insurer according to the insurance program chosen by insured;

Object of Insurance – any legitimate proprietary interest of the insured or insured person;

Subject-matter of insurance – a natural person to whom insured's proprietary interest belongs to according to an insurance agreement;

Insurable interest – the possibility of the Insured to incur a financial loss in case of an insurance event is the basis for Insured to insure the object of insurance;

Insurance risk or risk – probability of occurrence of an event or circumstance which might cause losses or damage to the object of insurance, as well as the liability undertaken by the Insurer against such probability;

Insurance event – an event or circumstance occurring during an insurance period and serving as a ground to indemnify the insured, insured person or other beneficiary in accordance with legislation or an insurance agreement;

Period of insurance – in accordance with legislation or an insurance agreement period of time starting from the date an insurance agreement comes into force till the moment it comes to an end;

Sum insured – maximum extent of an Insurer's liability in respect of the insured risks indicated in the monetary amount as determined in the legislation or an insurance agreement;

Insurance premium – the monetary amount payable by the Insured to the Insurer for acceptance or distribution of the risks in accordance with legislation and as determined in the Insurance Agreement;

Deductible – part of the loss or damage occurring as a result of an insurance event not covered by the insurance policy and which an Insured is liable for;

Insurance payment – financial compensation disbursed by the Insurer in line with legislation and Insurance Agreement in case if an Insurance event takes place;

Coverage territory – Certain territorial boundaries where the insurance object is deemed to be insured;

Insurance rate– appropriate rate applied to the sum insured to calculate an insurance premium taking into consideration the characteristics of subject matter of insurance and insurance risk;

Significant circumstances –all circumstances known by Insured as well as required by the insurer to be in writing and affecting the decision of the insurer to void the agreement or agree to conclude it only after changing the context of an agreement;

An accident – a sudden and unexpected circumstance requiring an immediate emergency intervention and resulting in bodily injury or death of the insured and occurring during an insurance period;

Sudden illness – a sudden and unexpected circumstance requiring an immediate emergency intervention occurring during an insurance period;

Close relative – Insured’s spouse, children, adopted children, sisters, brothers, wife’s or husband’s parents, their sisters, brothers.

CHAPTER 1. GENERAL PROVISIONS

Article 1. Class of insurance

1.1. Below classes related to personal and property insurance classes in accordance with an insurance object:

1.1.1. a travel insurance designed to pay insurance payment in full or partially where such payment is arising out of illness of insured person while travelling within or outside the country or shattering as a result of accident which requires necessary medical costs as well as other expenses occurred during the travel and indicated in the insurance agreement.

1.1.2. cargo (transport) insurance designed to pay damage to insured's proprietary interests in full or partially where such payment is arising out of damage, spoil, loss of the goods or any form of loss not depending on the type of transport.

Article 2. Subject matter of insurance

2.1 As per current Conditions proprietary interests of the natural person and/or other expenses which may occur during the travel, is considered to be a subject matter of an insurance.

CHAPTER 2. INSURANCE COVERAGE

Article 3. Insurance risks

3.1 In accordance with the current Conditions, an insurance event is a situation stipulated under the insurance agreement resulting in the payment of the indemnity by the insurer;

3.2 Cases of sudden illness, accidents and fatalities shall be treated as insurance events provided that they occur while the insured person is located on the territory of the country indicated in the insurance agreement and during the insurance period;

3.3 If the said events occur as a result of the following, they shall not be considered to be insurance events:

3.3.1 If the insured person is under the influence of alcohol, narcotic or toxic substances;

3.3.2 If the insured person commits a suicide (attempted suicide);

3.3.3 Impact of a nuclear explosion, radiation, radioactive and other types of intoxication;

3.3.4 Natural disaster and its consequences, epidemics, quarantine and meteorological conditions;

3.3.5 Deliberate acts of the insured person or third party interested in an insurance event;

3.3.6 Illegal actions of the insured person closely connected with the occurrence of an insurance event;

3.3.7 Damage caused as a result of flights where the aircraft is operated by the insured person (except the damage caused as a result of flights on board where the aircraft operated by a professional pilot where the insured person is a passenger);

3.3.8 Flights of the insured person on engineless planes (glider, planers) as well as parachuting, skiing, motor or motorcycle racing, diving, water motorsport and other sport activities;

3.3.9 Military operations and their results, civil commotions, strikes, riots, rebellions, mass disturbances, acts of terror and their consequences;

3.3.10 Service of the insured person in any armed forces and troops;

3.3.11 Engagement of the insured person in any sporting activities and sports competitions;

3.3.12 Engagement of the insured person in dangerous activities (including work as a professional driver, mining, construction worker and circuit installer);

3.3.13 Trips of the insured person in order to undergo medical treatment.

3.4. On the basis of an endorsement to an insurance agreement damages resulted from events stated above may be treated by the insurer as insurance in case if the insured person pays an additional insurance premium

Article 4. Exclusions from Insurance Risks and (or) Limitations in the Insurance Coverage

4.1 The insurer shall not reimburse the following expenditure:

4.1.1 Treatment of diseases known at the conclusion of the insurance agreement not depending on whether the disease was treated or not, except the cases when the medical care provided for treating the acute pain or saving the Insured Person's life;

4.1.2 Complications, adverse effects of medical treatment received prior to the commencement of the insurance agreement and expenses related to the fatality and if the insured had medical contra-indications to travel;

4.1.3 Treatment of epilepsy, nervous and mental disorders, and neuroses (agitation, depression, hysterical syndrome, etc.);

4.1.4 Diagnosing manipulations without treatment (consultation and laboratory examination);

4.1.5 Cardiovascular surgery, angiography, angioplasty and bypass;

4.1.6 Treatment and examination of oncological diseases;

- 4.1.7 Treatment of chronic diseases, except for cases when such diseases pose a threat to the life of the insured person and when emergency medical assistance is required to prevent further complication of such diseases; except for urgent treatment of conditions posing an immediate danger to the Insured Person's life;
- 4.1.8 Unexpected medical service or service not associated with an accident, preventive measures and general medical checkup;
- 4.1.9 AIDS, HIV infections, treatment and examination of sexually transmitted diseases and venereal diseases (mycoplasma, chlamydia, ureaplasma, cytomegalovirus, herpetic infections), as well as complications of these diseases;
- 4.1.10 Consultation and examination required during pregnancy, examination and treatment of any complication occurring during pregnancy regardless of the duration of gestation, perinatal and natal care, except the cases where there is a danger threat to human life;
- 4.1.11 Abortions (unless a pregnancy-interruption operation is required for saving the Insured Person's life);
- 4.1.12 Cases involving plastic and corrective surgery, as well as any prosthetic work on organs, including eyes and teeth;
- 4.1.13 Dental care, check-up, permanent (temporary) tooth stopping, medicines prescribed for acute inflammation of teeth and surrounding tissue, except for tooth trauma caused in accidents;
- 4.1.14 Medically unimportant medical care or the one not prescribed by a doctor;
- 4.1.15 Cases resulting from the insured person's voluntary refusal to follow doctor's advice after an insurance event;
- 4.1.16 Manual therapy, reflex therapy (acupuncture), massage, homeopathy, phytotherapy and nature therapy, and treatment using similar methods;
- 4.1.17 Treatment and care provided by the insured person's family members;
- 4.1.18 Treatment carried out by unlicensed medical institutions or persons not authorized to engage in medical activities;
- 4.1.19 Rehabilitation, remedial treatment and physiotherapy;
- 4.1.20 Treatment carried out at sanatoria, resorts, recreation centers and similar institutions;
- 4.1.21 Disinfection, preventive vaccination, medical expertise, laboratory and diagnosing examination not associated with an accident or sudden disease;
- 4.1.22 Extra amenities used by the Insured person (fully-equipped ward, TV, telephone, air-conditioner, air-humidifier, massage, cosmetologist, interpreter, etc.);
- 4.1.23 Medical and other expenses generated from mitigation of the cases resulted from insurance event after returning to permanent place of residence;
- 4.1.24 Cases where financial value exceeds the sum insured;
- 4.1.25 Medical evacuation, transport services and repatriation after death which are not organized by the Assistance Company;
- 4.1.26 Insurer is entitled to set additional exclusions grounding to the risk assessment results.

Article 5. Expenses covered by the Insurer:

- 5.1 In case of an insurance event the insurer or the Assistance Company organizes medical assistance and controls treatment process.
- 5.2 According to the present Conditions, insurer reimburses the Assistance Company for organization of the following activities or the insured person for the expenses incurred on the basis of providing appropriate confirmation documents. Below services are provided by Insurer:

5.3 Medical expenditure, i.e.:

- 5.3.1 In-patient treatment (in a standard ward), including doctor's services, surgeries, diagnosing, medicines prescribed by doctor, bandaging and fixation material (plaster, bandage, etc.);
- 5.3.2 Out-patient treatment, including doctor's services, surgeries, diagnosing, medicines prescribed by doctor, bandaging and fixation material (plaster, bandage, etc.).

5.4. Medical evacuation expenses, i.e.:

- 5.4.1 Evacuation of the insured person from the venue of the insurance event in the country of a temporary stay to a nearby medical institution or attending physician (by an ambulance or other means of conveyance);
- 5.4.2 In case if necessary medical assistance cannot be provided in the country of temporary stay of the insured person emergency medical repatriation to the nearest medical institution to the insured person's permanent residence, including the expenses on an accompanying person (if recommended by attending physician), by an appropriate transport vehicle. Emergency medical repatriation is carried out only on the basis of documents

provided by the attending physician and if a physician cooperating with the insurer confirms the importance of repatriation and if there are no contra-indications for that.

5.4.3 In cases when expenditure on in-patient treatment exceeds the sum insured (limit) stipulated under the insurance agreement, medical repatriation of the insured person from a foreign state to the insured person's residential address or to the nearest medical institution. Medical repatriation is carried out only if there are no contra-indications for it. Expenses on medical repatriation are covered in the amount (limit) stated in the insurance agreement (insurance policy).

5.5. Transport costs, i.e:

5.5.1 Costs related to the Insured person's one-way travel to a country of permanent residence by an economic class transport means, costs incurred in connection with reaching an airport having a direct international link in cases when the Insured person's travel to the country of his permanent residence on the date indicated in the travel documents was impossible due to the occurring an insured event requiring in-patient treatment. The Insured shall do everything depending on him to return the unused travel document and return its value to the Insurer. In case of violation of this condition, the Insurer may deduct the value of such documents from the amount to be paid to the Insured person.

5.5.2 Costs associated with one-way travel, by an economic-class transport means, of the Insured person's children (up to 16), who were together with him while on a trip to a foreign country and became unprotected as a result the occurring of an insured event, to a country of residence. If necessary, the Insurer shall arrange an accompanying person for children and pay his costs.

5.5.3 If the Insured person stays more than 7 days at a hospital, the round trip costs of his one relative by an economic class transport means (from the country of permanent residence to the country of destination and back) and maximum 7 day-stay in a maximum 4-star hotel.

5.6. Repatriation in case of death, i.e.:

5.6.1. Should the Insured die as a result of an Insured event, costs associated with his/her repatriation to the place of permanent residence organized by the Assistance Company after the death - to the extent of the insurance amount indicated in the insurance agreement (insurance policy). In this case, funeral costs at the place of permanent residence shall not be paid by the Insurer.

5.7. Costs for arranging services defined in the current Rules provided by an Emergency Aid Centre

5.7.1. The type of a transportation means to be arranged for the Insured person shall be defined by the Insurer/Assistance Company, taking into account medical data. In this case, Insurer shall not be responsible for a Transport company's not following the flight schedule.

5.8. Provision of urgent messaging

5.8.1. The Insurer undertakes, at the request of the Insured person, immediately to inform the person named by him/her about the event the happened to him/her.

5.9. Unexpected return of the Insured person due to his/her relative's death

5.9.1. Should the Insured person disrupt his trip due to the death of his relative residing in Azerbaijan, cost of an additional return ticket shall be paid at a reasonable (economic class) price, however, provided that, he unable to use his return ticket. In order to be eligible to receive the payment, the Insured person should provide a notarized copy of the documents certifying the death of his relative.

5.10. Loss of or damage to luggage

5.10.1 In case of a luggage being lost and not found within the timeframe (at least 21 days) defined by an Airline company (or its representative) after the luggage was registered and handed over to the Airline company for transportation during scheduled flights to a foreign country, the Insurer shall pay a compensation in the same manner and to the same extent as defined in the insurance policy, provided that the Insurer is presented with a report from the Airline company certifying either the loss or theft of the luggage.

5.10.2 The Insurer shall pay a compensation in accordance with this paragraph, provided that the amount of compensation should not be more than the amount shown on the "Loss of or damage to luggage" Warranty in the insurance certificate, after deducting the compensation amount paid by the Airline company from the approximate value of the luggage.

5.10.3 The Insured shall provide a list of luggage contents and their approximate value and whether or not the transportation Airline company had paid any compensation for the loss of or damage to the luggage.

5.10.4 Money, jewellery (items made of precious metals and stones), credit cards, securities, mobile phones, audio, video, photo and computer equipment, seal(stamp) (any seal and stamp given to the Insured person or belonging to him or being used by him), personal documents and travel documents shall not be included in the insurance coverage.

5.11. Search for and return of the lost or misplaced baggage

5.11.1. In case of loss or misplace of the Insured person's baggage by the Air company - a member of IATA – or its representative, the Insurer shall arrange return of the baggage, in cooperation with proper organizations, i.e. air companies, to the place of the Insured person's location.

5.12. Personal belongings

5.12.1. Should the Insured lose his personal belongings during his travel within the term of the insurance, or if his personal belongings are stolen, or damaged, the Insurer shall pay the beneficiary a compensation in the same manner and to the same extent as defined in the insurance policy. Personal belongings shall mean a property belonging to a person insured, or being under his care, custody and control (money, jewellery (items made of precious metals and stones), credit cards, securities, mobile phones, audio, video, photo and computer equipment, any seal or stamp given or belonging to the insured person, or used by him/her), personal documents and travel documents are not covered by the insurance coverage).

5.13. Cancellation, termination and delay of a travel

5.13.1 In the event that the travel should be cancelled, terminated or delayed due to the direct result of acute and serious illness/disease, accident or death of the Insured person or his relative during the term of insurance, the Insurer shall pay the beneficiary a compensation in the same manner and to the same extent as defined in the insurance policy. Severity of the disease or accident shall be determined by a medical expert.

CHAPTER 3. INSURANCE AGREEMENT

Article 6. Conclusion of an insurance agreement

6.1. To conclude an insurance agreement, the insured verbally applies to the insurer. Insured (Insured person) provides Insurer with below information:

6.1.1 Name, surname and patronymic of Insured person (same as indicated in passport) date of birth, address, phone number;

6.1.2 In case if an insured is a legal entity – its name, legal address, phone, bank details, list of insured persons;

6.1.3 start and end dates of travel;

6.1.4 countries where a coverage stipulated by an insurance agreement is provided;

6.1.5 purpose of travel;

6.1.6 in case if an insured person is going to work abroad then his occupation and type of intended profession;

6.1.7 type of sport or race where an insured person is going to take a part;

6.1.8 sum insured;

6.2. When concluding the insurance agreement the Insured shall inform the Insurer of all cases/circumstances known to him which might affect the decision of the insurer to void the agreement or agree to conclude it only after changing the context of an agreement.

6.3. Insured person shall inform the insurer of all changes in the insurance risk known to him throughout the insurance period.

6.4. An insurance agreement concluded without medical check-up of the Insured Person.

6.5. While concluding an insurance agreement Insured Person exempts doctors from obligations of confidentiality to the Insurer in the section regarding an insurance event.

6.6. Unless otherwise specified in the insurance policy, insurance policy is concluded for the period no later than one year while Insured Person is outside of the borders of Azerbaijan Republic.

6.7. Unless otherwise specified in the agreement, insurance agreement becomes effective at 00:00 on the commencement date and ends at 23:59 on the expiry date indicated in the agreement.

6.8. Insurance policy together with the attached wording provided to the Insured Person is an evidence of a legally binding contract of insurance.

6.9. Insurance only covers insurance events occurred during the policy period.

If return of the insured person from a foreign country before policy expiry date is impossible due to his hospitalization resulted from an insurance event, the Insurer shall keep on performing its obligations provided in Section 4 hereof for 2(two) weeks since the date shown in the insurance certificate as the date on which obligations in connection with such insurance event expires.

Article 7. Parties of an insured agreement

7.1. Insurer

7.1.1. According to the present Conditions, "Pasha Insurance" OJSC is deemed to be an insurer.

7.2. Insured

7.2.1 According to the present Conditions, any physical or legal entity possessing property interests with regard to the subject of insurance shall be treated as the insured.

7.2.2 Under the present Conditions, actions of the insured shall include those of its employees, officials, including other representatives authorized to act on behalf of the insured in accordance with legislation of the Azerbaijan Republic, the Law of the Azerbaijan Republic "On insurance activities", the insurance agreement, the power of attorney or official powers and duties.

7.3. Insured person

7.3.1 Insured person is a person whose proprietary interest are insured under an insurance agreement.

7.4. Beneficiary

7.4.1 An insurance agreement may be concluded in favour of any other person interested in protecting the insurance subject – a beneficiary.

7.4.2. Name of the beneficiary shall be shown in the insurance agreement.

7.4.3. The fact that insurance agreement is concluded in favour of Beneficiary does not exempt Insured from its obligations under insurance agreement.

7.4.4. These Conditions and all provisions under insurance agreement applied to the Insured shall be applied to the Beneficiary intended to benefit from the insurance in the same manner.

Article 8. Insurance territory

8.1 Insurance territory is an area outside the borders of the Azerbaijan Republic, i.e. a place of the insured person's temporary stay which is not considered to be permanent residence. "Residence" means a place of the insured person's permanent or usual stay.

Article 9. Amendments and additions to the insurance agreement

9.1. Insurer and the Insured can agree to amend and to add certain terms to the insurance agreement during insurance period.

Article 10. Changes in insurance risks

10.1 For the entire duration of the insurance agreement, the insured or the Insured person shall immediately inform the insurer of any changes in the important information communicated to the insurer at the time of signing of the insurance agreement, and of any other known information capable of significantly affecting the insurance risk.

10.2 Having received information capable of increasing the insurance risk, the insurer has the right to take the following actions:

10.2.1 Change the terms and conditions of the insurance agreement,

10.2.2 Require the payment of an additional insurance premium;

10.2.3 Terminate the agreement in a due manner.

Article 11. . Termination of the insurance agreement

11.1 The insurance agreement is terminated in the following cases:

11.1.1 Upon expiration of the agreement (last date indicated in the insurance policy);

11.1.2 When the insurer has completely fulfilled its obligations before the insured;

11.1.3 If the insured fails to pay the insurance premium in the time established by the agreement;

11.1.4 If insurance interest is no longer exists;

11.1.5 If subject of the insurance is no longer exists;

11.1.6 In other cases stipulated under legislation of the Azerbaijan Republic

Article 12. Outcomes of premature termination of Insurance Agreement

12.1. In the event when the Insurance Agreement (in case of group insurance with regard to subject matter of insurance) is terminated prematurely at the request of Insured, the Insurer shall reimburse insurance premium for

the outstanding period of the Agreement deducting the administration costs under an insurance agreement (in case of group insurance with regard to subject matter of insurance proportion of an insurance premium). If such request is related to failure of Insurer to discharge of contractual agreements, the Insurer shall fully reimburse the insurance premium to the Insured (in case of group insurance paid insurance premiums in respect of subject matter of insurance).

12.2. In the event if the Insurance Agreement (in case of group insurance with regard to subject matter of insurance) is terminated prematurely at request of the Insurer, the Insurer fully reimburses the insurance premium (in case of group insurance paid insurance premiums in respect of subject matter of insurance) to the Insured. If such request is related to failure of Insured to discharge contractual obligations, the Insurer shall reimburse insurance premium (in case of group insurance proportion to the insurance premiums in respect of subject matter of insurance) for the outstanding period of the Agreement deducting administration costs of the insurance agreement.

12.3. In the event if the Insurance Agreement (in case of group insurance with regard to subject matter of insurance) is terminated prematurely, if any indemnity equal to or exceeding the Insurance premium (in case of group insurance paid insurance premiums in respect of subject matter of insurance) are paid by the Insurer to the Insured prior to the termination date, the Insurance premium is not reimbursed to the Insured.

12.4. In the event if the Insurance Agreement (in case of group insurance with regard to subject matter of insurance) is terminated prematurely, if any indemnity less than the Insurance premium are paid by the Insurer to the Insured prior to the termination date, the insurance premium equal to the difference between the Insurance Premium and the Indemnity amount is reimbursed to the Insured according to Articles 12.1 and 12.2 hereof.

12.5. In the event if the Insurance Agreement is considered terminated under a court decision as determined in the Article 12.2, the Insurer shall reimburse to the Insured's authorized legitimate representative the insurance premiums for the outstanding period of the Agreement (in case of group insurance with regard to subject matter of insurance) deducting administration costs of the insurance agreement according to Articles 12.3 and 12.4 hereof.

CHAPTER 4. SUM INSURED AND INSURANCE PREMIUM

Article 13. Sum insured and insurance premium

13.1 The sum insured is a maximum extent of an Insurer's liability in respect of the insured risks. Total sum insured stated in the insurance policy is a maximum amount which will be paid to Insured in respect of an insurance event and/or all insurance events during an insurance period.

13.2 According with insurance policy insurance premium is an amount which should be paid by Insured to Insurer (or its agent or broker). Insurance premium is calculated on the basis of insurance rates and its amount is indicated in the policy.

13.3 Insurance premium is paid in full or by installments as agreed by parties.

13.4 The day when the insurance premium reaches the insurer's bank account or is paid in cash is considered to be the day of payment of insurance premium.

13.5 Unless the agreement otherwise envisages, the insurance agreement becomes effective at 23:59 on the day when the insurance premium was paid partially or in full, however, the agreement shall not become effective earlier than the commencement date of the insurance period as indicated in the certificate.

13.6 If the insured fails to pay the insurance premium or its agreed next installment in the time stipulated in the insurance agreement, the insurer may terminate the insurance agreement or unilaterally refuse to execute the agreement.

Article 14. Deductible

14.1. Conditional or unconditional deductible amount, as well as waiting period may set in the Insurance Agreement.

14.2. Unless otherwise agreed in the insurance policy deductible in respect of insurance coverage is applied to each insurance risk and each insurance event.

14.3 In case of a conditional deductible, if damage caused by an Insured loss exceeds this amount, deductible amount is not subtracted from the loss amount.

14.3. In case of unconditional deductible, the amount is subtracted from the loss in all cases.

CHAPTER 5. ORGANIZATION OF MEDICAL SERVICE IN CASE OF INSURANCE EVENT

Article 15. Rights and responsibilities of parties:

15.1 Rights of the insured:

- 15.1.1 To be familiar with the rules of the insurance agreement;
- 15.1.2 Request the indemnity from Insurer when insurance event occurs;

15.2 Responsibilities of the insured:

- 15.2.1 pay the insurance premium in time and in the extent set by insurance agreement;
- 15.2.2 provide Insurer with necessary information to sign the agreement as well as other information about insurance agreement;
- 15.2.3 When concluding the Insurance Agreement the Insured shall inform the Insurer of all cases known to him which might lead to amendment of the Insurance Agreement or to a decision to refuse from the agreement, and required in written by an Insurer;

15.3 Rights of the insurer:

- 15.3.1 To check information provide by Insured;
- 15.3.2 Refuse to pay an insurance payment stipulated under present Conditions, in case if such payments done to ask Insurer to reimburse such payment.
- 15.3.3 Refuse to pay an insurance payment in case if Insured fails to inform the Insurer of all cases known to him which might lead to amendment of the Insurance Agreement or to a decision to refuse from the agreement, and required in written by an Insurer while concluding the Insurance Agreement;
- 15.3.4 If the insured fails to pay the insurance premium or its agreed installment in the time stipulated in the insurance agreement, the insurer may terminate the insurance agreement or refuse to execute the agreement;
- 15.3.5 Terminate the insurance agreement stipulated under present conditions and terms.

15.4 Responsibilities of the Insurer:

- 15.4.1 Provide the Insured with an insurance policy;
- 15.4.2 Pay the insurance compensation according to the appropriate documents in case of insurance events take Place;
- 15.4.3 Guarantee a confidentiality in relations with Insured;
- 15.4.4 In the event if the Insurance Agreement is terminated prematurely pay the amount calculated in accordance with present Conditions and in the time period stipulated herein;
- 15.5 If the important information form contains false information, the insurer may cancel the agreement;
- 15.6 If the insured, while answering questions concerning dangerous situations, does not initiate to disclose information about situations which are not asked about, the insurer may terminate the agreement or refuse to pay the indemnity
- 15.7 If the insurer knew of a situation being concealed or if the insured is not to blame for non-disclosure of such information, the agreement cannot be terminated on these grounds.

Article 16. Responsibilities of the insured during an insurance event and insurer's control over it

- 16.1 Insured person shall immediately or as soon as possible inform the insurer or its representative of the occurrence of an insurance event.
- 16.2 Notwithstanding to the coverage under the insurance policy, Insured person is liable to take all reasonable measures to reduce the damage, injury and liability and to prevent the occurrence of future losses.
- 16.3 Damage, injury and liability resulting from direct or indirect cause of failure of Insured person to take the required action will not be reimbursed.
- 16.4 In case of an insurance event, Insured person shall follow the instructions provided by the insurer.
- 16.5 If the insured fails to take the reasonable measures to prevent or reduce the size of the loss, the insurer may not compensate for the amount of the loss increased as a result of such failure.
- 16.6 Insurer shall control all actions of Insured person regarding an insurance event and its consequences and has the decision-making capacity on all issues affecting the insurance payment.
- 16.7 If required, Insurer or Insured person shall assist the insurer as much as it can. The insurer has the right to represent the interest of the Insured and at its own expense defend the claim in all official and unofficial investigations in respect of an insurance event. The insured or insured person shall not act, sign agreements or promise something regarding the recognition of its liabilities without prior consent of the insurer.

Article 17. Proof of insurance event

17.1 It is the responsibility of the insured to prove an insurance event and adjust the amount of the damage caused and the insured shall provide the insurer with all the documentation required by legislation and the appropriate experience.

17.2 Unless otherwise stated in the insurance policy the following documents are required for the payment of insurance compensation:

17.2.1 According to applicable legislation if information about a potential insurance event should be reported to a government organization, then a document issued by this organization relating the event is required;

17.2.2 Copy of ID card, in case if insured person is under 18, then birth certificate, or copy of the ID of the parent or legal guardian;

17.2.3 Copy of the insurance certificate;

17.2.4 List of medical services provided by a medical institution (receipt, bill, invoice original or copy);

17.2.5 Original or copy of the medical certificate issued by medical institution;

17.2.6 List of medicines prescribed by a doctor (receipt, bill, etc. original or copy);

17.2.7 Other documents confirming the occurrence of an insurance event;

17.3 Unless otherwise stated in the agreement this is the minimum package of documents according to the article 17.2. If required, insurer may ask insured to provide other documents which may help to determine the cause of the insurance event as well as to determine the amount of the loss.

CHAPTER 6. INSURANCE PAYMENT

Article 18. Compensation payment methods

18.1. Insurance payment shall be made as follows:

18.1.1. In case if insurance event occurs and the Insured contacts Assistance Company, according to the insurance agreement costs of services provided to the Insured person is paid by Assistance Company to the medical organization.

18.1.2. In case if the Insured person pays costs of services provided to him in cash:

If, original of the check with full name of medical organization on it, list of the provided services with prices, referral, an extract from an out-patient's and/or in-patient's medical card together with the claim application is submitted by the insured Person, then the Insurer pays the costs incurred by Insured person back to him (if such services are organized by or agreed with the Insurer).

18.2. Insured Person's claim application should be submitted to the Insurer no later than 1 month after his/her arrival in the territory of Azerbaijan. The insurer pays insurance compensation or refuses to make such payment by providing a written explanation within 7 business days from receiving the last of the documents stipulated under Clause 17 of the present Conditions.

18.3. While calculating the insurance compensation, all deductions indicated in the insurance agreement are deducted from the payment amount.

18.4. If the Insured has failed to pay a premium on its due date the insurer has a right to deduct the amount of unpaid premium and delayed payment from the amount of insurance indemnity.

18.5 The sum insured indicated in the insurance agreement is considered to be reduced in the amount of insurance compensation paid under the mentioned agreement. Unless otherwise provided by the insurance legislation it is not necessary to make an amendment to the insurance agreement regarding the reduction of the sum insured.

Article 19. Grounds for refusal to pay insurance compensation

19.1 The insurer refuses to pay insurance compensation in the following cases:

19.1.1 In case if the Insurer cannot identify insurance event as a result of non-implementation of the provisions of the article 16.1 of these Conditions by the Insured.

19.1.2 Considering legislative requirements complete or partial impossibility for the Insurer to assess insurance risks, determine the actual cause of the insurance event and (or) volume of the damage caused as a result of deliberate provision of false information about insurance subject-matter, insured person and (or) insurance event by the Insured to the Insurer;

19.1.3 Occurred event cannot be deemed to be an insurance event according to legislation or insurance agreement;

19.1.4 If the insurance event occurs 15 days after the deadline prescribed by legislation or the agreement for the payment of an insurance premium or any portion thereof, and 3 (three) days after a deadline established by the insurer in cases stipulated under Clause 903.5 of the Civil Code of the Azerbaijan Republic, and if the insurance premium or any portion thereof remains unpaid;

19.1.5 In other cases prescribed by applicable legislation.

Article 20. Subrogation rights

20.1. Subrogation is the right of the Insurer, once he have made insurance payment due, to exercise any rights or remedies of the insured arising out of the insured event/loss or damage to recover their outlay from a culpable party.

20.2. Insurer obtains beneficiary's right to seek reimbursement from the culpable party within the limit of such payment made according to the subrogation process.

20.3. Having received insurance payment, Beneficiary shall provide the Insurer with all necessary documents he has, enabling the Insurer to exercise its subrogation rights.

20.4. In case if the beneficiary fails to provide the Insurer with necessary documents or refuses to transfer his rights to bring a claim against culpable party to seek reimbursement, the Insurer is exempted from the payment in the extend of the amount recoverable from the person responsible for the loss in the course of subrogation process.

20.5. Insurer can exercise his subrogation rights against culpable party and (or) against the Insurer who insures this person's liability related to such risks, also against other person liable for the loss before the beneficiary or the insured.

Article 21. Responsibility of parties

21.1. Parties bear responsibility as set forth in legislation for failure to perform or failure to properly perform terms and conditions herein.

Article 22. Confidentiality of work secrets

22.1 Insurer is responsible in line with legislation for material and moral damage incurred by the Insured for failure of the Insurer to maintain confidentiality of information about Insured received during work process.

Article 23. Dispute resolution

23.1. All disputes arising out of or in connection with the Insurance Agreement initially shall be resolved by reaching an agreement on the basis of claims, otherwise if the parties cannot reach an agreement disputes should be resolved through submitting to the court in line with legislation of Azerbaijan Republic

Article 24. Provisions and special terms

24.1 To amend or change any provision of insurance conditions clauses may be added to these conditions.

24.2. Special provisions/terms may be set out in the insurance agreement not contrary to the current law and current Conditions. Non-implementation of these special provisions by Insured serves as a basis for the insurer to refuse to pay insurance payment.