

**Regulation on the use of assets accumulated in the prevention fund
created by the insurer**

1. General provisions

1.1. This Regulation has been developed in accordance with Article 26.2 of the Law of the Republic of Azerbaijan "On Compulsory Insurance" and Article 78.2 of the Law of the Republic of Azerbaijan "On Insurance Activity" and determines the use of assets accumulated in the prevention fund (hereinafter referred to as the “prevention fund”) created by the insurer, as well as the forms of reports on the use of these assets and the procedure for their submission.

1.2. The prevention fund shall be calculated separately for each type of compulsory insurance and shall be used for the purposes specified in this Regulation.

1.3. The definitions used in this Regulation shall have the meanings given by the Law of the Republic of Azerbaijan "On Insurance Activity".

2. Use of assets accumulated in the prevention fund

2.1. Assets accumulated in the prevention fund may be used for the following purposes:

2.1.1. conducting awareness-raising activities;

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2.1.1.2. carrying out awareness-raising work on the consequences of the occurrence of situations that can be considered as insurance events in educational institutions;

2.1.1.3. organizing the preparation and distribution of educational materials on first aid for the injured;

2.1.1.4. carrying out publicity and promotional activities to prevent the occurrence of situations that may be considered insurance events;

2.1.2. providing proposals and/or assistance to reduce the probability of occurrence of insurance events in areas with high intensity of occurrence of insurance events;

2.1.3. providing proposals and/or support regarding the prevention and mitigation of impacts caused by natural and environmental emergencies, including floods and mudflows;

2.1.4. providing proposals and/or support for the installation of warning devices (fire alarm systems) to warn about a fire incident;

2.1.5. providing proposals and/or support for improvements to treatment equipment, hazardous waste filters at facilities and other environmental equipment.

3. Reports on assets accumulated in the prevention fund and their use

The insurer shall submit monthly reports to the Central Bank of the Republic of Azerbaijan on the assets accumulated in the prevention fund and the purposes of their use. The reports shall be approved by the enhanced electronic signature of the Chairman of the Board of Directors of the insurer (or the person temporarily performing his/her duties) according to the form specified in Appendix No. 1 of this Regulation and submitted through the electronic information system of the Central Bank of the Republic of Azerbaijan within the first 5 (five) working days of each subsequent month.

Appendix 1
to the Regulation
on the use of assets
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Report on the assets accumulated in the insurer's prevention fund and the purpose of their use

Insurer's name: _____

Reporting period: _____

(cumulative since the beginning of the year)

I. Assets accumulated in the prevention fund by type of insurance		
No.	Type of insurance	Amount of the prevention fund calculated during the reporting period
1.		
2.		
3.		
...		
	Total	

II. Use of the prevention fund			
No.	Purpose	Amount actually spent during the reporting period	Amount of the prevention fund at the end of the reporting period
1.			X
2.			X
3.			X
...			X
	Total		