



MOTOR INSURANCE TERMS & CONDITIONS

MO 001/21



TBC INSURANCE

DEFINITION OF TERMS

For the purposes of this insurance, terms used herein have the following meanings:



INSURER

JSC TBC Insurance, **We, Us, Our.**



INSURED

A legal entity/individual entering into Insurance Agreement and responsible for paying corresponding Insurance Premium, **You, Your, Yours.**



BENEFICIARY

A legal entity/individual indicated in the Insurance Policy, entitled to receive Insurance Indemnity in accordance with present Terms and Conditions.



AUTHORIZED DRIVER

Any person(s) of at least 18 years old, duly licensed to drive given category of vehicle, in accordance with the current legislation.



THIRD PARTY

Any legal entity or individual other than the Insured, Beneficiary, Owner of the Insured Vehicle, their family member(s), passenger(s) and driver of the Insured Vehicle.



FAMILY MEMBER

Spouse, children, stepchildren and/or parents (including foster parents) of the Insured, Beneficiary, Owner or Authorized Driver.



INSURANCE AGREEMENT

A set of present Terms and Conditions, together with the Insurance Policy, its Attachment(s) and Questionnaire(s) (information provided to the Insurer by the Insured in writing or in electronic form).



INSURANCE POLICY

A document issued by the Insurer, certifying validity of the Insurance Agreement, and stating details of the insurance cover.

In case of any discrepancy between the Policy and present Terms and Conditions, the Policy shall prevail.



INSURANCE PERIOD

Period indicated in the Insurance Policy, during which insurance cover is valid.

MO 001/21

**INSURANCE PREMIUM/PREMIUM**

Cost of insurance to be paid in the amount and form as indicated in the Insurance Policy.

**RISK INSURED**

An event covered by this insurance Terms and Conditions, which can give rise to the Insurance Event.

**INSURED EVENT**

An Event caused by an Insured Risk(s).

**INSURANCE INDEMNITY**

Amount payable by the Insurer upon occurrence of the Insured Event.

**SUM INSURED /TOTAL LIMIT OF LIABILITY**

Maximum amount that can be indemnified by the Insurer during the Insurance Period.

Limit of Liability for each section shall be defined separately and is indicated in the Insurance Policy.

**SUB-LIMIT**

Maximum amount that can be indemnified by the Insurer for a specific case, within the sum insured/total limit of liability provided for the section during the Insurance Period.

**TERRITORY OF COVER**

Territory indicated in the Insurance Policy, where insurance cover is valid.

**INSURED VEHICLE**

A vehicle indicated in the Insurance Policy.

**VEHICLE FOR PERSONAL PURPOSES**

A vehicle owned by or entrusted to an individual and/or legal entity, and used for non-commercial purpose.

**COMMERCIAL PURPOSE**

Commercial purpose includes transportation of passengers for fee, rent, transportation of goods, courier services, transportation of employees, administrative/logistic services and other commercial activities.

**ROAD ACCIDENT**

A collision involving an Insured Vehicle that resulted in injury, death, or damage to movable or immovable property.

**NATURAL DISASTER**

Flood, storm, landslide, avalanche, landslip, hail, earthquake and lightning.

**VANDALISM**

Intentional damage to or destruction of the Insured Vehicle by a Third Party(ies).

**DEDUCTIBLE**

Amount indicated in the Insurance Policy and/or defined by the Insurance Terms and Conditions, not payable by the Insurer and which is deducted from the amount of each and every loss.

MO 001/21

**TECHNICAL MALFUNCTION**

Condition whereby Insured Vehicle is not suitable for driving and/or operation and/or has any system malfunction, including electrical wiring and/or equipment, brakes, airbags, gas apparatus and/or system, combustion system, undercarriage, and main components (engine, gearbox, clutch) that may cause or contribute to the occurrence of the Insured Event.

**CASCO**

Hull of the vehicle and its OEM (Original Equipment Manufacturer) parts, including mirrors, fittings, and essential accessories, that form an integral part thereof.

**NON-OEM DETAILS**

Any parts, details or accessories of the vehicle (including plate number), not listed in the vehicle set as per VIN code.

**MARKET VALUE**

Price of the vehicle and/or its parts (similar to that of the Insured Vehicle or its parts) on the Georgian market at the time of the Insured Event.

**REINSTATEMENT VALUE**

Market value of works, materials and spare parts at the time of the Insured Event, necessary to reinstate the vehicle damaged as a result of the Insured Event.

**TOTAL LOSS / DESTRUCTION**

Event, where reinstatement value equals or exceeds 70% of the Market Value of the Insured Vehicle at the time of the Insured Event or the loss is caused by theft/robbery/burglary of the vehicle.

**PARTIAL LOSS**

Event, where reinstatement value is less than 70% of the Market Value of the Insured Vehicle at the time of the Insured Event.

**RESIDUAL VALUE**

Value of the Vehicle on the Georgian market, after Total Loss/Destruction.

**UNEARNED PREMIUM**

Premium proportional to the remaining time of the insurance period from a certain date until its expiry. Insurance Premium is being earned daily.

**PRIORITY ADDRESS/TELEPHONE NUMBER**

Chronologically last actual address, e-mail and telephone number provided to the Insurer, which shall be used for notifications and communications with the Insured, including claims settlement.



1. INSURANCE COVERS/SECTIONS

1.1. Present Terms and Conditions include following Insurance covers/sections:

Section A: Damage to or **Total Loss/Destruction** of the **Insured Vehicle (Casco)** as a result of occurrence of the **Risks Insured**.

Section B: **Motor Third Party Liability (MTPL)**;

Section C: **Motor Personal Accident (MPA)**.

1.2. Selected Insurance cover is indicated in the **Insurance Policy**.

2. SECTION A – CASCO INSURANCE

2.1. RISKS INSURED

2.1.1. Under **CASCO insurance** section, **We** will indemnify damage to or **Total Loss/Destruction** of the **Insured Vehicle** occurred during the **Insurance Period** as a result of the following **Risks Insured**:

- Road Accident;
- Damage caused by animals and/or birds to the external visible part of the Hull;
- Fire, explosion;
- Natural Disasters;
- Theft, burglary, robbery, or any attempt thereof;
- Vandalism;
- Falling objects.

2.2. AMOUNT OF INSURANCE INDEMNITY

2.2.1. In case of **partial loss**:

We will indemnify the **Reinstatement Value** of damaged vehicle, within the **Sum Insured**, less:

- Amount of **Deductible** indicated in the **Insurance Policy**;
- Difference between the amount of **Deductible** and compensation **You** have received from any **Third Party(ies)**;

- Amount of unpaid insurance premium specified by the payment schedule at the time of loss payment;
- Total unpaid insurance premium, if the **Reinstatement Value** exceeds 40% of the Sum Insured.

EXAMPLE

Sum Insured under the Insurance Policy is GEL 10,000, **deductible** – GEL 50, and the total **unpaid Premium** is GEL 200. **Reinstatement Value** of the vehicle damaged as a result of a road accident is GEL 6,000.

Since the amount of Reinstatement Value (GEL 6,000) **exceeds 40%** of the Sum Insured, total unpaid Premium will also be deducted. Final **Amount of Indemnity** shall be **GEL 5,750** (*6,000 (Reinstatement Value) - 50 (deductible) - 200 (total unpaid premium)*).

2.2.2. In case of total loss/destruction:

We will indemnify **Market Value** of the **Insured Vehicle** at the time of the **Insured Event**, within the Sum Insured, less

- **Amount of Deductible** specified in the **Insurance Policy**;

Despite the **Deductible** specified in the **Insurance Policy**, if the vehicle represents any type of security at the time of settlement of losses, the **Deductible** is set at 10% of the Sum Insured. If the **Policy** specifies more than 10% of the Deductible, the Deductible under the Policy is applied.

- Difference between the amount of Deductible and the compensation **You** received from any **Third Party(ies)**;
- Amount(s) already indemnified by Us during the **Insurance Period**;
- Total unpaid **Premium**;
- **Residual Value** of the **Insured Vehicle** (if You keep the vehicle).

Decision weather to deduct the **Residual Value** from the **Insurance Indemnity** is made by **Us**.

EXAMPLE

Sum Insured under the Insurance Policy is GEL 25,000, **Deductible**– NIL, **already indemnified loss** – GEL 500. **Total Unpaid Premium** – GEL 200. The **Market Value** of the vehicle at the time of the **Insured Event** was GEL 20,000, **Reinstatement Value** – GEL 18,000, and the **Residual Value** – GEL 2,000. In addition, it was agreed that the Vehicle will remain in **Your** ownership.

As **Reinstatement Value** (18,000) exceeds **70% of the Market Value** (20,000), the loss will be considered a Total Loss. Therefore, the amount of indemnity shall be **GEL 17,300** *(20,000 (Market Value) - 500 (already indemnified loss) - 200 (unpaid premium) - 2,000 (Residual Value))*.

- 2.2.3. **In case total loss/destruction of the insured vehicle is caused by theft/burglary/robbery:**
- 2.2.3.1. If the **Insured Vehicle** is found within 30 (thirty) calendar days following the date of the **Insured Event** as indicated in the certificate on criminal proceedings issued by the Ministry of Internal Affairs of Georgia, **You/Beneficiary** are not entitled to refuse the right of ownership over the vehicle. If the found vehicle appears to be damaged, we will only pay for repairs/reinstatement necessary to bring vehicle to the condition it was before the damage.
- 2.2.3.2. If the **Insured Vehicle** is found after expiry of 30 (thirty) calendar days following the date of the **Insured Event** as indicated in the certificate on criminal proceedings issued by the Ministry of Internal Affairs of Georgia, the right of ownership over the **Insured Vehicle** shall be transferred to **Us**.
- 2.2.4. If the Sum Insured at the time of the **Insured Event** is less than the **Market Value** of the **Vehicle**, the average clause shall apply to the calculation of the **Insurance Indemnity**, i.e. the **amount of Indemnity** will be reduced by the ratio between the **Sum Insured** and its **Market Value** at the time of the **Insured Event**. The amount of **Deductible** shall be subtracted after the application of the average clause.

2.3. LOSS ESTIMATION

- 2.3.1. If the damaged/destroyed **Vehicle** is not older than three (3) years and is covered by the warranty, the cost of repairs will be calculated by a licensed service center, in other cases, the amount of loss shall be estimated based on the prices of second hand parts, provided by auto service center(s) selected by **Us**.
- 2.3.2. In case loss assesment of damaged **Insured Vehicle** is carried out by Auto Service Center of **Your** choice, and there is difference between the estimation

of Auto Service Center selected by Us, **We** reserve the right to indemnify the loss based on the estimation, submitted by Auto Service Center of **Our** choice.

- 2.3.3. If we fail to agree on the amount of loss, the loss shall be estimated by an independent expert agency. The party initiating independent expertise shall bear all related expenses. If the parties jointly decide to appoint an expert, all related expenses shall be divided equally between **You** and **Us**.



2.4. EXCLUSIONS APPLICABLE TO CASCO SECTION

2.4.1. The following shall not be indemnified:

- 2.4.1.1. Theft, if the registration certificate and/or keys were left in the **Insured Vehicle**.
- 2.4.1.2. Theft, if the **Insured Vehicle** was left unattended (not locked), windows were left down or keys of the Insured Vehicle have been passed to a **non-authorized driver**.
- 2.4.1.3. Loss due to any reason other than the **Risks Insured**.
- 2.4.1.4. Damage to or destruction of **Non-OEM Details**, equipment or accessories (including tele-audio-video equipment) installed in/on the **Insured Vehicle**, if the insurance of these **Non-OEM Details** was not agreed with Us in advance and is not specified in the Insurance Policy.
- If there is no prior agreement, losses caused by damage to **Non-OEM Details** shall be indemnified based upon the value of the **OEM detail(s)** (if any).
- 2.4.1.5. Loss caused by damage or destruction of foldable/removable roof (including tent) of the **Insured Vehicle** and/or its mechanism, unless otherwise stated in the **Insurance Policy**.
- 2.4.1.6. Any loss of or damage to the plate number of the **Insured Vehicle**.
- 2.4.1.7. Loss caused by Damage to tires unless other parts of the **Insured Vehicle** are also damaged.
- 2.4.1.8. Cost of repairs, replacement and/or reinstatement of those parts of the **Insured Vehicle** that were damaged before the **Insured Event** or before the **Vehicle** was insured.
- 2.4.1.9. Damage to the undercarriage, transmission, engine, tires and wheels of the vehicle caused by the damaged road (excluding sewerage, telecommunication wells).
- 2.4.1.10. Despite the territorial coverage indicated in the **Insurance Policy**, damage to/destruction of the Vehicle outside Georgia, caused by any **Insured Risk** other than a **Road Accident**, unless otherwise stated in the **Insurance Policy**.

- 2.4.1.11. Damage caused to motorcycles, ATVs, armored, antique, custom-made, unique models of vehicles, as well as vehicles where equipment/devices are installed.
- 2.4.1.12. Loss caused by **Event(s)** listed in the General Exclusions.

3. SECTION B – MOTOR THIRD LIABILITY INSURANCE

3.1. RISKS INSURED

- 3.1.1. Under **Motor Third Party Liability** section, **We** will indemnify damage caused to the life, health or property of a Third Party while driving an **Insured Vehicle** by an **Authorized Driver** during the **Insurance Period**.

3.2. INSURANCE INDEMNITY AND THE RULE OF CALCULATION

- 3.2.1. Under **Motor Third Party Liability** section, within the **Total Limit of Liability** indicated in the **Insurance Policy** for this section, **We** will indemnify:
- Compensation payable to **Third Party(ies)** by the owner/**Authorized Driver** of the **Insured Vehicle**, based on the enforceable court decision, unless the decision against **You** was made in **Your** absence and/or by your admission of the liability.
 - Compensation to **Third Party(ies)** agreed out-of-court, if payment of compensation amount was agreed with **Us** in advance and if the **Third Party** confirms in writing that he/she has no further claims in relation to the **Insured Event**.
 - Any court and/or out-of-court expenses agreed with **Us** in writing in advance, as well as expenses related to investigating **Insured Event** and estimating the loss, but limited to 20% of the **Total Limit of Liability** specified for this section.
 - Any reasonable expenses incurred to save life and/or property of **Third Party(ies)** or to minimise loss resulting from the **Insured Event**.
- 3.2.2. In case of **death** or **bodily injury** of a **Third Party(ies)**, **We** will indemnify following expenses within the **Total Limit of Liability** indicated in the **Insurance Policy** for this section:

3.2.2.1. Cost of emergency medical care provided to **Third Party(ies)** and confirmed by appropriate financial and medical documentation.

- Officially verified income, lost by **Third Party(ies)** as a result of full or partial disability, however not exceeding total income for the last 12 (twelve) calendar months before the **Insured Event**.
- Additional expenses incurred as a result of health impairment sustained by **Third Party(ies)**, including cost of medical treatment, special nutrition, medication, prosthetics, care and custody costs, cost of purchasing special transportation facilities, and professional re-training costs, limited to 20% of the **Total Limit of Liability** specified for this section, if such expenses are not covered by state healthcare or other authorities.
- Part of the officially verified income, which in case of death of a **Third Party(ies)** would be lost by his/her disabled dependant(s) or any person(s) who had the right to receive subsistence from such Third Party(ies) in the form of regular payments, however not exceeding total income for the last 12 (twelve) calendar months before the **Insured Event**.

3.2.3. In case of damage to property of a **Third Party(ies)**, **We** will indemnify following expenses within the **Total Limit of Liability** indicated in the **Insurance Policy** for this section:

- In case damaged property cannot be restored - market or reinstatement value of such property, less the **Residual Value**.
- In case damaged property can be restored - cost of repairs/reinstatement necessary to bring such property to the condition it was before the damage.

3.2.4. In case of bodily Injury and/or death and/or property damage of third parties as a result of one **Event**, such Event will be considered as a single Insured Event. If Your total liability exceeds Total Limit of Liability specified for this section in the Insurance Policy, compensation to each Third Party shall be proportionate to their shares in the total amount of loss, if not otherwise agreed by **You** and **Us**.



3.3. EXCLUSIONS APPLICABLE TO MOTOR THIRD PARTY LIABILITY SECTION

3.3.1. The following shall not be indemnified:

- 3.3.1.1. Loss, where the damaged party is **You, Beneficiary**, owner of the **Insured Vehicle**, their or **Your** family member(s), or driver and/or passengers of the **Insured Vehicle**.
- 3.3.1.2. Liability to **Third Party(ies)** accepted and/or expenses incurred without **Our** prior written consent.
- 3.3.1.3. Health impairment and/or death of a **Third Party(ies)** occurring after expiration of 12 (twelve) calendar months from the date of the **Insured Event**.
- 3.3.1.4. Pure financial loss without bodily injury or property damage to a **Third Party(ies)**.
- 3.3.1.5. Despite the territorial coverage indicated in the **Insurance Policy**, Events occurred outside **Georgia** (unless otherwise stated in the **Insurance Policy**).
- 3.3.1.6. Loss caused by Event(s) listed in the General Exclusions.

4. SECTION C – MOTOR PERSONAL ACCIDENT (MPA)

4.1. RISKS INSURED

4.1.1 Under **Motor Personal Accident** section, **We** will indemnify damage caused to the life and/or health of the driver and/or passengers as a result of a **Road Accident**, while driving an **Insured Vehicle** by an **Authorized Driver** during the **Insurance Period**.

4.2. INSURANCE INDEMNITY AND THE RULE OF CALCULATION

4.2.1 Under **Motor Personal Accident** section, within the total **Limit of Liability** and **Sub-limit** per person indicated in the **Insurance Policy**, and in accordance with the **Insurance Agreement** and the legislation of Georgia, **We** will indemnify:

- Costs of urgent outpatient treatment and hospitalization, as evidenced by the relevant documentation.
- Officially verified costs of treatment and hospital stay limited to 20% of the **Sub-limit** per person.

4.2.2 In case of limitation of capabilities of the damaged party:

We will indemnify according to the table below, where the maximum amount corresponds to the **Sub-limit** per person (less already indemnified amounts):

- | | |
|--|------|
| a) Major limitation of capabilities | 100% |
| b) Severe limitation of capabilities | 60% |
| c) Moderate limitation of capabilities | 30% |

4.2.3 **In case of death of the injured party:**

We will indemnify 100% of the **Sub-limit** per person, less already indemnified amounts/treatment costs. Compensation shall be paid to the legal heir(s).

4.2.4 Under this section, **Sub-limit** per person is determined by the number of seats in the **Insured Vehicle**. Total limit will be divided by the number of seats in the **Insured Vehicle** (including driver's seat), unless otherwise stated in the **Insurance Policy**.



4.3. EXCLUSIONS APPLICABLE TO MOTOR PERSONAL ACCIDENT SECTION

4.3.1. The following shall not be indemnified:

- 4.3.1.1. Health impairment and/or death of the driver/passengers occurring after the expiration of 12 (twelve) calendar months from the date of the **Insured Event**;
- 4.3.1.2. Despite territorial coverage indicated in the Policy, Events that occurred outside the **Territory of Georgia** (unless otherwise stated in the **Insurance Policy**);
- 4.3.1.3. Loss caused by Event(s) listed in the General Exclusions.

GENERAL CONDITIONS APPLICABLE TO ALL SECTIONS

! 5. RIGHTS AND OBLIGATIONS OF THE PARTIES

5.1. YOU ARE OBLIGED TO:

- 5.1.1. Immediately notify **Us** in writing about any changes in the following circumstances (sale of the **Insured Vehicle**, its pledging in favor of any **Third Party** and/or seizure or change in operating conditions) during the **Insurance Period**.
- 5.1.2. Introduce **Insurance Terms and Conditions** to the **Beneficiary** and all **Authorized Drivers**.
- 5.1.3. Allow **Us** and **Our** authorized representative to inspect the **Insured Vehicle** and to take photos before policy inception and/or at any time during the **Insurance Period**.
- 5.1.4. Take all possible measures to save the **Insured Vehicle** and minimize the loss.
- 5.1.5. Immediately notify **Us** about any summons, notifications, messages, actual or possible/potential claims related to the **Insured Event**.
- 5.1.6. Take the damaged **Insured Vehicle** to the auto service center as instructed by **Us** (orally or in writing) as soon as possible, but no later than 14 (fourteen) calendar days from receiving our instructions.
- 5.1.7. If requested, transfer the right of ownership over the following to **Us**:
 - replaced parts of the **Insured Vehicle**, in case of **Partial Loss** caused by the **Insured Event**.
 - totally damaged/destroyed **Insured Vehicle**, in case of **Total Loss/Destruction** as a result of the **Insured Event** and where the **Residual Value** of the of the destroyed vehicle is not deducted from the **Insurance Indemnity**. You shall cover all existing administrative fines, penalties and expenses related to the ownership and operation of the **Insured Vehicle**, if the right of ownership over the destructed **Insured Vehicle** is transferred to **Us**.
- 5.1.8. Submit the Claims Settlement Act signed by the **Beneficiary** within 5 (five) working days after the agreement.

- 5.1.9. After **We** indemnify the loss, ensure that photos of the repaired **Insured Vehicle** are taken either through **Our** application or **Our** representative.
- 5.1.10. Notify **Us** in writing about any changes in the address (registered and/or actual) and/or mobile phone number provided by the time of signing the **Insurance Agreement**.

5.2. WE ARE ENTITLED TO:

- 5.2.1. Offer **You** new **Insurance Agreement** on different terms and conditions in case **Insured Vehicle** is sold, pledged in favor of any third party and/or seized, or if its operating conditions are changed.
- 5.2.2. Take full control over legal procedures necessary to settle the claim(s) brought against **You** by **Third Party(ies)**.
- 5.2.3. Unilaterally change present **Terms and Conditions** without sending a notification to **You**, if such change improves **Your** position and/or **Our** services.

! 6. YOUR OBLIGATIONS IN CASE OF THE INSURED EVENT

- 6.1. **We** are free from any obligation to pay the claim following the **insured event**, if you fail to meet any of **your** obligations hereunder.

6.2. IN CASE OF THE INSURED EVENT, YOU ARE OBLIGED TO:

- 6.2.1. Contact **Us** via hotline (2 42 22 22) and provide full information about the **Insured Event**:
- Immediately, if the damage was not caused by a natural disaster;
 - No later than within 7 (seven) calendar days, if the damage was caused by a natural disaster.
- 6.2.2. Immediately call the police (112). This is not necessary, if:
- only the windshield of the **Insured Vehicle** was damaged as a result of an **Insured Event**;
 - **Insured Event** was caused by a **Natural Disaster**.
- 6.2.3. Not to move the **Insured Vehicle** or leave the place of the accident until arrival of the police and **Our** representative, unless this is agreed with **Us** or

requested by the police.

6.3. IN CASE OF AN INSURED EVENT WE ARE ENTITLED TO:

- 6.3.1. Refuse to indemnify the loss caused by an **Insured Event** if **You** prevent **Us** from exercising **Our** rights hereunder.
- 6.3.2. Inspect and take photos of the **Insured Vehicle** or the damaged or destroyed property of the **Third Party(ies)** (if any).
- 6.3.3. Appoint an independent expertise to investigate and determine the circumstances surrounding the **Insured Event** and/damage inflicted to the property of **Third Party(ies)**, and to estimate the amount of damage.
- 6.3.4. Request information from competent authorities to help **Us** investigate and determine circumstances surrounding the **Insured Event**.
- 6.3.5. If criminal proceedings were instituted in connection with the **Insured Event**, postpone claims payment until court decision enters into force.
- 6.3.6. Calculate repair/reinstatement value of the damaged **Insured Vehicle** and/or damaged/destroyed property of **Third Party(ies)**.

7. DOCUMENTS TO BE PROVIDED IN CASE OF THE INSURED EVENT

- 7.1.** **We** have the right to refuse to pay **Insurance Indemnity** if **You** fail to submit to **Us** documents listed in this clause below or violate the deadline specified below on inexcusable grounds (E.g. you fail to provide a valid reason for the delay in submitting the document).

Documents shall be submitted within 30 (thirty) calendar days following the Insurance Event. You must present the following:

- 7.1.1 Written request for **Insurance Indemnity** with the description of the **Insured Event**.
- 7.1.2 Copy of the registration certificate of the **Insured Vehicle** or the original registration certificate in case of **Total Loss/Destruction**.
- 7.1.3 Driving license and ID certificate of a person driving the **Insured Vehicle** at the time of the **Insured Event**, together with the medical examination certificate and/or alcotest confirming the driver was not under the influence of alcohol at the time of the **Insured Event**.

- 7.1.4 Official document issued by the competent authorities certifying occurrence of the **Insured Event**, and detailing the following: date and place of the road accident, the scheme of the road accident, identity of all participants, together with name, surname, address and contact phone number of the person(s) at fault.
- 7.1.5 Beneficiary's ID certificate.
- 7.1.6 A certificate on the legal status of the vehicle, issued by the Ministry of Internal Affairs in case of **Total Loss**.
- 7.1.7 Information and documentation issued by official or state authorities necessary for the loss settlement.
- 7.1.8 Other additional document(s)/any information required to determine the circumstances causing the damages and/or to estimate the amount of such damages.
- 7.1.9 At **Our** request, the original copies of the documents submitted by **You**, and in case of damage to **Third Party (ies)** - a final court decision on compensation for additional damage (s) to a **Third Party (ies)**.

7.2. IN CASE THEFT / ROBBERY / BURGLARY OF THE INSURED VEHICLE, YOU MUST ADDITIONALLY PROVIDE:

- 7.2.1. Set of OEM keys, original copy of the registration certificate, and alarm control panel (if any) of the **Insured Vehicle**, in case of theft.
- 7.2.2. Copy of the decision to start criminal proceedings.
- 7.2.3. Original copy of the Power of Attorney, if any, issued in connection with the lost **Insured Vehicle**.

7.3. IN CASE OF DAMAGE TO THIRD PARTY(IES):

- 7.3.1. Notice of claim brought against **You** by **Third Party(ies)**.
- 7.3.2. All information and documents related to the damage inflicted to property and/or life and/or health of **Third Party(ies)**.
- 7.3.3. All information and documents related to the damage inflicted to property and/or health and medical treatment of **Third Party(ies)** (documents issued by a medical facility – documents certifying provision of emergency medical treatment, medical records (Form #100), original documents certifying services provided, specialist consultations, clinical and lab test reports, etc.).
- 7.3.4. Copy of ID certificate of the **Beneficiary** (in case of legal entity – name and registration number).
- 7.3.5. In case of property damage, document certifying ownership rights of **Third Party(ies)** over the damaged property.

7.4. IN CASE OF DEATH OF THIRD PARTY(IES):

- 7.4.1. Death certificate and forensic examination report.
- 7.4.2. Document certifying the right of the beneficiary of the deceased **Third Party(ies)** to receive indemnification hereunder (certificate of inheritance determining the share of inheritance in total estate).
- 7.4.3. In case of any dispute between **You** and affected **Third Party(ies)**, the basis of **Insurance Indemnity** shall be the court decision, determining **Your** liability to compensate the loss inflicted on **Third Party(ies)**. However, if during court proceedings **You** admit **Your** liability to fully or partially pay the claim without **Our** prior written consent, **We** shall be free from any liability to **indemnify** the claim.

8. TERMS AND CONDITIONS OF INSURANCE INDEMNITY

- 8.1. Decision to indemnify the loss as well as the amount of **Insurance Indemnity** shall be made by **Us** within 10 (ten) working days after receipt of all requested documents.
- 8.2. Total amount of **Indemnity** payable by **Us** during the **Insurance Period** is limited to the **Insured Sum / Total Limit of Liability / Sub-limit** specified for the given section and is reduced by amount(s) already indemnified by **Us**.

EXAMPLE

Total Limit of Liability under the Insurance Policy is **GEL 20,000**, deductible – **GEL 500**. The **Market Value** of the vehicle at the time of the **Insured Event** was **GEL 40,000**, **Reinstatement Value** - **GEL 4,000**. In addition, it was agreed that the Vehicle will remain in your ownership.

As the ratio between the **Sum Insured** and **Market Value** is **50%** ($20,000/40,000$), the amount of indemnity shall be **GEL 1500** ($4,000$ (*Reinstatement Value*) \times 50% (*ratio*) - 500 (*deductible*)).

- 8.3. **We** will pay **Insurance Indemnity** within **5 (five)** working days from date of signing the Claims Settlement Act by both parties or remote settlement. In case of theft, burglary and/or robbery of the **Insured Vehicle**, if the **Insured Vehicle** is not found within 30 (thirty) calendar days, **We** will pay **Insurance Indemnity** within 30 (thirty) calendar days after the fact is reported to the police.

- 8.4. In case of partial loss to the **Insured Vehicle**, **We** will pay **Insurance Indemnity** either to the auto service center or the owner of the **Insured Vehicle** (or his/her legal representative), at **Our** discretion.
- 8.5. In case of **Total Loss/Destruction** of the **Insured Vehicle**, **We** will pay **Insurance Indemnity** either to the owner of the **Insured Vehicle** or his/her legal representative. If **We** decide to retain totally damaged **Insured Vehicle**, payment of the **Insurance Indemnity** shall be subject to transferring ownership rights over the **Insured Vehicle** to **Us**.
- 8.6. **Insurance Indemnity** shall be paid through bank transfer.

9. CLAIMS SETTLEMENT

- 9.1. By request of the **Beneficiary**, **We** are authorized to settle the **Insured Event** in one of the following ways:
 - Pay **Insurance Indemnity** on the basis of **Your** wet signature on the Claims Settlement Act; Or
 - Pay **Insurance Indemnity** on the basis of electronic confirmation of the Claims Settlement Act by the **Beneficiary**; Or
 - Pay **Insurance Indemnity** on the basis of phone confirmation of the Indemnity amount by the **Beneficiary**.
- 9.2. During the claim settlement process **We** will communicate with **You** and provide remote services using **Priority Telephone Number**.
- 9.3. **We** will retain SMS message(s) and/or audio record(s) of **Your** telephone conversations with **Our** authorized representative during the claim settlement process.

10. GENERAL EXCLUSIONS FOR ALL SECTIONS

- 10.1. **We** are free from any liability to indemnify the loss, if:
 - 10.1.1. **You** provided **Us** with incorrect, inaccurate, fraudulent or misleading information.
 - 10.1.2. **You** failed to inform **Us** about sale of the **Insured Vehicle**, its pledging in favor of any third party and/or seizure, or change in operating conditions during the **Insurance Period**.

- 10.1.3. **Insured Vehicle** was being used for any purpose other than those specified in the **Insurance Policy**.
- 10.1.4. Any loss or damage (including damage to wheels and/or tires) caused by an animal/bird, except for cases where the external visual parts of the vehicle (tin and plastic), bumpers, headlights, mirrors, windshield are damaged.
- 10.1.5. At the time of the the **Insured Event** the **Authorized Driver** was under the influence of alcohol, narcotics and/or psychotropic substances, or the **Authorized Driver** refused to pass necessary tests to determine his/her condition and/or respective documents were not submitted to **Us**.
- 10.1.6. At the time of the **Insured Event** the **Insured Vehicle** was being driven by a **Non-Authorized Driver** or a person not having a driving license or whose driving license was temporarily limited, suspended or withdrawn.
- 10.1.7. The damage was caused by willful misconduct or gross negligence or any attempt thereof, suicide and/or self-inflicted injuries committed or attempted by **You** or **Authorized Driver**.
- 10.1.8. **You, Beneficiary** or **Authorized Driver** forged or attempted to forge any documents and/or information related to the **Insured Event** or indemnification.
- 10.1.9. The driver of the **Insured Vehicle** was driving in the opposite direction in violation of traffic rules, unless this was necessary to save life/property of a third party;
- 10.1.10. Loss/damage was caused by fraud, extortion or misappropriation committed or attempted by a **Third Party(ies)**.
- 10.1.11. Damage caused while transporting the **Insured Vehicle** as cargo, including transportation by carrier, towing or loading/unloading, (except during transportation of the **Insured Vehicle** by **Our** authorized representative).
- 10.1.12. Loss occurred during transportation of the **Insured Vehicle** to the impound lot or whilst staying at the impound lot, except for damage caused by a natural disaster.
- 10.1.13. **Insured Vehicle** was used at or outside the auto racetrack for any rally or speed test/competition (including Off Road), or any testing (including Test Drive), or rescue services.
- 10.1.14. Number of passengers or the weight of luggage in the **Insured Vehicle** exceeded the permissible mass, that caused an Insured Event or increased the amount of damage.
- 10.1.15. **Insured Event** occurred outside the **Territory of Cover**.
- 10.1.16. VIN code of the **Insured Vehicle** does not match the VIN code of the damaged vehicle.
- 10.1.17. Damage to the **Insured Vehicle** occurred in the airport and/or airfield area designated for runway or movement of aircraft, as aircraft stand station, airport servicing lanes or customs check.
- 10.1.18. Damage to the **Insured Vehicle** occurred on the construction site and/or territory where driving of motor transport is limited or prohibited.

- 10.1.19. Loss is caused by the drop in market value of the **Insured Vehicle** following repairs.
- 10.1.20. **Insured Event** is caused by technical malfunction of the **Insured Vehicle**.
- 10.1.21. **Road accident** occurred outside road, yard, or garage;
- 10.1.22. Expenses to repair damaged **Insured Vehicle** were incurred without **Our** prior approval.
- 10.1.23. Damage is inflicted to the property that belongs to **You**, is owned by or entrusted to **You**, or is under **Your** care, custody or control.
- 10.1.24. Damage is inflicted to a property that is being transported by or attached to the **Insured Vehicle**.
- 10.1.25. **Insured Vehicle** is not roadworthy and/or fit for driving/operation.
- 10.1.26. Repair costs based on the estimates issued by the service center outside the territory of Georgia, unless **We** decide otherwise.
- 10.1.27. In case of double insurance, there is an attempt to receive full **Insurance Indemnity**.
- 10.1.28. **Insured Vehicle** was moved from the place of accident before arrival of **Our** representative, or **You/Authorized Driver** abandoned the place of accident, unless this was requested by the Police or by **Us**.
- 10.1.29. Cost of technical maintenance and warranty repairs of the **Insured Vehicle**, replacement of locks following loss or theft of keys.
- 10.1.30. Cost of works/spare parts, which improve pre-insurance condition of the **Insured Vehicle**.
- 10.1.31. Loss is caused by wear and tear, corrosion, rust, inherent defect, use of defective materials or other natural causes.
- 10.1.32. Loss is caused by any kind of administrative fine and/or penalty, including parking fees on the impound lot, lost income, moral damage, cost of renting other motor vehicle.
- 10.1.33. **Insured Event** is caused by war (whether declared or not), civil war, revolution, military or usurped power, riot, strike or civil disturbances, terrorism, or any attempt thereof.
- 10.1.34. **Insured Event** is caused by ionizing radiation or radioactive contamination, any nuclear fuel or nuclear waste, environmental pollution, transportation of radioactive, toxic, explosive or other hazardous substances.
- 10.1.35. Loss is caused by confiscation, arrest, seizure or actions ordered by government authorities.
- 10.1.36. **You, Beneficiary, or Authorized Driver** fail to fulfill **Your** obligations under the **Insurance Policy** and/or present Terms and Conditions.
- 10.1.37. Loss is caused by an act, commitment of which gives **Us** the right under the Georgian legislation to refuse the claim.

! 11. INSURANCE AGREEMENT AND HOW IT ENTERS INTO FORCE

- 11.1.** **Insurance Agreement** enters in force at 24:00 hours of the inception date and is valid until 24:00 hours of the expiration date as indicated in the **Insurance Policy**.
- 11.2.** For the **Insurance Agreement** to enter into force, **You** have to:
- Take photos of the vehicle with the help of **Our** representative or through **Our** application;
 - Fully and timely pay **Insurance Premium** in lump sum or its first installment, in accordance with premium payment schedule indicated in the **Insurance Policy**.
- 11.3.** Until **You** fulfil above preconditions, **We** are free from any liability to pay the claim.

! 12. INSURANCE PREMIUM, TERMS OF PAYMENT AND CONSEQUENCES OF NON-PAYMENT

- 12.1.** Amount of the **Insurance Premium** and premium payment schedule is indicated in the **Insurance Policy**.
- 12.2.** If **You** fail to pay **Premium** in lump sum or its first installment by the end of the calendar month in which the **Policy** was issued, **We** will cancel **Insurance Agreement** from the date of inception without any further notice.

EXAMPLE

Insurance Agreement was signed on **14th of May**. If **You** fail to pay first premium installment before **1st of June**, **Insurance Agreement** shall be canceled from **14th of May**.

- 12.3.** If **You** fail to pay **Insurance Premium** (any installment other than the first one) on a due date as specified by the premium payment schedule in the **Insurance Policy**, **You** will have additional 14 (fourteen) calendar days to pay the outstanding premium. If premium is not paid within 14-day (fourteen) period, the losses, occurred after the expiry of the above mentioned period, shall not be indemnified. If after the expiry of 30 (thirty) calendar days from the due date, outstanding premium is not paid, **We** will unilaterally terminate (at 24:00 hours of

the 30th day) the **Insurance Agreement/Policy**.

EXAMPLE

Insurance Agreement was signed on **14th of May** and insurance premium is being paid monthly. Next premium payment due date is **14th of August**.

1st scenario: Road accident occurred on **20th of August**, premium installment was not paid by then. Since road accident occurred during grace period (from 14th of August till 27th of August), loss shall be indemnified.

2nd scenario: Road accident occurred on **28th of August**, premium installment was not paid by then. Since grace period ended on 27th of August, the claim will be rejected.

13. INSURANCE PREMIUM PAYMENT TERMS IN CASE OF EARLY TERMINATION OF THE INSURANCE AGREEMENT

13.1. If **We** terminate **Insurance Agreement** due to non-payment of **Insurance Premium** within 30 (thirty) calendar days from the due date, **You** shall pay unpaid portion of the earned premium at the time of termination.

13.2. If **Insurance Agreement** is terminated upon **Your** request and if no claim has been reported during the policy period, **You** shall pay:

- unpaid portion of the **Earned Premium** at the time of termination;
- penalty for early termination of the **Insurance Agreement** in the amount of 10% of the **Unearned Premium**.

EXAMPLE

One year **Insurance Agreement** was signed on **1st of January** and was terminated in **265 days**. Annual premium under the Agreement is **GEL 730**, of which **GEL 500** was paid.

- **Earned premium** is **GEL 530**, calculated as follows:

$$\frac{\text{GEL 730 (annual premium)}}{365 \text{ (insurance period in days)}} \times 265 \text{ (number of days We were on risk)}$$

- **Unearned premium** is the difference between annual and earned premium - **GEL 200**. (730 (annual premium) – 530 (earned premium)).

Premium due from You is **GEL 50** (530 (earned premium) – 500 (paid premium) + 200 (unearned premium) x 10%).

- 13.3.** In case **You** terminate **Insurance Agreement** before the expiry date in order to insure another vehicle, provided no claim has been reported during the policy period and the new vehicle is being insured for the period of 1 (one) year from the date of termination of the existing contract, **You** shall not pay 10% of the unearned premium, but **You** shall pay unpaid portion of the earned premium at the time of termination.
- 13.4.** In case **You** terminate **Insurance Agreement** before the expiry date under which **Insurance Indemnity** has been paid, **You** shall pay **Insurance Premium** in full, regardless of the amount indemnified and the period **Insurance Agreement** was in force.
- 13.5.** If the **Insurance Agreement** is terminated because of **Total Loss/Destruction** of the **Insured Vehicle**, amount of **Insurance Indemnity** shall be reduced by the amount of unpaid **Insurance Premium**.

14. TERMINATION OF THE INSURANCE AGREEMENT

14.1. Insurance Agreement may be terminated:

- 14.1.1. At **Your** initiative at any time, based on 5 (five) calendar days preliminary written notice.
- 14.1.2. At **Our** initiative at any time, based on 14 (fourteen) calendar days preliminary written notice.
- 14.1.3. At **Our** initiative, at any time, based on preliminary written notice, if it is found that the information provided by **You** is inaccurate, incomplete, false or misleading.
- 14.1.4. At **Our** initiative without any preliminary notice, if:
- **We** have fully performed our obligations under the **Insurance Policy/Limit of Liability** has been expired.
 - The **Insured Vehicle** does not exist due to any reason other than the **Insured Event**.
 - **Insurance Premium** is 30 (thirty) calendar days overdue.

14.2. Insurance Agreement shall also be terminated:

- 14.2.1. Upon expiry of the **Insurance Period** under the **Insurance Policy**.
- 14.2.2. In case **Insured Vehicle** was sold to a third party, unless otherwise agreed with **Us**.
- 14.2.3. If **We** stop operation in accordance with the current legislation.

- 14.2.4. Based on preliminary written agreement of the parties.
- 14.2.5. In other cases provided by the Georgian legislation.

15. SUBROGATION

- 15.1.** After payment of **Insurance Indemnity**, right of subrogation from **Third Party(ies)** responsible for the loss, within the amount of **Insurance Indemnity**, shall be transferred to **Us**.
- 15.2.** **You/Beneficiary** must provide **Us** with all the documents and information necessary to exercise **Our** right of subrogation from **Third Party(ies)** responsible for the loss.
- 15.3.** **You/Beneficiary** must assist **Us** within **Your** power and competence to exercise our right of subrogation and give **Us** the right to manage and control claims settlement process on **Your** behalf.
- 15.4.** If **You/Beneficiary** refuse to give **Us** the right of subrogation from **Third Party(ies)** responsible for the loss or if it is impossible to exercise such right because of **Your/Beneficiary's** actions, **We** are free from **Our** obligation to **indemnify** the loss, and if **Insurance Indemnity** has already been paid, **We** will have the right to request it back.

16. DOUBLE INSURANCE

- 16.1.** **You/Beneficiary** must notify **Us** in writing about any other **Insurance Agreement** with similar insurance covers signed with other insurance companies.
- 16.2.** In case of **Double Insurance**, **Our** participation in the loss shall in proportion to **Our** share in total amount of liability.

17. NOTIFICATIONS AND COMMUNICATION

- 17.1.** For the purpose of this insurance, **Your Priority Address/Priority Telephone Number/Priority E-mail Address** shall be used for communication with **You** (including in the process of claim(s) settlement).

- 17.2.** A letter sent by **Us** to the **Priority Address** or a message (including SMS) sent to the **Priority Telephone Number/Priority E-mail Address** shall be deemed to be an official written notice made by **Us**.
- 17.3.** In case of sending a message to the **Priority Telephone Number/Priority E-mail Address**, the date of sending of such message shall be deemed to be the date of its receipt by **You**.
- 17.4.** Any notice/correspondence sent by **Us** to the **Priority Address** shall be deemed accepted by **You**, regardless of whether **You** actually reside at this address or whether the address had been indicated incorrectly/inaccurately.

18. DISPUTES RESOLUTION

- 18.1.** Any disputes or controversies arising from present **Insurance Terms and Conditions** shall be solved through negotiations. In case the parties fail to reach an agreement, the dispute shall be solved in the Georgian court, in accordance with the legislation of Georgia.
- 18.2.** The Georgian language version of the present **Insurance Terms and Conditions** shall prevail in case of any inconsistencies with translated versions.

19. CONFIDENTIALITY

- 19.1.** Any information exchanged by the parties (whether verbally or in writing) shall be deemed confidential and must not be disclosed to any third party(ies) without preliminary consent of the other party, except where such disclosure is required by the current Georgian legislation or present Terms and Conditions.

20. PERSONAL DATA PROCESSING

- 20.1.** **You** entitle **Us** to process **Your** personal data received in the course of concluding **Insurance Agreement**, including special category data, for the purpose of: a) providing insurance services; b) protecting **Our** interests; c) performing **Our** contractual and/or legal obligations; and d) claims settlement. For the same purposes, **We** are also entitled to request **Your/Beneficiary's** and/or any **Authorized Driver's** personal information and/or other necessary documents from any private or public institution, including, JSC „TBC

Insurance“ subsidiaries/affiliated companies, Service Agency of the Ministry of Internal Affairs of Georgia and/or Public Service Development Agency.

- 20.2.** You entitle **Us** to process **Your** personal data received in the course of concluding **Insurance Agreement**, for direct marketing purposes, namely to offer new insurance products and services. The subject of the data may at any time request that **We** stop using his/her data for direct marketing purposes in the same form as the direct marketing - in writing or via telecommunication.
- 20.3.** You entitle **Us** to process **Your/Beneficiary's** and/or any **Authorized Driver's** personal data and to make it available to our partner organizations, for the purpose of offering insurance services and/or quality control and/or insurance related studies.
- 20.4.** You entitle **Us** to process **Your** insurance related information (insurance period, status, **Insurance Premium**, etc.) in order to perform our contractual or legal obligations, and to make it available for our agent(s) and/or partner organizations who need it to properly perform their duties.
- 20.5.** You entitle **Us** in case of the **Insured Event** to pass **Your/Beneficiary's** and/or any **Authorized Driver's** full personal data to the „Insurance Information Bureau“ LLC (identification code 204558433), as well as information about the **Insured Event** and its participants.