

# COMPREHENSIVE MOTOR INSURANCE TERMS AND CONDITIONS R/MO-001/20-2

## TABLE OF CONTENTS

<b>GENERAL TERMS</b>	2
<b>SECTION I MOTOR INSURANCE TERMS AND CONDITIONS</b>	4
1. DEFINITION OF TERMS	4
2. AGAINST WHAT IS YOUR VEHICLE INSURED (INSURED EVENTS/INSURED RISKS)	4
3. IN WHICH CASES THE INSURANCE IDEMNIFICATION IS NOT PAID (EXCLUSIONS)	4
4. HOW THE LOSS IS INDEMNIFIED	5
5. ABOUT YOUR OBLIGATIONS	7
<b>SECTION II MOTOR THIRD PARTY (PARTIES) LIABILITY INSURANCE TERMS AND CONDITIONS</b>	8
1. DEFINITION OF TERMS	8
2. WHAT IS COVERED UNDER MOTOR THIRD PARTY (PARTIES) LIABILITY INSURANCE (INSURED EVENT)	8
3. WHAT IS INDEMNIFIED	8
4. WHAT IS NOT INDEMNIFIED (EXCLUSIONS)	9
<b>SECTION III DRIVER AND PASSENGERS' MOTOR PERSONAL ACCIDENT INSURANCE TERMS AND CONDITIONS</b>	9
1. DEFINITION OF TERMS	9
2. WHAT IS COVERED UNDER DRIVER AND PASSENGERS'MOTOR PERSONAL ACCIDENT INSURANCE (INSURED EVENT)	10
3. WHAT IS INDEMNIFIED	10
<b>SECTION IV GENERAL PROVISIONS</b>	11
1. GENERAL EXCLUSIONS	11
2. WHAT IS AND HOW IS DETERMINED SUM INSURED AND DEDUCTIBLE	12
3. WHAT IS INSURANCE PREMIUM AND HOW IT SHALL BE PAID	13
4. INSURANCE AGREEMENT	13
5. PROVIDING INFORMATION FOR THE ASSESSMENT OF RISK DEGREE	14
6. VALIDITY PERIOD OF INSURANCE AGREEMENT/INSURANCE	15
7. TERMINATION OF INSURANCE/POLICY	15
8. INSURANCE ACT	16
9. YOUR OBLIGATIONS/WHAT ACTIONS TO BE TAKEN BY YOU UPON OCCURRENCE OF AN INSURED EVENT	16
10. HOW INSURANCE INDEMNIFICATION IS PAID OUT	19
11. REFUSAL OF PAYMENT OF INSURANCE REIMBURSEMENT	20
12. RESOLUTION OF DISPUTES	20
13. CONFIDENTIALITY	21
14. PROVISION OF INFORMATION	21

---

---

## COMPREHENSIVE MOTOR INSURANCE TERMS AND CONDITIONS

Present Terms and Conditions shall be in force together with the **Insurance Policy** issued by **Us**. Present Terms and Conditions shall have no legal force without the **Insurance Policy**.

### GENERAL TERMS

**Terms given below are used in present Terms and Conditions and/or relevant Insurance Policy and have the following meaning:**

**Insured** - represents a person who insures a vehicle and with whom directly the **Insurance Agreement** is executed and whose liability is to pay **Insurance Premium**;

**Insurance validity period (Insurance Period)** -the period indicated in a **Policy**, during which **Your** vehicle is insured and within the duration of which the events occurred shall be subject to indemnification.

**Insured Vehicle** - the vehicle being in **Your** lawful possession and indicated in the **Policy**.

**Vehicle Age** - a period, calculated from December 31 of the year of production of an **insured vehicle** specified in the Technical Documentation of it.

**Insurance Agreement** - a document regulating the rights and obligations arisen between **You** and **Us** as a result of performing the Insurance and consisting of **Insurance Application, Insurance Policy** and these **Terms and Conditions (Insurance Terms and Conditions)**;

**Beneficiary** - a natural person or legal entity designated by **You** who will receive **Insurance Indemnification** upon occurrence of the **Insured Event**.

**Insured Event** - an unexpected event, the occurrence of which will give rise to **Our** obligation to indemnify the loss in compliance with the terms and conditions of the **Insurance Agreement**;

**Sum Insured** -the amount of money indicated in the **Insurance Policy**, which represents the upper limit of **Insurance Reimbursements**, paid by **Us in total** .

**Insurance Premium (Premium)** - the amount of money to be paid by **You** for purchase of the motor insurance; the amount of **Insurance Premium** is determined considering the quality of the risk, the statistical indicators of right of recourse carried out by **Us** and other important circumstances.

**Insurance Indemnity/Indemnification/Reimbursement** - the sum paid out by **Us** to **You, Beneficiary**, injured or his/her/its successor upon the occurrence of an **Insured Event**. **Insurance reimbursement** is issued for the purpose of restoring a financial position of the **insured** existing prior to an **Insured Event** and in no case may cover expenses incurred to improve the financial position existing prior to an **Insured Event**.

**Insurance Application (Application)** - the questionnaire to be filled in by **You** in the form approved by **Us** comprising information concerning the vehicle to be insured, **Authorized Drivers** and other facts necessary for risk assessment. **Application** shall be filled in prior issuance of the **Insurance Policy** and represents a necessary precondition for executions of the **Insurance Agreement**.

**Insurance Policy (Policy/Certificate)** - the written document issued by **Us** which certifies execution of the **Insurance Agreement** in accordance with these Terms and

Conditions and specifies principal terms and conditions of the **Insurance Agreement**. Besides, in case of controversy between the data, indicated in the **Policy** and provisions, determined by the present Terms and Conditions, priority shall be given to the **Policy**.

**Authorized Driver** - person(s) indicated as an authorized driver(s) in the **Policy** (**Authorized driver** shall be at least 21 years old and must hold a driving license granted in compliance with the existing legislation of Georgia);

**an Authorized Driver** represents a person who, while operating the **Insured Vehicle**, acts on **Your** behalf and, respectively, the actions carried out by him/her, for the **purposes** of the **Insurance Agreement** is interpreted as the actions carried out by **You** and on **Your** behalf. The insurance provided under these conditions is valid only if the insured vehicle is operated by an **Authorized Driver**.

**Accessories** - for the purpose of the insurance provided by these Terms and Conditions accessories shall mean those parts of a vehicle, function of which is limited only with the function of design element, namely: manufacturer's emblem and moldings.

**One-time limit** - shall mean the limit of amount determined by a particular **Insurance Policy** after use of which (irrespective of whether this limit was totally used up or not) is considered as totally exhausted.

**24-hour auto-assistance** - shall mean the use of the following services during an insurance period for free: replacement of a tire with the **Insured's** spare tire only, locally solution of small technical problems, charging of accumulator, delivery of fuel (the cost of fuel shall be paid by the **Insured**) and carriage/tow truck (evacuator) service. The territorial area of mentioned services covers Tbilisi and 20-km distance radius from Tbilisi, also Batumi, Kutaisi, Poti, Zugdidi, Gori, Telavi and 10-km distance radius from these Cities.

**Deductible** - the amount, not paid by the **Insurer** and which is deducted from the amount of loss.

**Territory of Insurance** - the territory indicated in a relevant **Insurance Policy** within the scope of which insurance provided by these Terms and Conditions is valid.

**Earned Insurance Premium** – amount of Premium by particular date within the **Insurance Period** which is proportional to the period of time elapsed since the beginning of the **Insurance Period** till such date;

**Unearned insurance premium** – amount of Premium by particular date within the **Insurance Period** which is proportional to the period of time left until the expiration of **Insurance Period**

**Road** – the entire surface of a road or a street open for traffic (including tramways, pavements, shoulders, medians/lanes, cycle paths). The road may be with a solid surface (with an asphalt and/or cement-concrete surface, or a surface of any similar material, or cobblestone roads ) or gravel or dirt.

**Adjacent territory** – a roadside area which is not intended for traffic flow, but directly joins the road (yards, residential blocks, parking areas, petrol stations, offices, etc.)

**External impact** – mechanical impact of an external force that does not constitute human action unless otherwise is stated by these conditions

**We, Us, Our** - the **Insurer** / Insurance Company Aldagi;

**You, Your** - the **Insured** and/or **Authorized Driver** (as consistent with context)

The list of some terms given in this section is not exhaustive and present Terms and Con-

ditions may provide hereunder separate definitions of other terms as well in which case priority shall be given to a more detailed and specified definition.

Other terms used in present Terms and Conditions shall have their common meanings. In addition, if the definition of the terms used in present Terms and Conditions is obscure, preference among the various interpretations shall be given to the legally determined definition, in case such definition is provided for under the existing legislation of Georgia.

## SECTION I. MOTOR INSURANCE TERMS AND CONDITIONS

### 1. DEFINITIONS OF TERMS

- 1.1. **Market value of vehicle** - amount of money required for the purchase of a vehicle of the model, brand and similar parameters similar to the **Insured Vehicle** on the domestic market.
- 1.2. **Subject of Insurance** - the vehicle indicated in the relevant **Insurance Policy**.
- 1.3. **Total loss (destruction)** - damage of a vehicle by 70% or more, i.e. the vehicle is deemed destroyed (completely damaged), if the restoration/replacement cost of the vehicle makes 70% or more of its **Market Value** or according to the relevant conclusion the insured vehicle cannot be restored.
- 1.4. **Vandalism** - for the purpose of this insurance **Vandalism** shall mean deliberate damage or destruction of the **Insured Vehicle** by a third person.

### 2. AGAINST WHAT IS YOUR VEHICLE INSURED (Insured Events/Insured Risks)

**An Insured Event** is a **partial damage** to or **Total loss (destruction)** of the **insured vehicle** resulting from an external impact occurred during the **Insurance Period**, including:

- Road accident;
- Fire or explosion;
- Natural disaster;
- Fall of the Objects on **Insured Vehicle**;

- 2.2. Loss or damage of an **Insured Vehicle** or any of its part (except of keys) as a result of **Vandalism**; theft robbery or burglary or attempt thereof.

**The list of Insured events/Insured perils are exhaustive; Insurance covers only the specified Insured events, unless it falls under the conditions of exclusion.**

### 3. IN WHICH CASES THE INSURANCE INDEMNIFICATION IS NOT PAID (EXCLUSIONS)

- Loss or damage caused by a fraud, appropriation, embezzlement and/or extortion or attempt thereof by a third person(s);
- Expenses of wear and tear, routine servicing, maintenance and preventive repair of the **Insured Vehicle**;

- Costs related to tires, except for the cases when the damage of the tire(s) results from the occurrence of Insured Risks and, at the same time, as a result of such an occurrence other parts of the vehicle, besides the tires, are also damaged and as a result of such damages the amount of loss exceeds the relevant **Deductible**.

- In case of partial damage, restoration or replacement cost of any brand mark/ company/brand/logo internal or external parts/improved details/ packaging/ additional components or accessories, if information about mentioned parts/ improved details/packaging/additional components or other accessories are not indicated in the relevant Insurance **Application**. In such case, the costs of standard part/details/ accessories (if any) is subject of reimbursement.

#### 4. HOW THE LOSS IS INDEMNIFIED

##### 4.1. In case of loss of vehicle as a result of a theft, robbery or burglary or total loss:

4.1.1. **You** will receive the amount equivalent to the **Market value** of **Your** vehicle existing by the moment of occurrence of the **Insured Event**, but no more than the **Sum Insured** less **Evacuator fee (if any)**, **Deductible** and **Unpaid insurance premium (if any)**;

or **We** will purchase for **You** the vehicle of the similar mark, model and other characteristics searched by **You** and agreed with **Us** as specified in the **Application** within the limits of the **Sum Insured**, subject to the **Deductible and Evacuator Fee (If any)**. Besides, making a decision on aforesaid, i.e. what form of indemnity will be chosen is **Our** right and depends on **Our** choice.

4.2. In case indemnification had been paid before the loss/destruction of a vehicle and the **Sum Insured** was not reinstated, the sum already paid out shall be deducted from the sum of indemnification.

4.3. Once **Insurance indemnity** is paid due to the **Total loss**, (including as a result of theft, robbery or burglary) the ownership rights on such vehicle, as well on its parts in case of partial loss shall be transferred to **Us**. Consequently, **You** shall sign all documents (and fulfill all actions that under the existing Georgian legislation are foreseen and required for such purpose, including registration of the vehicle in our name in the Legal Entity of Public Law - Service Agency of the Ministry of Internal Affairs of Georgia) and transfer to **Us** the direct ownership on such vehicle, as well on its parts at the location indicated by **Us**. Therewith, the said right may be exercised either through the transfer of the right of ownership of the vehicle (its parts) to **Us**, or, by providing **Us** with the monetary payment, in case **You** sell the vehicle (its parts). In addition, **You** shall preliminarily agree all issues related to the sale of the vehicle (its parts) with **Us**.

4.4. In case **You**, due to some objective reasons (other than failure to fulfill the obligations specified by present Terms and conditions or wrongful act made by **You**) are unable to transfer of title to / ownership on changed vehicle parts/destroyed vehicle to **Us** in compliance with present Wording and **We** have not agreed on the procedure of realization of the changed vehicle parts/destroyed vehicle, and/ or legal prohibition and/or restriction is registered on the destroyed vehicle, and/

or destroyed vehicle is pledged and/or there are other circumstances that make it impossible to transfer the property and ownership rights to **Us**, **We** are entitled to deduct the remained market value of changed vehicle parts/destroyed vehicle from the **Insurance Indemnification** or, if the **Insurance Indemnification** has been already paid, **We** shall be entitled to recover from **You** the remained **Market value** of changed vehicle parts/destroyed vehicle. Besides, in such cases the remained market value will be determined by us or by a competent person designated by us.

**4.5. In case of partial damage of a vehicle:**

**If the age of the vehicle exceeds 3 years:**

**4.5.1. We** are entitled to reimburse the amount of loss for repairing damaged but usable for operation spare parts or if the damaged parts are non-repairable, the amount for purchasing and installing used spare parts on domestic market,

**4.5.2.** In case **Insured Vehicle** is transferred to the repair service center indicated by **Us**, **You** shall only pay amount of **Deductible**, whereas of remained amount shall be reimbursed by **Us** directly to the repair center.

**4.5.3.** In case **You** do not want to transport the vehicle to the repair center offered by **Us** and the vehicle is transported to the repair center chosen by **You**, **We** will pay the **Insurance Indemnity** after **You** provide the estimate of costs (invoice) drawn up by the repair center chosen by **You**. However, **We** are entitled to pay indemnification within the limits of the calculation provided by **Our** repair center subject to the **Deductible**.

This rule shall not apply to a vehicle less than 3 years old which is purchased from an authorized service center and/or the relevant authorized service center guarantee applies.

**4.6.** If the age of a vehicle does not exceed 2 years (and is purchased from an authorized service center and/or the relevant authorized service center guarantee applies) and **You** require to restore / repair it at a particular authorized service-center and/or to determine the restoration / replacement cost by a particular authorized service-center, **We** are entitled to transfer the sum of the **Insurance Indemnity** payable in favor of **You** directly to such authorized service-center. At the same time, if as a result of **Insured Event** a tire disk of the vehicle has been damaged to the extent that the damage does not hinder safe use of the vehicle, **We reimburse** the cost of Repairing of the tire disk.

**4.7** In case **We** and **You** fail to reach agreement on final volume of loss, the loss shall be estimated by an independent expert institution with proper qualification. Besides, the issue on the loss estimation costs shall be settled in the following manner:

**a)** if assessment (examination) is carried out at **Our** will and initiative, **We** shall bear the cost of such assessment (examination);

**b)** if assessment (examination) is carried out at **Your** will and initiative, **You** shall cover the expenses of such assessment (examination);

**c)** if assessment (examination) is carried out by **Our** and **Your** joint decision and

joint initiative, payment of the expenses of such assessment (examination) shall be distributed among **You** and **Us**.

- 4.8.** If as a result of the **Insured Event** partially damaged vehicle cannot move on its own, **We** will single time, within the scope of one **Insured Event** transport the damaged vehicle to the agreed repair center, unless otherwise agreed by the parties; Besides, for avoiding any doubts, the present paragraph applies to the **Insured Events** occurred only at the territory of Georgia.

When calculating the cost of restoration/repair, only the costs of restoration/repair compiled by the repairing body or authorized service-center (in case the age of an insured vehicle does not exceed 3 years) shall be taken into account, that are operating in territory of Georgia.

For the purpose of determining the amount Insurance Reimbursement, the damaged vehicle shall be inspected/evaluated by the competent person determined by **Us**.

- 4.9.** In case the **Sum Insured** is less than the **Market (Insured) Value** of the vehicle at the time of the **Insured Event** i.e. reduced (insufficient) insurance (underinsurance) occurs, the method of proportionality shall be used while calculating **Insurance Indemnification**. Method of proportionality implies that **You** will only be entitled to recover hereunder such proportion of the said loss as the **Sum Insured by the Policy bears** to the **Market Value** of the vehicle at the oment of insurance. Therewith, **Deductible** shall be deducted once method of proportionality has been applied.

**FOR EXAMPLE:** if the market value of Your vehicle is 10,000 USD, deductible is 250 USD and the vehicle is insured for 7,000 USD only, the sum insured relatively makes only 70% of the market value. Therefore, if the loss makes up 1,000 USD, you will be indemnified only 450 USD (that is 70% of the recoverable sum less the deductible).

- 4.10** If **You** have insured the insurance interest foreseen by these Terms and Conditions simultaneously with several insurers (**double insurance**), **You** shall immediately inform **Us** about this fact and identify other insurers and specify the amount of **Sum Insured** in the relevant written notice. If by the moment of occurrence of an **Insured Event** the vehicle appears to be insured with several insurers against one and the same risk and the **Sums Insured** in total exceed the **Market Value**, the **insurers** will be jointly liable before **You** within the limits of the amount under each respective insurance agreement, concluded **by** us (the insurers) with **You**, however **You** have no right to receive the amount exceeding the actual loss in total.

**FOR EXAMPLE:** You have insured a vehicle at 20,000 USD with our company and at 25,000 USD with another insurance company. The total loss made up 15,000 USD. Our share in the total loss will be 6,666.70 USD ( $15,000 \cdot 20,000 / (20,000 + 25,000)$ ), and the share of the other insurance company in the loss will be 8,333.30 USD ( $15,000 \cdot 25,000 / (20,000 + 25,000)$ ). After calculation of our share, deductible will be deducted in accordance with the provisions of these Terms and Conditions.

## **5. ABOUT YOUR OBLIGATIONS**

Together with the obligations listed in the General Section, for the purpose of the insurance provided by these Terms and Conditions **You** shall:

- 5.1. Upon **Our** request install the antitheft alarm system, equip the **Insured vehicle** with such system and ensure its being in the good operating order. If the antitheft alarm system is installed after execution of the **Insurance Policy**, **You** shall provide **Us** with the proper document certifying thereof.
- 5.2. In case the vehicle is left unattended, lock it and ascertain yourself that all anti-theft alarm systems are switched on.
- 5.3. Use the vehicle only for the purpose indicated in the **Application** and comply with the operation and technical maintenance guidelines.
- 5.4. Not give the **Insured Vehicle** to an unauthorized driver for driving.
- 5.5. In case of theft of the vehicle, **You** must present to **Us** all the keys and the security system panels indicated in the **Insurance Application**, and in case of robbery and burglary, spare key (s) and security system panel (if any indicated in the **Application**), or otherwise, **We** shall retain the right to refuse the issuance of **Insurance Reimbursement**;
- 5.6. Undertake all reasonable and necessary measures to avoid damage to the Insured Vehicle within the whole Insurance Period under the Insurance Policy.
- 5.7. Do not repair the damaged vehicle until person designated by **Us** inspects/evaluates it.

## SECTION II. MOTOR THIRD PARTY (PARTIES) LIABILITY INSURANCE TERMS AND CONDITIONS

### 1. DEFINITION OF TERMS

- 1.1. **Subject of motor third party (parties) liability insurance** is the civil liability (except of moral damage) of an **Authorized Driver** which arises in case of the death of third persons or their bodily injury/property damage as a result of operating the **Insured Vehicle**.

### 2. WHAT IS COVERED UNDER MOTOR THIRD PARTY (PARTIES) LIABILITY INSURANCE (INSURED EVENT)

- 2.1. An **Insured Event** is a damage inflicted to the lives, health or property of the third parties as a result of operating of the **Insured Vehicle** by the **Authorized Driver**, occurring during the **Insurance Period**.
- 2.2. **Third party** – for the purposes of insurance, a **Third party** is any party, who is not an **Insured**, and **authorized driver** or a passenger of an **insured vehicle** (including getting into and out period).

### 3. WHAT IS INDEMNIFIED

- 3.1. If the **Insured Event** is confirmed, within the limits of the **Sum Insured**, considering the provisions of present Terms and Conditions and based on the written agreement between **You** and **Us**, the following shall be subject to indemnification:
  - 3.1.1. reasonable expenses borne to save the life and/or property of injured third par-



- ties or the reasonable expenses incurred to minimize the loss;
- 3.1.2.** Costs related to third party claims' examination no matter connected with court proceedings, or – not, as well as the costs related to ascertaining the circumstances of occurrence of the **Insured Event** and volume of loss (such costs shall be paid within 20% of the **Sum Insured** set forth in the **Insurance Policy**) provided they have been agreed with **Us** in writing;
- 3.1.3.** Compensation to be paid to the /injured person pursuant to the enforced court decision. At the same time the events when You and/or Your representative admits the claim or a part thereof at the trial without any preliminary written agreement with Us shall not be considered as basis for compensation;
- 3.1.4.** Indemnification of the loss inflicted to third party (ies) without court decision if the amount of such indemnity has been agreed with **Us** in writing, and if the injured person confirms in writing that she/he has no further claim or complaint in connection with the **Insured Event**.
- 3.2.** The amount of compensation/reimbursement to be paid without the court decision, which shall not exceed the **Sum Insured** provided under the **Insurance Policy**, shall be calculated in the following manner:
- 3.2.1.** in the case of death or injury to a third party - the amount of inflicted material damage:
- a) Salary (income) lost by the injured person due to his/her partial or total disability;
  - b) Additional expenses caused by bodily injury, including the costs of treatment, additional nutrition, medicines, prosthetics, supervision and care, purchase of special transport facility, vocational training if it is established that the injured requires such kind of assistance and has no right to receive it free of charge;
  - c) Part of salary (income), which the disabled persons being the dependents of the injured person or being entitled to receive subsistence from him/her (by payments on regular basis) had lost in case of the death of the accident victim;
- 3.2.2.** If damage is inflicted to the property of third party (parties), **We** will indemnify the following within the **Sum Insured**:
- a) in case of total destruction of the property – the amount of market or restoration / replacement value of the lost property, taking into consideration the specific character of demolished property, less devaluation and value of the salvaged pieces which can still be used;
  - b) in case of partial damage/destruction to the property – the repair costs required to bring the property to the pre-damage condition;
- 3.3.** If the amount of loss in total/in the aggregate , resulting from death or bodily injury caused to several persons as the result of **Insured Event**, exceeds the maximum limit of the liability prescribed for one **Insured Event** (or the **Sum Insured** specified in the **Policy** if no limit is foreseen) the **Insurance Indemnification** to each injured shall be reduced in consideration of the share of the limit of liability in the total amount of damage inflicted;
- 3.4.** In case any sub-limit is foreseen by the **Policy**, the amount of indemnity shall be limited by taking into account such sub-limits;
- 3.5.** The loss inflicted by one event shall be considered as one **Insured Event**. No one shall have the right to get indemnification twice under this insurance for one

and the same loss or any element of the loss;

- 3.6. The total sum to be paid for the loss inflicted to third party (parties), notwithstanding the number of **Insured Events**, shall in no way exceed the **Sum Insured/Limit** provided by the **Policy** for such cover.

4. **WHAT IS NOT INDEMNIFIED (EXCLUSIONS)**

Together with the exclusions listed in the General Section, insurance shall in no way apply to the indemnity/compensation paid to an injured person /the liability undertaken or recognized towards the injured person, if such has taken place without **Our** written consent.

**SECTION III. DRIVER AND PASSENGERS' MOTOR PERSONAL ACCIDENT INSURANCE TERMS AND CONDITIONS**

1. **DEFINITION OF TERMS**

- 1.1. **Subject of Driver and Passengers' Motor Personal Accident insurance** is the material loss caused by the bodily injury/death of the **Authorized Driver** and/or his/her passengers as a result of the road accident while driving the **Insured Vehicle**.
- 1.2. **Accident victim/injured** is the **authorized driver** and/or passenger of the **Insured Vehicle** who dies or suffers bodily injury as a result of the road accident within the **Insurance Period**.
- 1.3. **Accident** is a sudden and unexpected event as specified by Clause 2.1. of Section 1 of these Terms and Conditions, occurring during the **Insurance Period** and resulting in the infringement of the health or life of the **Authorized Driver** and/or passengers.
- 1.4. **Liability sublimit per person (limit)** is the maximum amount of payment of the indemnity per person specified in the **Policy**.
- 1.5. **Loss of extremity/organ** is the physical loss or total permanent and unrecoverable impairment of the extremity/organ function (the permanent impairment of function is established after 12<sup>o</sup> months from the moment of the **Insured Event**).

2. **WHAT IS COVERED UNDER DRIVER AND PASSENGERS' MOTOR PERSONAL ACCIDENT INSURANCE (INSURED EVENT)**

- 2.1. **Insured event** represents the occurrence of an accident as determined by Clause 1.3 of Section 3 of these Terms and Conditions within the **Insurance period**.

3. **WHAT IS INDEMNIFIED?**

- 3.1. If the **Insured event** is confirmed, **We**, within the sublimit per **Accident victim/Injured** (per person) set out in the **Policy**, will indemnify:
- 3.1.1. **Accident Victim/Injured** caused a result of an **Insured Event**:
- costs of urgent outpatient treatment;
  - costs of transportation to a hospital;

- costs of hospital treatment and stay;
  - compensation for the loss of extremities/organs;
- 3.1.2.** in case of death of an **Injured**- his/her assignee:
- 100% of the current sub-limit per person less the sums already paid for health recovery of **Injured**;
- 3.1.3.** in case of the death of an **Injured** person, if there is no compensation recipient, **We** will bear only funeral costs within the sublimit set per person.
- 3.2.** The cost of urgent outpatient treatment and transportation of the **Injured** to the nearest hospital shall be calculated according to the relevant medical invoice/ documentation, but no more than the **200 USD equivalent in GEL** per person.
- 3.3.** The reasonable costs of treatment at hospital evidenced by the hospital invoice and appropriate documentation, but no more than 20% of the limit of liability per person.
- 3.4.** The amount of indemnification for the loss of an extremity/organ shall be calculated according to the indemnity table given below, where 100% indemnity is equal to the relevant liability sublimit per person (less already paid cost of **Injured** person health recovery/transportation):
- Loss of one kidney – 40%;
  - Hearing loss in one ear– 15%;
  - Hearing loss in one ear, if hearing in the other ear had been lost before the accident – 45%;
  - Total and permanent loss of sight in one eye – 30%;
  - Loss of sight by more than 60% in one eye - 20%;
  - Total loss of sight – 100%;
  - Loss of one extremity – 40%;

**FOR EXAMPLE:** if the liability sublimit is 10,000 USD per person and if an injured person has lost hearing in one ear permanently, she/he will be indemnified 1,500 USD (15% of 10,000 USD). If the injured person has suffered permanent loss of sight in one eye as a result of the same or other Insured Event, she/he will be indemnified only 2,550 USD that is 30% of the already reduced limit – 8,500 USD.

- 3.5.** In case of damage of several organs, after the first interest payment, every further additional interest shall be calculated from the remained amount of liability limit.
- 3.6.** Payment of **Insurance Indemnity** for the loss or damage of extremity shall be effected after the hospital treatment is completed and degree of the injury is finally determined, but only 1 year after the moment of organ dysfunction, provided that the total permanent and unrecoverable dysfunction of organ is confirmed during this period.
- 3.7.** If the amount of loss in total/in the aggregate, resulting from bodily injury to or death of more than one person arising out from the **Insured Event** exceeds Limit of Liability per **Event** (or the **Sum Insured** specified in the **Policy** if no Limit is indicated) indemnity payable to each **Injured** person shall be reduced in consideration of the share of the limit of liability in the total amount of loss inflicted
- 3.8.** Total sum payable per person, notwithstanding the number of events and the amount of loss shall not exceed the sublimit per person set out by the **Insur-**

## **ance Policy.**

- 3.9.** The sum to be indemnified under this Section, notwithstanding the number of events and the amount of loss shall not exceed the **Sum Insured/Limit** provided by the **Insurance Policy**.

## **SECTION IV. GENERAL PROVISIONS**

### **1. GENERAL EXCLUSIONS**

**Exclusions given below shall apply to each insurance coverage set out above (Sections I, II, III):**

- 1.1.** Under these Terms and Conditions the insurance shall not apply and, accordingly, the occurred loss is not subject to indemnification, in case :
- 1.1.1.** vehicle was operated/driven by a driver under the influence of the alcohol or drug substances/means, , regardless of the fact that the damage occurred through the Driver's or any other third parties' own fault;
- 1.1.2.** use of the vehicle for the purpose other than that indicated by the **Insured** in the **Application**. Besides, for avoiding any doubts, for the purposes of present terms and conditions, an **Insured vehicle** is assumed/deemed to be used for commercial purposes, if at the time of issuance of the **Insurance Policy** and/or at the time of occurrence of an **Insured event** the TAX license is issued for/toward an **Insured vehicle**. Besides, the **Insurer** is entitled to refuse the payment of insurance reimbursement if the purpose of commercial use is not indicated in the application and/or **Insurance Policy** and/or **Insurance Policy** addendum.
- 1.1.3.** locating/driving the vehicle on the construction / building territory / site;
- 1.1.4.** An event, which was occurred while being or exploitation of the insured vehicle in an area, that does not represent a **Road** or an **Adjacent territory** and is not normally used for vehicle traffic.
- 1.1.5.** Any Loss, caused by participating of an insured vehicle in a rally, race, endurance or any other competition or test.
- 1.1.6.** transfer of the property to the public possession, confiscation or seizure or attempt thereof under the decision of any authority/department acting in the name of the state; Acts of war whether war be declared or not, intervention, civil war, mass riots, rebellion, dictatorial regime, state of emergency, terrorism or any other act of that kind as well as other kind of force majeure, except for the cases, when inflicted damage is the result of the occurrence of insured force majeure risks;
- 1.1.7.** Acts, that authorize **Insurer** to reject **Insurance Reimbursement** under the existing legislation of Georgia;
- 1.1.8.** transportation of the vehicle as a cargo, its loading and unloading operations, also transportation by sea, land, railway or other transport means, except for movement in tow;

### **2. WHAT IS AND HOW IS DETERMINED SUM INSURED AND DEDUCTIBLE**

- 2.1. **Sum Insured** is the amount of money set out in the **Insurance Policy** as a result of agreement between **You** and **Us**, which represents the upper limit of Insurance Reimbursement, paid out **by Us** according to each insurance coverage;
- 2.2. Based on the agreement between us, **We** may sub-limit **Our** liability within the **Sum Insured** set out in the **Policy**, in which case such sub-limit shall be maximum limit of **Our** liability:
  - 2.2.1. for each risk;
  - 2.2.2. for each/separate **Insured Event** or/and each **Injured** person.
- 2.3. If after indemnification of the loss **Sum Insured** is not reinstated by **You** by way of paying additional premium, **Sum Insured** will be reduced by the amount of the sum indemnified.
- 2.4. **Insurance Policy** determines the **Deductible** that is the amount of sum to be deducted from the total indemnity and which is not subject of **Our** liability:
  - 2.4.1. Conditional deductible is a certain threshold expressed in monetary terms. If the loss is below or equals such threshold, **we** shall not indemnify the loss or damage. However once the loss exceeds this threshold, we shall indemnify the total amount of loss;
  - 2.4.2. Ordinary deductible is the minimum amount which shall be always deducted from the total loss amount;
  - 2.4.3. If the **Policy** does not provide exact type of deductible, ordinary **Deductible** shall apply.

**EXAMPLE:** You have insured your vehicle in the amount of 5,000 USD. Deductible for damage under the policy is determined at 250 USD and the loss makes up 300 USD. In case of the ordinary deductible, we will indemnify only the difference between the actual loss and the sum of deductible, i.e. 300-250 USD, which is 50 USD.

In case of conditional deductible, the total amount of loss is subject to indemnification provided that the loss exceeds the sum of conditional deductible, i.e. if the loss makes up 300 USD, You will receive 300 USD as insurance indemnity; if the loss makes up 250 USD or less, insurance indemnity will not be paid.

- 2.5. **Deductible** can be determined both for all kinds of loss or each and every loss basis in different amounts.
3. **WHAT INSURANCE PREMIUM IS AND HOW IT SHALL BE PAID**
  - 3.1. **Insurance Premium** is cost of the insurance to be paid by **You** to **Us** under these Terms and Conditions and in accordance with the order and terms established and provided by the **Insurance Policy**.
  - 3.2. **Insurance Premium** is paid as a lump sum or with the defined periodicity, by installments. The periodicity, terms and other essential conditions of payment of **Insurance Premium** shall be determined upon issuing the **Policy** and indicated in it.  
 If the **Insurance Premium** is not paid on time within the terms specified in the **Insurance Policy**, **We** will set an additional two-week term for **You** to pay the **Insurance Premium**. If the **Insured Event** occurs after the expiration of the aforementioned term and the payment still has not been made, **We** shall be released from **Our** obligation to pay out **Insurance Indemnity**.

In addition, if the **Insurance Premium** is not paid on time, that gives **Us** the right to give **You** one-month prior written notice of termination and to terminate the **Insurance Agreement**, if this terms expires with no effect.

#### 4. **INSURANCE AGREEMENT**

- 4.1. In order to conclude an **Insurance Agreement** **You** should fill in a written application, provide **Us** with **Your** identity document, vehicle registration certificate and the **Authorized Driver(s)**' valid driving license. Based on these documents **We** will prepare the **Policy** and provide it to **You** along with these Terms and Conditions.
- 4.2. To make the insurance effective it is also necessary the vehicle be examined by **Our** authorized representative. **External damage coverage of the vehicle shall only be in force after examination is carried out by our authorized representative;**
- 4.3. The issuance of an **Insurance Policy** certifies conclusion of the **Insurance Agreement**. Only in case of **Policy** existence **We** shall indemnify the loss in return of the **Insurance Premium** upon occurrence of the **Insured Event**.
- 4.4. Should **You** lose the **Policy** during the **Insurance Period** **You** shall notify **Us** of such in writing. Based on **Your** written notification, **We** shall issue the **Policy** duplicate (with the respective stamp/classification which certifies that the **Policy** is duplicated). The identification data of the duplicate **Policy** remain unchanged; as for the lost **Policy**, it is considered as invalid and claims arising out of it shall not be subject of indemnification;
- 4.5. If during the **Insurance Period** any changes are introduced into the terms and conditions of insurance coverage such changes shall be reflected in the **Policy** or its endorsement. In case of discrepancy between the **Policy** and the **present Insurance Terms and Conditions**, the **Policy** shall prevail.

#### 5. **PROVIDING INFORMATION FOR THE ASSESSMENT OF RISK DEGREE**

- 5.1. **We** undertake to familiarize **You** with and to hand over to **You** these Insurance Terms and Conditions;
- 5.2. **We** have the right to demand from **You** before the issuance of **Policy** and, in case of necessity, after the issuance of **Policy** as well, presentation of any documents based on which the probability of an **Insured Event** will be determined;
- 5.3. Before conclusion of the **Insurance Agreement** **You** shall inform **Us** in a necessary order about all of the circumstances known to **You**, which can have influence on assessment of the risk of occurrence of **Insured Event**.
- 5.4. **You** shall immediately without delay inform **Us** in writing about any changes in information provided to **Us** at the moment of issuance of **Policy**, or, about those facts, existing but unknown to **You** previously or new facts, increasing the probability of occurrence of the **Insured Event**.
- 5.5. In case of alienation of a vehicle **You** shall immediately without delay inform **Us** in writing about the fact of alienation as well as the identity and contact details of a new possessor/owner. Otherwise, **We** will be free from the liability to indemnify the loss upon expiration of 2 (two) weeks after the fact of alienation.
- 5.6. **You** shall immediately without delay inform **Us** that a new driver has been added to the list of **Authorized Drivers**. Therewith, addition of a new person in the

**Authorized Drivers'** list shall be performed under the following rule: the person indicated by **You** will be considered as an **Authorized Driver** from 24:00 of the day of the written execution of such addition. If **You** would like a particular person to be deemed an **Authorized Driver** immediately upon written execution of such addition it is necessary to examine the **Insured Vehicle** by our representative and his/her written confirmation that by the moment of addition of a new **Authorized Driver** the vehicle was undamaged.

- 5.7. **You** shall inform **Us** in writing about the loss of the vehicle's key, technical passport or alarm remote control, as well as about any kind of improvement of the **Insured Vehicle** within 2 (two) working days after the occurrence of such fact. Besides, in case of improvement of the **insured vehicle**, the insurance will only apply if the relevant **Insurance policy** endorsement is issued.
- 5.8. In addition to the above listed information **You** shall immediately inform **Us** about the change of **Your** address/place of residence, otherwise any correspondence/notice sent by **Us** to the address indicated by **You** will be considered as received by **You**. Similar rule applies when the address indicated by **You** is wrong or contains errors.
- 5.9. Obligation to provide information to **Us** extends throughout the whole **Insurance Period** and shall not be limited only to the information required for assessment of the risk quality, but it shall also include any information related to the indemnity amount and/or arising of **Our** obligations.

## 6. VALIDITY PERIOD OF INSURANCE AGREEMENT/INSURANCE

- 6.1. Unless the **Policy** provides otherwise, it will be issued for a one year term.
- 6.2. Insurance takes effect from 24:00 of the first day of the date specified in the **Insurance Policy** and is valid until 24:00 of the last day of the date specified by the **Policy**, unless the **Insurance Policy** provides otherwise. Therewith, we will not indemnify those **Insured Events** which will occur before the first or lump sum payment of the premium by **You**, and if the **Policy** is made for the term of several years, before the payment of the first or lump sum **Insurance Premium** of the first and every following year.
- 6.3. **IN WHICH CASES THE INSURANCE TERMS AND CONDITIONS CAN BE CHANGED:**
- 6.4. **We** shall have the right to change insurance conditions or require payment of additional **Insurance Premium**, in case the **Insured Risk** level increases during the **Insurance Period**. Such decision made by **Us** shall be binding upon **You**.
- 6.5. **Your** stated refusal to change the insurance terms or to pay the additional **Insurance Premium** gives **Us** the right to cancel the **Insurance Policy** from the moment of such changes and terminate the insurance under one month's prior notice. The one-month term is not required if the increase of the **Insured Risk** is caused by **Your** deliberate act or gross negligence.
- 6.6. In case of change in the circumstances effecting essential conditions of **Insurance Agreement**, including but not limited to change in the risk quality, insur-



ance volume/amount, **Period of Insurance** or amount of **Insurance Premium**, **We** shall issue and furnish **You** with the duly signed and stamped **Policy** endorsement.

## **7. TERMINATION OF INSURANCE/POLICY**

**7.1.** The insurance may be terminated without providing any additional term or termination notice before its termination under the following circumstances:

**7.1.1.** **Sum Insured** set out by the **Policy** is exhausted;

**7.1.2.** If after the effective date of the insurance the possibility of occurrence of the **Insured Event** disappears and the existence of an **Insured Risk** terminates by any reason/circumstance other than the **Insured Event**.

**7.1.3.** Increase of **Insured Risk** is caused by **Your** deliberate act or gross negligence.

**7.1.4.** if **You** pay **Insurance Premium** through the written order given to the respective bank institution, according to which (written order) respective bank writes off the sum of **Insurance Premium** from **Your** account and transfers it to **Us** without acceptance according to the schedule agreed in the **Policy**, and **You** cancel such written order before the expiration of the **Insurance Period** and we are not informed in respect with such cancellation in writing at least 2 (two) weeks before and no other form of payment of the **Insurance Premium** is agreed between **Us** in writing or if by the date of payment of the **Insurance Premium** (writing off from the account) the balance on **Your** bank account is not sufficient whereby the **Insurance Premium** cannot be written off without acceptance in full amount. In such cases insurance will be automatically terminated from the date of complete earning of the **Insurance Premium** paid by **You** already.

**7.2.** Insurance may be terminated under one month's prior written termination notice in the following circumstances:

**7.2.1.** **You** fail to pay **Insurance Premium** in the terms provided by the **Policy**;

**7.2.2.** in case of increase of the **Insured Risk** **You** refuse to pay additional premium/ consent to altered terms and conditions;

**7.2.3.** in case **You** alienate **Insured Vehicle** to a third party, if we do not want to continue contractual relationship with the new owner.

**7.2.4.** by **You** or by **Us** in compliance with the provisions under Clause 7.7.

**7.3.** In case of pre-term termination of the **Insurance Policy**, we will retain part of the **Insurance Premium** pro rata to the period of time when the insurance was valid, besides it will be considered terms under the article 7.4., 7.5., or 7.6.

**7.4.** In case of **Policy** termination, if the amount of reimbursed or reported claims are less than the 75% of Insurance Premium, 80% of the **Unearned Premium** is the subject of return and in case of payment in installments, 20% of the **Unearned Insurance Premium** shall be the subject of full coverage by the **You**.

**7.5.** In case of **Policy** termination, if the amount of reimbursed or reported claims are more than or equal to the 75% of Insurance Premium, the Unearned Premium is not be subject of return and in case of payment in installments, the Unearned Premium shall be the subject of full coverage by **You**.

**7.6.** In case of **Policy** termination, when there are not any reimbursed or reported claims during the **Insurance Period** of the **Policy**, 90% of the **Unearned**



**premium** is the subject of return and in case of payment in installments, 10% of the **Unearned Insurance Premium** shall be the subject of full coverage by **You**

7.7. In case of pre-term termination of the **Policy**, we shall give each other 30 days advance notice in writing in respect with such termination, except for cases as stipulated in article 7.1, when the **Policy** shall be terminated upon occurrence of such an Event.

## 8. **INSURANCE ACT**

8.1. **Insurance act**, drawn up by the **Insurer**, shall be signed both by the **Insurer** and the **Insured**.

8.2. The insurance act signed by the parties is the ground for payment of the **Insurance Indemnification** by the **Insurer**. **Insurer** shall be authorized not to pay **Insurance Indemnification** until signing of the **Insurance Act** by the **Insured**.

## 9. **YOUR OBLIGATIONS/WHAT ACTIONS TO BE TAKEN BY YOU UPON OCCURRENCE OF AN INSURED EVENT**

9.1. **You** are obliged:

9.1.1. Immediately call the patrol police and our Call-center and take all necessary measures to preserve the road accident spot unchanged until police and our representatives arrival. Herewith, in case of damage/destruction of a parked vehicle by an unidentified person or in the unidentified condition **You** shall immediately contact **Us** and patrol police and not move the vehicle from the place before the arrival of our and patrol police representatives and examination of the situation by them (survey of the scene of accident, making photos);

9.1.2. Take all measures to ensure **Our** subrogation rights against third parties, responsible for loss or damage inflicted as a result of the **Insured Event**, since as we pay **Insurance Indemnification**, to the extent of the amount indemnified by **Us** we shall be subrogated all the rights of recovery **You** have against persons/guilty parties liable for damages. In case **We** fail to exercise such right by **Your** fault, **We** shall have the right to reject to indemnify the loss, and, if Indemnification is already issued, **We** shall have the right to recover the sum paid.

9.1.3. Inform **Us** about the occurrence of the **Insured Event** by the phone number indicated in the **Policy** immediately upon occurrence of the Insured Event and provide the written notice about the **Insured Event** within 3 days;

9.1.4. Provide **Us** with all necessary documents issued in connection with the **Insured Event** by the respective authorities;

9.1.5. Assist **Us** to establish the reasons and consequences of the **Insured Event** as far as possible;

9.1.6. Provide **Us** the following documents:

a) written notice about an **Insured Event**;

b) **Insurance Policy** original;

c) vehicle registration certificate;

d) driving license of that person who was driving the vehicle in the moment of the **Insured Event**;

- e) the patrol police report about the accident (with indication of the person responsible for occurrence of the event);
- f) written claim for loss indemnification;
- g) bank details;
- h) all other documentation as indicated below based on circumstances of a particular case;
- i) Document on establishment of the fact on drivers' influence of alcohol, narcotic/drugs or other toxic substances (Alco test and/or relevant expert conclusion).
- j) in case of **Total loss (destruction)** of the vehicle and upon **Our** request – the certificate on legal status of an vehicle issued by the relevant authority.

**9.2. Upon occurrence of the Insured Event under the coverage of section I of these Terms and Conditions (motor insurance) You are also obliged:**

**9.2.1.** take all possible and reasonable measures to save a vehicle, prevent and/or minimize its further loss or damage without jeopardizing life and health; when taking such measures **You** shall act in accordance with **Our** instructions if such are provided;

**9.2.2.** not begin to repair the vehicle until **Our** representative examines the vehicle and **You** receive relevant written confirmation from **Us** to start the repairs;

**9.2.3.** provide **Us** with the following additional documents/evidences;

- in case of loss/hijacking of a vehicle as a result of theft/robbery/burglary – document certifying initiation of criminal proceedings, first and last names of witnesses, their contact details, ID card numbers;
- in case of external damage to the vehicle – report from the patrol police in connection with the road accident or the document certifying initiation of criminal proceedings in respect with the offence committed by third person(s).

**9.2.4.** to cover any administrative penalty, fine relating to the ownership/operation of a vehicle and/or a fee for parking the vehicle at the penal area (if any) in advance before transfer the ownership of totally damaged vehicle to **Us**, otherwise such amounts will be deducted from the amount of the **Insurance Indemnification** to be paid by **Us**.

**9.3. Under coverage provided by Section II of these Terms and Conditions – Motor Third Party Liability Insurance, You are also obliged:**

**9.3.1.** timely inform **Us** about the time and place of survey/examination of the third person's damaged property (prior to its repair) and enable **Us** to carry out the independent expertise in order to determine the loss;

**9.3.2.** systematically inform **Us** about the results of investigation of the causes and consequences of the event, and participate in such investigation;

**9.3.3.** Take all measures to prevent pursuing litigation by the **Injured** party before consideration of a claim by **Us**

**9.3.4.** if necessary, transfer the following rights to **Us** or a person nominated by **Us**:

- to represent **You/Insured** person at the legal proceeding with all procedural powers, including the right to recognize the liability for a property claim (recognition of claim);
- to carry out negotiations with **Injured** persons and their representatives;

**9.3.5.** not recognize third person's claim for damages, not assume liability for satisfac-

- tion of such claim and not indemnify inflicted loss without **Our** written consent;
- 9.3.6.** provide **Us** with following additional documents:
- a)** report drawn up in the name of each **Injured** person related to the road accident;
  - b)** medical statement and other similar documents on the severity and nature of injuries caused to the health of a third person or the cause of his/her death, as well as information about possible alcoholic, toxic or narcotic/drugs intoxication influence of the **Injured**;
  - c)** death certificate and documents certifying inheritance (in case of death of an **Injured** person);
  - d)** documents certifying the costs borne for compensation of the loss inflicted to third persons;
  - e)** Documents issued by social insurance authorities which confirm the amount of payments effected for the **injured** person or his/her successors in accordance with Georgian legislation on Obligatory Social Insurance.
  - f)** Enforced court decision reflecting the amount of compensation for the loss inflicted to the third person's life, health or property by **You** if the claim was considered in Court; and if the payment was made under the agreement between the parties - the written document reflecting such agreement.
- 9.4.** **You** additional obligations upon occurrence of an **Insured Event** within the scope of coverage provided by Section III of these Terms and Conditions –Driver and Passengers' Motor Personal Accident Insurance:
- 9.4.1.** **You** shall ensure that an **Injured** person:
- a)** Immediately applies to the medical institution and notifies **Us** in writing about the event;
  - b)** Undergoes medical examination with a physician appointed by **Us** (if **We** decide it is necessary).
- 9.4.2.** in case of death of an **Injured** person, **You** shall inform **Us** about this fact within one week;
- 9.4.3.** **You** shall also produce to **Us** following additional documents:
- a)** Medical documentation certifying the date of bodily injury and diagnosis (copy of the medical statement, document drawn up by the medical expertise, a certified copy of death certificate, etc.);
  - b)** the identity documents of **Injured** persons;
  - c)** in case of death, death certificate and certificate on the right of inheritance;
  - d)** Report from the patrol police in respect with the event.
- 9.5.** Taking into account specifics and peculiarities of a particular event, **We** reserve the right, if necessary, to demand additional documents related to the **Insured Event** or decrease the list of demanded documents. Herewith, above mentioned is **Our** right, not an obligation.
- 10. HOW INSURANCE INDEMNIFICATION IS PAID OUT**
- 10.1.** In case **You** have no premium indebtedness **We** will pay the **Insurance Reimbursement** within 3 (three) working days after we sign the **Insurance Act** unless the indemnity is postponed due to circumstances as it is provided for by the respective Section of these Terms and Conditions. Besides, upon

occurrence of the **Insured Event** in respect of the risk of theft, burglary or robbery and unlawful actions of third parties **Insurance Indemnity** will be paid no earlier than 2 (two) months after the occurrence of the **Insured event** and signing the **Insurance Act**.

- 10.2. **We** reserve the right to postpone the decision concerning **Insurance Indemnity**, in case when in relation to the fact of occurrence of an insurance risk the criminal proceedings are instituted against **Authorized Driver, Insured (Beneficiary)** or his/her representative.
- 10.3. **Insurance Indemnity** shall be calculated based on the provisions of the respective Sections (I, II, III) of the Terms and Conditions
- 10.4. In case of partial damage of the vehicle, the payment of **Insurance Indemnity**, as per **Our** decision, may be made by way of payment indemnity to **You/Beneficiary** or, for the purpose of repair/restoration of the damaged vehicle, via direct payment to the relevant supplier.
- 10.5. In case **Insurance Premium** is paid by installments, amount of Indemnification shall be reduced by the sum of the outstanding premium, in case of total loss (destruction) of the **Insured Vehicle** or its loss as a result of theft/robbery/burglary.
- 10.6. If by the moment of **Insurance Indemnification You** have indebtedness towards **Us**, we shall be entitled to deduct the amount of debt from the amount of indemnification.
- 10.7. We also reserve the right to deduct from the insurance reimbursement the insurance premium for the remaining insurance period from the moment of reimbursement (if applicable).

## 11. REFUSAL OF PAYMENT OF INSURANCE REIMBURSEMENT

- 11.1. **We** are entitled to refuse the payment of **Insurance Reimbursement** in the following cases:
  - 11.1.1. **You** have failed to perform the obligations under these Terms and Conditions;
  - 11.1.2. **You** have failed to provide **Us** with the information (notice) about the **Insured Event** within the terms agreed upon by the **Policy** and these Terms and Conditions and have essentially infringed our interests by such failure to notify **Us**;
  - 11.1.3. information (documents) provided by **You** for risk assessment/recognition of **Insured Event**/calculation of the amount of **Insurance Indemnity** is knowingly wrong/false or inaccurate;
  - 11.1.4. **You** have declined participation of our company representative in the investigation/research of the causes of the **Insured Event**, amount of the inflicted loss and other details connected with the **Insured Event**;
  - 11.1.5. **You** have failed to present any document requested by **Us** as specified by these Terms and Conditions;
  - 11.1.6. **You** have refused to hand over to **Us** the documents needed for ensuring **Our** subrogation rights against persons responsible for damage;
  - 11.1.7. **You** compensated the loss to third party or indemnified his/her legal or/and out of court expenses without **Our** prior written consent
  - 11.1.8. **you** have not registered the event with the patrol police;

- 11.1.9. **You** have exceeded the two-week deadline established by **Us** for the non-payment of premium;
- 11.1.10. Insured Interest is insured under any other insurance policy (policies) (double insurance), however **You** did not inform **Us** in writing about such double insurance;
- 11.1.11. **You** have alienated the **Insured Vehicle** and have not informed **Us** thereof in writing and 2 (two) weeks have passed after the fact of alienation.
- 11.1.13. In the cases stated in article 5.6. of the SECTION I and 6.2. and 9.1.2. of SECTION IV.
- 11.2. The dismissal of payment of the **Insurance Indemnity** will be provided to **You** in the written form where the reasons of the refusal of indemnification will be set forth.

## 12. RESOLUTION OF DISPUTES

- 12.1. Any dispute arising in connection with the insurance performed under present Terms and Conditions shall be settled by negotiations. In case no agreement is reached, disputes shall be settled in Georgian court, in accordance with the applicable Georgian legislation.
- 12.2. For dispute settlement, the Parties are entitled to apply to the “Insurance Mediation” of the Non-entrepreneurial (Non-commercial) Legal Entity “Georgian Insurance Association” (ID 204878481) at the phone number: (+995 32) 2555155 or at the email: mediacia@insurance.org.ge., and in case of disagreement through the “Insurance Mediation”, Parties apply the Court according to the paragraph 13.1.

## 13. CONFIDENTIALITY

- 13.1. Any information exchanged between **Us** (whether verbal or written), which is of commercial or any other value, shall be deemed confidential and shall not be disclosed to any third party without prior agreement, unless such disclosure is associated with fulfillment of obligations under the Agreement or existing Georgian legislation.  
Despite above mentioned, by signing respective **Insurance Policy You** grant **Us** unconditional right to submit any information about **You** available to **Us** without **Your** additional consent to JSC ‘Creditinfo Georgia’ (registered by Mtatsminda-Krtsanisi regional court on February 14, 2005, No. of register: #06/5-51, Identification No.:204470740),) which shall lead to **Your** registration in the database of ‘Creditinfo Georgia’.
- 13.2. **We** are obliged to properly secure **Your** personal information available to **Us**, with **Your** permission, for the purposes of insurance service; In addition, **We** are authorized to process **Your** personal information for offering the insurance service and in case of failure to fulfill the obligations provided for by the **Insurance Agreement**, through transferring to third parties, for protecting **Our** interests and process **Your** personal data, via the authorized person as per the applicable laws.

## 14. PROVISION OF INFORMATION

- 14.1. All notices or/and any information required for execution of the **Insurance Agreement** shall be provided to the parties by any means of communication, including by sending text messages via e-mail or by mobile phone or/and by mail according to the place of residence, stated in the **Insurance Application...**
- 14.2. If **You** provided **Your** E-mail address or telephone number in your **Insurance Application**, correspondence/notice sent by the **Insurer** shall be deemed to be received by the **Insured** on the day of sending.
- 14.3. If the correspondence/notice was sent to **Your** E-mail address or Telephone number that is different from the one **You** provided in **Your Insurance Application**, The **Insured** shall be deemed to be received above mentioned correspondence/notice on the day of receiving only if it is confirmed by **the Insured**.
- 14.4. In case of failure to immediately provide the **Insurer** with the relevant information about the change of the address/place of residence or other particulars, any correspondence/notice sent by the **insurer** shall be deemed to be received by the **Insured**.