



**Terms and Conditions of Auto Insurance Linked to Loans  
from TBC Bank JSC**

**V 01.04.2021**

**Information Leaflet**

**Hello,**

These are key terms of TBC Bank JSC credit insurance. Please note that the information provided here is not exhaustive. It is not a contract offer and, therefore, will not have any legal consequences.

### **Who is the insurer?**

Insurer: IRAO JSC, (ID : 205023856) – that's us

Insurer's Address: 88/15 Bochorishvili street, Tbilisi

Insurer's Hotline / Telephone no: (+995 32) 2 949 949

### **Insurance Policyholder**

A legal person or individual who enters into an insurance agreement, procures from the insurance an insurance policy for the automobile indicated in the policy and pays the respective premium – that's you.

### **Type of Insurance Agreement**

This brochure contains brief information about the auto insurance agreement. If you buy the insurance, you will be provided with the Insurance Policy, which, together with Insurance Terms it contains and Important Terms of the Agreement, constitutes the entire insurance agreement. The terms of the insurance are provided in detail on our website <https://irao.ge/TBCLoanCasco.pdf>. By buying the insurance, you agree to Insurance Terms V01.04.2021 published on the website and set forth in the Insurance Policy.

### **Insured Risks**

This auto insurance covers damage caused to your vehicle due to:

- A car accident;
- Fire, explosion;
- Natural disasters (excluding hail and earthquake, unless otherwise provided for in the insurance policy);
- Third party crime (theft, robbery, burglary and vandalism);
- Falling objects.

### **Insurance Policy Activation**

The insurance policy will be activated on the date indicated in the policy, at 12:00 pm, provided the first or the one-time insurance premium has been paid in full and the insurer has the photos of your vehicle.

**(To have the photos taken, you should contact your loan officer at TBC Bank JSC).**

### What to do when an insured event occurs?

- Do not attempt to move the car from the accident scene (unless you are instructed to do so by law enforcement officers or the insurer);
- Call forthwith the Insurance Company hotline (+995 32) 2 949 949 and report the insured event;
- Forthwith contact the patrol police (except when only the front windshield has been damaged or the insured event has been caused by a natural disaster).

### What is insured?

Auto insurance consists of three different kinds of coverage:

**A. Collision coverage** – covers damage caused to your (insured) vehicle less by the deductible you have chosen, as indicated in the insurance policy;

**B. Liability coverage** – covers damage caused to a third party or third party property by operation of your (insured) vehicle;

**C. Driver and passenger personal accident insurance** – compensates for the harm caused to the health of the driver of the insured vehicle and passengers riding in the vehicle as a result of a car accident.

**The Liability coverage limit** can be 5 000, 10 000, 25 000 or 50 000 GEL / USD / EUR depending on the auto insurance coverage and the client's choice;

**The Driver and passenger personal accident insurance limit** can be 5 000, 10 000, 25 000 or 50 000 GEL / USD / EUR depending on the client's choice. The per person limit is indicated in the insurance policy.

### Coverage Area

- Coverage Type A: the territory of Georgia (excluding the occupied territories), Armenia, Azerbaijan and Turkey, unless otherwise provided for in your insurance policy. Please note that if an accident occurs outside the mentioned areas, this type of coverage will only apply to a loss caused by a car accident, natural disasters (excluding earthquakes) and falling objects;

- Coverage Types B and C: the coverage types apply to the territory of Georgia only (excluding the occupied territories).

### Your financial participation:

To buy insurance, you are to pay the insurance premium according to your preferred schedule agreed with your insurer and indicated in the insurance policy.

Your financial participation may also include deductibles. You may choose in advance whether or not to pay deductibles, as well as the amount to pay, which will be indicated in your insurance policy. If you choose to pay deductibles, the respective amount, as indicated in the insurance policy, will be deducted from your indemnity per insured event.

Deductible: 0 (zero).

**Note:** The amount of deductibles may vary depending on the driving record and insurance history of authorized drivers.

### What is not covered?

Common exclusions:

- **Pre-existing damage (the damage your vehicle already had before you bought the insurance policy);**
- **Expenses that you have not agreed with the insurer in advance;**
- **At the time of the accident, the car was being operated by a minor under the age of 18 and/or an unlicensed driver;**
- **The accident was caused by malfunctioning of the vehicle and/or defective car parts or the vehicle was unroadworthy when the accident occurred;**
- **The authorized driver was under the influence of alcohol, or narcotic or psychotropic substances. This exclusion also applies to insured events when the loss is due to third party guilt, as evidenced by a document issued by a patrol police officer;**
- **The car was used for passenger or freight transfer in exchange for a fee or was rented without the insurer's consent;**
- **The insured event occurred during the transportation of the insured vehicle by sea, land/train or otherwise, including carriage or towing (this exclusion does not apply to a loss incurred by the insurer's authorized representative while driving the insured car);**
- **The car was damaged when transferred or deployed in a tow-away zone by authorized agents, unless evidence of the authorized agents' guilt has been submitted to the insurer;**
- **The loss was incurred during wrong way driving, except when wrong way driving was necessary to save a third party's life and protect third party property;**
- **The loss is due to (attempted) suicide or self-harm;**
- **The accident occurred when the insured vehicle was operated in a race of any kind or a speed test (including off road);**
- **The policyholder/user/authorized driver caused/attempted the accident deliberately or forged the documents/attempted forgery.**
- **The policyholder or the user has waived his/her right to subrogation or it is impossible to seek redress from a negligent third party due to the policyholder's or user's actions;**

- The loss was caused when the insured vehicle was in an airport, a flight field, runway or taxiway, or was undergoing customs control at an airport;
- The loss was caused by ionizing radiation or radioactive pollution; nuclear material; transportation of radioactive, toxic, explosive or other hazardous materials (including fuel); declared or undeclared war; invasion, acts of war; military or usurped power; rebellion, strike or civil unrest; a terrorist act or an attempt of a terrorist act;
- The policyholder or user has had the vehicle repaired without the insurer's prior written consent;
- The vehicle had been moved before the insurer's representative arrived at the accident scene (unless upon a patrol police officer's instruction);
- The vehicle was double-insured, which has not been reported to the insurer in writing;
- There are other grounds for denying indemnity, as provided for by the legislation;
- Repairs provided outside the territory of Georgia;
- Damage or harm directly or indirectly resulting from cyber risks or cyber attacks.

The insurer is not obliged to provide insurance coverage, compensation for any kind of loss or any service or benefit under the insurance agreement if the insurer thereby violates prohibitions and restrictions under UN resolutions, trade and economic sanctions and the EU, Georgian and US laws and regulations (provided the insurer's activity does not violate regulations or the internal law applicable to the insurer).

Apart from common exclusions mentioned above, collision coverage does not apply (to):

- A loss incurred by reason of leaving the keys and/or the vehicle registration certificate inside the vehicle, or leaving windows rolled down or or doors open, or by reason of handing over the keys to an unauthorized driver;
- A loss due to prior damage (the damage present before the accident), amortization, devaluation, depreciation, corrosion and malfunctioning of the electric system or any other parts of the vehicle;
- Damage or destruction of non-factory equipment/details/accessories installed on/inside the vehicle (including TV, audio, video equipment)/mirrors, unless otherwise provided for in the policy;
- Loss or damage of the vehicle registration certificate due to any reason whatsoever;
- A betterment that improves the vehicle beyond its pre-accident condition;
- Repair of pre-existing damage (present before the insurance policy was procured);
- A loss due to a drop in the market value resulting from the repair of the vehicle;
- damage incurred under unclear circumstances, unless the policyholder or the authorized driver reports it to the insurer as soon as it comes to their notice; or if the car was moved away from the accident scene without the insurer's consent;
- Type damage unless caused by hidden risks and unless other parts of the vehicle are also damaged, while the amount of damages should exceed the respective deductible;
- A loss due to third party fraud, extortion, misappropriation or attempts thereof;

- **Administrative or other penalties imposed in compliance with the law of Georgia, as well as tow-away charges;**
- **Any repair-related or other expenses aimed at the betterment of the insured vehicle beyond its pre-accident condition;**
- **Repair of pre-existing damage (present before the insurance policy was procured);**
- **Damage caused to the vehicle chassis, transmission, engine, tyres and discs due to poor road condition. The insurer will make a decision whether this exclusion applies or not on a case-by-case basis;**
- **if the car is a taxi or is rented to a third party;**
- **Common exclusions.**

Apart from common exclusions mentioned above, liability coverage does not apply (to):

- **If the aggrieved party was driving the insured vehicle or riding in it at the time of the accident, or the aggrieved party is a family member of the policyholder or the authorized driver;**
- **Damage caused to any asset that is owned by or is in the custody/care of the authorized driver, or was being transported by means of the insured vehicle, which includes towing of any type whatsoever;**
- **If 12 calendar months have passed after the death or injury of a third party;**
- **Any kind of moral damage;**
- **Pure financial loss, when there is no evidence of third party injury or property damage/destruction;**
- **An insured event due to any natural disaster;**
- **Common exclusions**

Apart from common exclusions mentioned above, driver and passenger personal accident insurance does not apply to:

- **Death of the driver and/or passengers and/or deterioration of their health after 12 months have passed from the accident;**
- **Common exclusions**

### **Key Indemnification Provisions:**

Insurance claims are submitted to the insurer in writing.

The maximum insurance benefit during the insurance policy period is indicated in the insurance policy. If the insurance proceeds payable upon an insured event are less than the market value of the car, a pro-rata approach will be applied, as envisaged in the Agreement.

The insurance proceeds will be paid through transfer. The amount will depend on the loss incurred, the deductible and the insurance limit. The insurer shall settle the

insurance claim and take the final decision on compensation within 10 (ten) business days of receiving all documents necessary for processing the claim.

### **How long does it take to get the insurance payout:**

The insurance proceeds will be paid within 5 (five) working days after the Parties agree on the amount of damages in writing.

### **Our supervisory authority:**

LEPL Insurance State Supervisory Agency of Georgia

**Address:** 3 Levan Mikeladze street, Tbilisi

### **Consumer Rights Protection:**

If you are dissatisfied with our insurance terms or service quality, you can call our hotline +995 (32) 2 949 949 anytime or contact us online from our website: [quality@irao.ge](mailto:quality@irao.ge). You can also raise your concerns with our representative at the following addresses:

- 88/15 Bochorishvili street, Tbilisi
- #35/31Zubalashvili street, Batumi
- #1/38 S.Nino street, Kutaisi
- #22A.vardoshvili street, Telavi
- #15, Tabukashvili street, Akhaltsikhe
- #64, M.kostava street, Zugdidi
- #1 Giorgadze street, Marneuli

Your notifications will be discussed by the Call Centre and the Quality Management Department within 10 (ten) business days of receipt of your notification.

### **Data protection:**

Please consider that for customer protection and quality improvement purposes, all incoming hotline calls are recorded. Your personal data will be processed for purposes indicated in the insurance provisions.

**Thank you for using our services!**