

## Property Insurance Terms and Conditions # FR/SME-001/2018-1

### Article 1. Subject of the Insurance

- 1.1. Subject of the insurance agreement is the insurance of the property, being in a lawful possession of the Insured according to this terms and conditions, upon payment of the relevant insurance premium, against the following risks: fire, explosion, lightning stroke, flood, fall of an aircraft or any other air transport or any parts thereof, weight of snow, earthquake, storm, tempest, sudden and unexpected bursting of water pipes, robbery, theft, burglary (or making an attempt thereof), landslip, landslide, malicious damage by a third party; damage by the collision of the vehicle..
- 1.2. Property insurance policy shall be issued under Insurance Agreement. The requirements herein shall be completely applied to this policy. Insurance policy shall be issued upon filling in the insurance application specifying the risks Insured desires to be covered against. Given Terms and Conditions, Insurance policy and the applications shall be the entire Insurance Agreement and its integral part.

### Article 2. Definitions

The terms used in this terms and conditions shall have the following meaning:

- 2.1. **The Insured** – a person who enters into Insurance Agreement with the Insurer and is indicated in the insurance policy and pays the relevant insurance premium;
- 2.2. **Beneficiary** – a person who is entitled to receive the insurance reimbursement in accordance with requirements of this terms and conditions, the respective insurance policy and the existing Georgian legislation;
- 2.3. **Sum insured** – amount of money within the limit of which insurance indemnification is paid out; amount of the sum insured shall not exceed the reinstatement and/or replacement value of the object of insurance; a sum insured for each object of insurance shall be specified in the insurance policy to which the provisions of this terms and conditions shall apply; additional insurance reimbursement limits may be also determined, which will also be reflected in the insurance policy;
- 2.4. **Insurance Premium** – amount of money, specified in the respective insurance policy within its payment terms and conditions and which the insurance fee for insurance provided under this terms and conditions and insurance policy;
- 2.5. **Deductible** – non-reimbursable minimum provided under the Insurance Policy not paid by the Insurer which is deducted from the amount of loss; separate deductibles may be determined for various insurance events, which will also be reflected in the insurance policy;
- 2.6. **Period of Insurance** – period, indicated in the insurance policy, during which the insurance is in force i.e. the validity term of insurance;
- 2.7. **Insurance Policy** – a document certifying the insurance carried out on the basis of Insurance Agreement;
- 2.8. **Insurance Application** – a questionnaire to be filled in by the Insured in the form approved by the Insurer. This document shall cover the interesting facts necessary to the Insurer;
- 2.9. **Subject of Insurance** – property being in a lawful possession of the Insured and listed in the insurance policy; Besides, Subject of Insurance under insurance agreement shall not be as follows (i.e. not covered by the insurance):

- a) Bank notes, stamps, bonds, debt instruments, vouchers, tokens, credit cards, and other securities;
  - b) Precious metals and precious metalwork, jewels;
  - c) Manuscripts, plans, drawings, specimens;
  - d) Computer and similar systems IT and software (magnetic tape, magnetic disc, memory package etc.) and other data carriers;
  - e) Mining risks/underground mines;
  - f) Living creatures and/or plants;
  - g) Oil Chemical risks, except petrol stations;
  - h) Transmission and Distribution lines;
  - i) Manufacture/production/storage/breaking down/supply of fireworks, ammunition and explosives and chemical or gases in a compressed or liquefied form;
  - j) Goods stocked for the period exceeding one year from the date of their purchase, if controversial is not defined by the insurance policy.
  - k) Vehicles including for road use, railway locomotives, rolling stock, watercraft, aircraft and etc.
  - l) Spacecraft including satellites;
- 2.10. Fire** – damage of property caused directly by open flame followed by burning after it was speared on a place other than that meant for fire or spontaneously passed beyond such place;
- 2.11. Explosion** – sudden and collapsing air/gas or steam pressure intense outburst, rapid chemical reaction of an instable system;
- 2.12. Lightning stroke** –damage caused directly to insured property caused by the lightning stroke.
- 2.13. Fall of an aircraft or other air transport or any parts thereof** – fall of an aircraft or other air transport or any things from this transport causing damages to or destroying the insured property;
- 2.14. Earthquake** – damaging or destroying the property caused directly due to the registered earthquake;
- 2.15. Storm, tempest** - damaging or destroying the property due to the storm or tempest;
- 2.16. Flood** - the entry of water into the premises insured, due to the inundation of land not usually covered by water and caused:
- a. due to the extraordinary high tide of sea;
  - b. due to the typhoon, cyclone or windstorm;
  - c. due to the bursting or overflowing of rivers, reservoirs, canals and similar constructions.
- 2.17. Sudden and unexpected bursting of water pipe systems** -Damages caused by failure of the water pipes, pipeline, water stoppers, water units and fire extinguishing systems, damages caused by flood and seepage, except the cases, when the damage is caused by repairing of water pipes, pipelines, stoppers, units and fire extinguishing systems;
- 2.18. Robbery, theft, burglary (attempt thereof)** – hidden or overt capture of the insured object or attempt thereof for the purpose of misappropriation of it, committed by unlawful entry into building, except the cases, when there was a preliminary collusion between any employee of the Insured (beneficiary) or the person being on the insured object and a criminal; Besides, according to the terms of insurance agreement, insurance does not cover such events of theft (even if the criminal action is brought under the article of theft), if according to the appropriate and adequate evidences the entry into and exit from the insured object of criminals is not confirmed and the insured property has just disappeared;

- 2.19. Landslip, landslide and weight of snow** – damages directly caused by landslip, landslide and weight of snow;
- 2.20. Malicious damage by a third party** – results of illegitimate actions deliberately committed by a third person (persons) except the cases defined as exclusions under these terms and conditions;
- 2.21. Damage caused by the collision of the vehicle** – damage incurred to the insured property as a result of the collision of any type of transport mean on insured property;
- 2.22. 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;
- 2.23. 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.
- 2.24. Objects, subject to State fire supervision and/or civilian security category (hereinafter - Object)** - Objects defined by the Law of Georgia on Civil Security, the list of which is determined by the same law and by the resolution of the Government of Georgia;
- 2.25. Representative** – Board of Directors, shareholders, any member of management, trustee, employee/subordinate/worker;

*The terms other than given above used in the present terms and conditions shall have their common meanings. In addition, if the definition of the terms used in the terms and conditions is obscure, among the various interpretations the preference shall be given to the legal definition, in case such definition is provided for under the existing legislation of Georgia.*

### **Article 3. Insured event and Exclusions**

- 3.1 Insured event includes damaging or destroying the insured property caused solely by the occurrence of insured risks, provided by insurance policy.
- 3.2 Insurance shall be provided only against the risks indicated in these terms and conditions; Besides, Insurer shall not be liable for the damages caused by:
  - a) Ionized radiation, radioactive contamination by thermonuclear fuel or any nuclear wastes, radioactive, toxic, explosive or any nuclear substance containing gas;
  - b) Land works, building restoration works;
  - c) Mass riots, terrorism or any manifestation of terrorism, invasion direct or indirect hostilities, specific, emergency, military states declared by the government, civil war, armed conflicts, weapons employing atomic fission or fusion, lockouts, manifestations, civil commotions or any other similar reasons;
  - d) Mould, bacteria, parasites, decaying, deterioration, erosion, corrosion, rusting, innate defect, extremes or change in temperature or humidity, fermentation, evaporation, change in flavor, loss of weight, natural heating or drying, faulty and/or inappropriate design and/or projecting, use of defective materials, other natural features of the assets;
  - e) Deliberate or illegitimate actions of the Insured (beneficiary) or their representatives;
  - f) Risks other than those specified in the insurance policy;
  - g) Non-presence of the insured assets on the direct destination territory (insured territory);
  - h) No serviceable condition of fire extinguishing systems (if the existence of such is indicated in respective application);

- i) No serviceable condition of security (alarm) systems (if the existence of such is indicated in respective application);
- j) Inappropriate, improper packaging and location of hazardous wastes;
- k) Circumstances which rise the probability of the occurrence of the insured risk, is known to the Insured or his/her representatives and failed to immediately notify the Insurer about such circumstances in writing within 2 (two) working days or has submitted to the Insurer false or incomplete information;
- l) Insurance agreement shall not cover any damages to electrical equipment or machinery where the damage is caused directly or indirectly by short circuit or alternating current; this exclusion does not apply to the damage of other property if it is damaged by fire caused by a short circuit;
- m) Pressure waves generated when flying at sound or ultrasound speed by airplanes or other air transport;
- n) Basic changes in insurance risk if the Insurer is not informed about such changes. The changes shall be considered as basic, (but not limited) if they concern the information demanded by respective application;
- o) Mysterious disappearance of the property;
- p) Conditions, defined by existing Georgian legislation and current terms and conditions, which entitle the Insurer to refuse the issuance of insurance reimbursement.
- q) Confiscation including nationalization, seizure, requisition, expropriation, destruction of property by order of public authorities;
- r) Nuclear reaction including nuclear radiation or contamination
- s) Dishonesty including acts of fraud, blackmail, extortion;
- t) Directly or indirectly caused by the failure of the Insured and/or the owner / holder of the property to arrange the provisions/recommendations/other measures in accordance with the law within the established timeframe, if at the moment of event the subject of Insurance is an Object or is placed in it.
- u) Maintenance including costs for normal upkeep is also excluded.

## **Article 4. Rights and Responsibilities of Parties**

### **4.1 The Insured shall:**

- 4.1.1. Strictly follow provisions of this terms and conditions as well as the insurance policy and dully fulfill obligations stipulated thereby;
- 4.1.2. Submit all necessary information to the Insurer required to conclude the insurance agreement;
- 4.1.3. Pay insurance premium in fully and in a timely manner;
- 4.1.4. In case of changes in the data presented by the Insured to Insurer in order to enter into insurance agreement and/or carry out certain insurance (for example: property alienation or change of a beneficiary, insurance risk increase, insured sum increase etc.) send a written notice to the Insurer to that effect at least within 2 (two) business days from the moment of receipt of notice on such amendments;
- 4.1.5. call the Insurer's Call Center specified in the Insurance Policy to report about the insured event within at least 24 hours from the occurrence of the insured event, and send a written notice to the Insurer in connection with the occurrence of the insured event within 2 (two) business days;
- 4.1.6. Undertake any reasonable possible measures to survive the subject of insurance and to maximally reduce damages; however, without consent of the Insurer in no case shall the Insured recover/repair damaged/destroyed property;

- 4.1.7. Within the scope of its citizen's reasonable capabilities and authority keep the situation on the scene of accident till appearance of the Insurer's representative;
- 4.1.8. Render assistance to the Insurer and take part in investigation, identification and fair assessment of causes provoking occurrence of the insured event, as well as circumstances of occurrence, results thereof and full volume of loss inflicted and shall not act against the Insurer's interests;
- 4.1.9. Forthwith inform the Insurer on any record, notice or correspondence received regarding the insured event;
- 4.1.10. Within the scope of his/her authorities and capabilities, assist the Insurer to exercise the right of recourse (subrogation);
- 4.1.11. Make all reasonable efforts to provide safety to the insured property;
- 4.1.12. Give full freedom to the Insurer to examine conditions of the insured property at any time at Insurer's discretion;
- 4.1.13. Closely meet the requirements of provisions herein and furnish the Insurer with all the information and documents that may serve as a basis for payment of the insurance reimbursement;
- 4.1.14. Immediately notify competent bodies on the occurrence of the insured event;
- 4.1.15. Upon the occurrence of the insured event present to the Insurer, documentation listed below:
  - a) Application on insured event in compliance with clause 4.1.5 of Article 4 and a claim for compensation;
  - b) Original Insurance Policy;
  - c) Original official documentation, issued by an appropriate state authorities (certified by an authorized person's signature and seal) confirming the occurrence of insured event and specifying: place and date of event, cause, person (persons) in charge of the event occurrence, as well as other circumstances as may be important for the case;
  - d) If the insured event is caused by action of the third party and the identity of such person is known, information on such third party must be provided to the Insurer, in particular, full name, address, phone number;
  - e) Documents confirming the bringing of an action of criminal case for the events, caused by the risks insured (except for indicated in articles 2.12; 2.14-2.16 and 2.19.); as well as documents confirming the results of the investigatory activities already carried out;
  - f) Where the insured property is not owned by the Insured (beneficiary) – written notice of the owner on granting to the beneficiary the authority to receive the insurance compensation.

## **4.2. The Insurer shall:**

- 4.2.1. Provide the Insured with insurance policy confirming the executed insurance and provide the Insured with the application form required for the execution of the insurance;
- 4.2.2. Receive the Insured's application on occurrence of insured event for consideration;
- 4.2.3. Draw up an insurance Act on the insured event;
- 4.2.4. Pay out the insurance indemnification within 30 (thirty) calendar days upon the signature by the parties of the Insurance Act drawn up on the basis of the receipt of all the documents required for indemnification according to the procedure and terms and conditions provided hereunder and within 2 (two) calendar months upon the signature by the parties of the Insurance Act where the insured event occurs due to

theft, robbery, burglary (attempt thereof); malicious damage caused by third party (parties);

4.2.5. Perform the duties herein with due diligence.

#### **4.3. The Insured shall be authorized to:**

- 4.3.1. Request the insurance policy confirming the executed insurance;
- 4.3.2. Upon occurrence of the insured event, take part in the investigation of the causes, extent of damage and any other data in respect of it;
- 4.3.3. In case of confirming the occurrence of the insured event, request for the Insurer in a manner and in an amount as provided by this terms and conditions and insurance policy.

#### **4.4. The Insurer shall be authorized to:**

- 4.4.1. Survey the property to be insured and examine fire engineering conditions thereof before conclusion of insurance agreement;
- 4.4.2. Exercise control over the fulfillment of the terms and conditions as well as the requirements of this terms and conditions and insurance policy by the Insured;
- 4.4.3. Terminate the insurance agreement (policy) if exploitation conditions of the property have been changed;
- 4.4.4. Unilaterally terminate the insurance agreement (policy) and send a written notice to the Insured, if the information and facts specified in the application is inaccurate and/or false;
- 4.4.5. Send the relevant questions regarding the significant facts for the insurance to competent authorities;
- 4.4.6. Upon occurrence of the insured event, request any information and documentation defined by Insurance Agreement from the Insured which may be considered by the Insurer as being of importance for the objective assessment of the insured event;
- 4.4.7. Survey and photograph the damaged property of the Insured;
- 4.4.8. Calculate (draw up an estimate of) the reinstatement (replacement) cost of the damaged (destroyed) property;
- 4.4.9. Request from the Insured to transfer to the Insurer the ownership right for the property replaced by the Insurer due to the insurance event and where the insurance compensation is paid out for the property lost due to theft, robbery or burglary and the lost property is found – to transfer to the Insurer the ownership right for the found property;
- 4.4.10. Refuse compensation of damages where the Insured fails to fulfill the obligations under this terms and conditions as well as the Insurance Policy;
- 4.4.11. If after the loss reimbursement it is cleared out that the insured event was caused by a third party's action, the Insurer is entitled to use the right of recourse (subrogation) and claim the amount of already paid insurance reimbursement;
- 4.4.12. To postpone the decision to pay out the insurance indemnification in case when in relation to the fact of occurrence of the insured event the criminal proceedings are instituted against Insured, (Beneficiary) or his/her representative;
- 4.4.13. Consider the insurance agreement complete in the part of the respective property insurance where the insurance compensation is fully paid before the expiration of the insurance period due to complete destroy or loss of the insured property or part thereof;

- 4.4.14. Refuse to pay the compensation where the Insured (beneficiary) caused the occurrence of the insured event by gross negligence or deliberately;
- 4.4.15. Not to pay the amount exceeding the volume of actual loss, even if the sum insured exceeds the insured value for the time of occurrence of the insured event;
- 4.4.16. In case the Insured has the overdue premium payment for the moment of insurance reimbursement, the Insurer has the right to deduct such overdue amount from the reimbursement amount.

## **Article 5. Sum insured, insurance premium, deductible and insurance reimbursement/compensation**

- 5.1 The Sum insured shall be determined upon agreement between the Insured and the Insurer. This is a sum within the limit of which the insurance reimbursement is paid out; the amount of the sum insured shall not exceed the reinstatement and/or replacement value of the insured object; sum insured for each object of insurance shall be specified in the insurance policy to which the provisions and terms of this terms and conditions shall apply; additional insurance reimbursement limits may be also determined, which will be reflected in respective insurance policy as well.
- 5.2 The amount of the insurance premium to be paid by the Insured to the Insurer for each particular object, sum insured, Insurer's liability limits, insurance rates and the amount of unconditional deductible shall be determined by Insurance Policy on the basis of the data filled in the particular Insurance Application presented by the Insured.
- 5.3. Before making the first or single premium payment provided for under the Policy by the Insured, as well as the first premium payment or first/single insurance premium payment per each following year in case of multi-year policy, the Insurer shall be released from fulfillment of obligations.
- 5.4. In case of non-payment of the insurance premium on time i.e. by the date specified under the Insurance Policy, the Insurer shall set the additional two-week deadline for the Insured to pay the insurance premium. If after the expiration of the aforementioned deadline the insured event occurs and the payment still has not been performed, the Insurer shall be released from obligation to pay out the insurance indemnification. In addition, in case of non-payment of premium on time on the basis of one month prior written notification upon the ineffectual expiration of the aforementioned deadline the Insurer shall reserve the right to terminate the insurance agreement unilaterally.
- 5.5. The amount of the insurance reimbursement shall be defined as reinstatement or replacement value of the object insured within the scope of the sum insured excluding deductible and paid sums for previous events ( if any).
- 5.6. In case by the moment of occurrence of insured event the sum insured is less than the insured value (reinstatement or replacement value) of the insured property, the Insurer shall indemnify the loss pursuant to correlation of the sum insured and the reinstatement (replacement) value i.e. the damage to be paid out will be reduced in the proportion as the sum insured's proportion is to the reinstatement (replacement) value of the insured property. This condition is applicable to any single insured object.
- 5.7. In case of total loss (destruction), recovery cost of the Property (building) implies rebuilding and repair costs of the property (reinstatement value) and in the case of other property - its replacement by similar property (replacement value). Besides, both cases imply the rebuilding/reinstatement of the property in a condition, in which it was before the insured event, considering the degree of depreciation. In case of damage of the property - recovery of costs of relevant repair works (which means the reinstatement of the property as a result of repair works in a condition, in which it was

- before the insured event, considering the degree of depreciation). If the property reinstatement is complicated by any restricting act adopted by the state, the costs connected with such complication shall not be covered.
- 5.8. Insurer will indemnify the costs of removal of debris being carried out with the consent of Insurer and which means the removal of debris resulted from dismantling, demolishing, shoring up and propping portions of the lost, destroyed or damaged property by insured risks - up to a limit of 10% of the Sum Insured, if such coverage is explicitly indicated in the insurance policy.
- 5.9. Insurer will indemnify the reasonable cost of architects, surveyors and consulting engineers' fees following loss destruction or damage by any contingency hereby insured against up to a limit of 10% of the Sum Insured, if such coverage is explicitly indicated in the insurance policy
- 5.10. The following is not included in the reinstatement cost of the object of insurance:
- a) Cost of works related to the reconstruction or re-equipment of the object insured, repair or replacement of separate parts, elements and facilities, deterioration or technical defect thereof;
  - b) Maintenance and warranty servicing cost of the object.
- 5.11. The ground of insurance reimbursement is a report on insured event, prepared by the Insurer and signed by the Insurer and Insured as well, according to which the parties shall agree upon the final amount of the insurance indemnification, after which the insurance reimbursement will be transferred to the account indicated by the Insured (Beneficiary) within the term provided by this Terms and Conditions;
- 5.12. The volume of loss resulted from the insured event shall be estimated by a person (or entity) authorized by the Insurer.
- 5.13. If the Insurer and the Insured fail to come to an agreement in respect of the final volume of loss, the loss shall be estimated by an independent expert. The issue related to the costs for the loss estimation shall be settled in a following manner:
- a) If the assessment (examination) is carried out at the Insurer's will and initiative, the Insurer shall bear the costs of such the assessment (examination);
  - b) if the assessment (examination) is carried out at the Insured's will and initiative, , the Insured shall bear the costs of such the assessment (examination);
  - c) If the assessment (examination) is carried out both at the Insurer's and the Insured's joint decision and joint initiative, payment of expenses of such assessment (examination) shall be distributed among the Insurer and the Insured.
- 5.14. After the payment of insurance reimbursement, the sum insured reduces by the paid amount.
- 5.15. In case of total loss of the property, the amount to be reimbursed by the Insurer shall be reduced by the remained insurance premium amount (if such exists) for the remained insurance period to be paid to the Insurer by the Insured.
- 5.16. If the insured interest covered under this terms and conditions and a insurance policy is insured simultaneously at several insurers, the Insured shall inform the Insurer on such insurance and specify the names of the other insurers and the sum insured in the respective written notification. In this case, i.e. if it is proved that the insured interest is covered against one and the same risks with several insurers and the total amount of the insurance indemnification exceeds the market value, the insurers shall be jointly liable to pay the sum provided under the relevant insurance agreement (Insurance Policy), but the Insured shall have no right to get the sum that exceeds the real loss in total.
- 5.17. If the number of the object to be insured is increased, the sum insured and the insurance premium will also be proportionally increased and it shall be specified in the respective insurance policy in the form of the addendum. For the added objects of



insurance, the insurance shall take effect only after the increased insurance premium is fully paid.

#### **Article 6. Stillage Warranty regarding stock insurance**

- 6.1. In case of stock insurance, if the risks defined by article 2.16. and 2.17 are covered by the insurance policy, only such stock will be deemed insured against these risks, which are stored on racks shelves or stillages not less than 15 centimeters above the floor level.

#### **Article 7. Recourse (subrogation)**

- 7.1. The right of recourse (subrogation) to the loss inflicted to the responsible person within the limit if the paid compensation shall be transferred to the Insurer who paid the insurance indemnification. The Insured shall transfer all the available documents, in original or duly certified, required to use the right of subrogation.
- 7.2. Waiver of the claims and rights which ensure fulfillment of requirements of the person responsible for loss, as well as refusal to the Insurer to transfer all the documents required as recourse by the latter, shall release the Insurer from payment of the insurance indemnification, and if the insurance indemnification has been paid already, the Insurer shall be entitled to recover the sum paid.

#### **Article 8. Disputes and Damages**

- 8.1 Any dispute arising between the Parties shall be settled by agreement of the Parties and if the Parties fail to reach such agreement, the dispute shall be settled in compliance with the Georgian legislation by court of Georgia.
- 8.2. 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](mailto:mediacia@insurance.org.ge)., and in case of disagreement through the “Insurance Mediation”, Parties apply the Court according to the paragraph 8.1.
- 8.3 Each Party shall indemnify the loss inflicted to the other Party through its action according to the procedure provided by Georgian legislation.

#### **Article 9. Force-majeure**

- 9.1.1. The parties hereto shall not be provisionally held liable for fulfillment of their obligations, if non-fulfillment or/and improper fulfillment of the obligations is caused by Force-Majeure events.
- 9.2. In case of Force-Majeure events, the obligations of the parties shall be stopped pro tempore and renewed upon the end or elimination of such events.
- 9.2.1. Occurrence and termination of Force-Majeure events shall be confirmed by the relevant competent authority

#### **Article 10. Termination of Insurance/Agreement**

- 10.1. The following may serve as a ground for termination of the insurance/policy provided for under the insurance agreement:

- a) complete fulfillment of obligations undertaken by the Insurer according to the Insurance Policy;
  - b) default of another party;
  - c) expiration of the term provided for under the Policy;
  - d) if the subject of insurance does not exist anymore, except the results provoked by the insurance risk;
  - e) if the Insured stops his/her activity according to the procedure established by law;
  - f) if the limit of insurance indemnification determined by the sum insured has expired;
  - g) if the increase of the insurance risk is caused by the negligent or intentional act of the Insured, its representative or any person acting on behalf of the Insured;
  - h) preliminary written agreement of the parties;
  - i) other cases provided under the laws of Georgia and/or this terms and conditions.
- 10.2. if the Insurer on its own initiative terminates the Insurance Policy/Insurance before its validity period (except for sub clauses a, c, d, and f of clause 10.1 of the given terms and conditions, when the insurance shall be terminated upon the moment of occurrence of such fact), it shall send a 30-day prior written notice to the Insured to that effect to his/her actual address. In such case the unearned part of the insurance premium shall be paid back to the Insured provided that Insurance Policy was not terminated due to it's fault/guilt and he/she returns the original Insurance Policy within 14 days upon termination thereof and also considering the condition stated under clause 10.4.
- 10.3. if the Insured terminates the Insurance Policy on its own initiative, he/she shall send a 30-day prior written notice to the Insurer's actual address. The Insured shall be paid back the unearned insurance premium upon its written application. Besides, earned insurance premium shall be subject to payment by the Insured. Notwithstanding the aforementioned, condition under clause 10.4. shall be foreseen/taken into consideration in any case.
- 10.4. In case of indemnification of any loss by the Insurer with regard to property/Policy upon the termination of the insurance, the unearned premium with regard to such property/policy shall not be the subject of return, while in case of payment by installments; the unearned premium shall be the subject of full coverage by the Insured.

## **Article 11. Miscellaneous Provisions**

- 11.1. Any amendment or supplement to the Insurance Agreement shall be valid if made in writing and signed by both the parties. They shall be an integral part of the Insurance Agreement.
- 11.2. Should any of the articles/clauses of the Insurance Agreement become invalid, it shall in no way invalidate the whole Agreement, if the Agreement should have been concluded anyway without such invalid article/clause.
- 11.3. Any note necessary for implementation of the Insurance Agreement shall be made in writing or send via fax, or registered letter to the address of the parties. Besides, given information is indicated in the application. In case of failure of immediate provision of information to the Insurer about the change to an address/location, any correspondence/notification sent by the Insurer shall be deemed received by the Insured.
- 11.4. Insurance agreement with the undertakings herein shall be applied to assignees, representatives and attorneys of both parties.

- 11.5. By signing insurance policy and application the Insured hereto certifies that this insurance agreement has been made with due diligence and the signatory has the relevant rights therefore.
- 11.6. Besides, the Insured certifies that he/she understands and agree given terms and conditions which was available before signing the insurance agreement.
- 11.7. By signing insurance policy and application Insured grants the right to Insurer or Insurer's affiliate to indicate Insured as an Insurers customer and/ or to indicate the existence of the present agreement (without prejudice to confidentiality )for advertising of Insurer's business or to make public announcement (including written form, mass media, internet etc.) regarding the Insurer. For this purposes Insurer or Insurer's affiliate have the right to use Insured's brand name and trademark (including trademarks used by Insured on the basis of rights obtained from the trademark holder/owner in accordance with the legislation);

## **12. Special Condition**

According to Insurance Agreement, all the provisions shall be confidential. Any information related to the provisions of Insurance Agreement shall be disclosed to a third person (persons) only in the cases provided under the applicable law and/or by written agreement of the parties. Notwithstanding the aforementioned, by signing the Insurance Agreement the Insured grants the Insurer the unconditional right to submit any information about the Insured available to the Insurer without any additional consent of the Insured 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 the registration of the Insured in the database of "Creditinfo Georgia".