



**Information Brochure
on Compulsory Credit Life Insurance for
Loans Issued by TBC Bank JSC**

#TL/21

Hello,

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

Insurer: IRAO JSC (ID : 205023856)

Beneficiary: TBC Bank JSC

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

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

Type of Insurance Agreement

This document contains brief information about compulsory credit life insurance terms linked to loans granted by TBC Bank JSC. If you buy insurance, you will be provided with the Insurance Policy, which, together with Insurance Terms and Important Terms of the Agreement, constitutes an integral insurance agreement. By buying insurance, you agree to Insurance Terms N TL/21 published on the website and set out in the Insurance Policy.

Insured Risks

The insured person's death or permanent disability due to any cause, including an accident, except for exclusions set out in the Agreement and considering the circumstances envisaged in the insurance procedure.

Coverage Area

The benefits of the insurance policy will apply anywhere in the world.

Your Financial Expenses

To buy this insurance policy, you have to pay an insurance premium through the beneficiary. During risk assessment on an individual basis, you may have extra medical expenses if the insurer requires medical examinations. The amount of the costs will depend on the type of medical tests and the medical facility/laboratory you choose.

Insurance Policy Activation

The insurance policy is activated as soon as TBC Bank issues the loan mentioned in the policy and the policyholder signs the policy document or confirms/accepts it via TBC Bank's remote banking service channels (an ATM, self-service payment terminal, internet banking, mobile banking, the website, etc.).

What is Not Covered?

This insurance policy does not cover death cases directly or indirectly resulting from:

- **The effect of narcotic drugs, toxic, psychotropic or alcoholic substances; Insurance will not apply if, at the time of death, the insured was under the influence of narcotic drugs, toxic, psychotropic or alcoholic substances, unless the narcotic or psychotropic medication had been prescribed by a licensed medical practitioner based on relevant indications other than drug addiction treatment;**

- **Suicide and self-harm;**
- **The insured person's participation in a felony under the Criminal Code of Georgia (or the country in which the death of the insured person occurred);**
- **Voluntary participation in war, whether declared or undeclared, civil war, revolt, revolution, strike or coup d'état;**
- **An intentional action by a person directly or indirectly interested in insurance coverage;**
- **A mental health condition suffered by the insured, unless the condition developed after the loan agreement linked to the credit life insurance policy with these insurance terms and conditions had been signed;**
- **The insured person's condition that required permanent care (assistance in the activities of daily living), unless it developed after the loan agreement linked to the credit life insurance policy with these insurance terms and conditions had been signed;**
- **The insured person's participation in the following hazardous activities: martial arts, scuba diving, rock climbing, mountaineering, parachuting, auto and motor racing, caving and cave diving, mountain biking, extreme sports, aviation and air sports, etc.;**
- **Ionizing radiation, radioactive pollution, nuclear radiation;**
- **Aviation risks, unless the insured is a regular or chartered flight passenger;**
- **Driving without an appropriate driving license;**
- **Unreasonable denial of a medical prescription;**

Furthermore, an insurance claim will not be satisfied if:

- **Documents required herein that are necessary for the insurer to assess the loss are not duly submitted;**
- **When applying for the insurance, the policyholder/the insured provided inaccurate information about the insured, which may significantly affect risk assessment;**

If death-related medical documents indicate that the cause of death is unknown, the insurer reserves the right to limit indemnification to GEL 50,000.

This insurance policy does not cover total permanent disability cases directly or indirectly resulting from:

- **Travel by an aircraft (with a jet engine or without an engine), glider, space shuttle or with a parachute;**
- **An aviation accident if the insured is the pilot or a member of the aircraft crew;**
- **Attempted suicide or deliberate self-harm;**
- **The effect of narcotic drugs, toxic, psychotropic or alcoholic substances, unless the narcotic or psychotropic medication has been prescribed by a licensed medical practitioner based on relevant indications other than drug addiction treatment;**
- **Participation in testing the top speed of a vehicle in the capacity of the driver, navigator or a passenger;**
- **The insured person's participation in a felony under the Criminal Code of Georgia (or the country in which the death of the insured person occurs);**
- **Voluntary participation in war (whether declared or undeclared), civil war, revolt, revolution, strike or coup d'état;**
- **An intentional action by a person directly or indirectly interested in insurance coverage;**

- **The insured person's participation in the following hazardous activities: martial arts, scuba diving, rock climbing, mountaineering, parachuting, auto and motor racing, caving and cave diving, mountain biking, extreme water sports, extreme sports, aviation and air sports, etc.;**
- **Ionizing radiation, radioactive pollution, nuclear energy, radiation and the resulting accidents;**
- **Health complications due to treatment in an unlicensed medical institution or self-medication;**
- **Food poisoning due to consumption of food not inspected by relevant agencies;**
- **Intervertebral disc injury, internal bleeding and / or intracerebral hemorrhage;**
- **A disorder due to a psychological reaction, regardless of the cause of the psychological reaction;**

Furthermore, an insurance claim will not be satisfied if:

- **Documents required herein that are necessary for the insurer to assess the loss are not duly submitted;**

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).

When an insured event occurs,

The representative (heir) of the insured shall forthwith, but not later than within 1 (one) month, report the insured event to the insurer through the beneficiary.

The insurer shall contact the insured person's representative within a reasonable time of receiving an insured event report from the beneficiary and request the following documents:

- An original or notarized copy of the insured person's death certificate;
- A medical certificate indicating the cause(s) of death (Form №IV-106/ბ-4);
- Copies of documents confirming the diagnosis (Form №IV-100/ს, an extract from the medical records) (if any);
- If the insured dies as a result of accidental death – an accidental death report filled out and signed by relevant enforcement authorities;
- If the insured suffered total permanent disability, a decision of a court of law or another component authority on the recognition of disability status (the policyholder will have to provide this document only if the insurer finds it necessary for identifying the exact circumstances related to the insurance claim) and a respective medical certificate;
- A copy of the loan agreement;
- A copy of the insured person's ID document.

In each specific case, the insurer reserves the right to request additional documents, other than those mentioned in the list above, in order to identify the exact circumstances related to the insurance claim.

In the case of death of the insured, within 15 (fifteen) days of receiving all necessary documents, the insurer shall either indemnify TBC Bank JSC in accordance with these insurance terms and conditions or deny indemnity.

In the case of total permanent disability due to an accident (to be established 6 (six) months after the accident), within 15 (fifteen) days of receiving all necessary documents required under the TBC Bank credit life insurance, the insurer shall either indemnify TBC Bank JSC in accordance with these insurance terms and conditions or deny indemnity.

Insurance Proceeds

The amount of money paid by the insurer to the beneficiary (TBC Bank JSC) based on the insurance claim (submitted in writing). The insurer always pays insurance proceeds to the beneficiary within the insurance coverage limit through a bank transfer.

Insurance proceeds are paid in national currency, at the official exchange rate set by the National Bank of Georgia.

Limit of Indemnity and Indemnification Procedure

The maximum insurance benefit – 500,000 (five hundred thousand) USD or equivalent in GEL or EUR (depending on the loan currency), which is the sum of insurance proceeds payable for a borrower/co-borrower of any age. When an insured event occurs, the insurer will not pay more than the maximum insurance benefit, irrespective of the borrower's/co-borrower's outstanding credit liability at the moment (the sum of principal amounts on his/her loans);

If the borrower is from 18 to 65 years of age and the insurance coverage is less than or equal to \$200,000 (two hundred thousand) or the equivalent in GEL or EUR (depending on the loan currency), the insurer will take the mortality risk without requiring extra medical examinations as set out in Insurance Terms #TBCLI/001/21.

If the borrower is from 18 to 65 years of age and the insurance coverage limit is more than \$200,000 (two hundred thousand) or the equivalent in GEL or EUR (depending on the loan currency), the insurer will take the mortality risk on the following terms and conditions: the borrower/co-borrower will undertake to submit to the insurer through the beneficiary his/her statement of health before the insurance cover is granted. The insurer will consider the borrower's/co-borrower's statement of health when assessing the risk on an individual basis and set the premium/terms and conditions. If the borrower/co-borrower refuses to fill out the statement of health or if the medical assessment of the risk cannot be provided, the borrower/co-borrower will be deemed insured and when an insured event occurs, the insurer will pay the proceeds by observing the following principle:

- If at the time of death, the insured person's credit liability does not exceed 200,000 (two hundred thousand) USD or the equivalent in GEL or EUR (depending on the loan currency), the insurer will pay the benefit in full irrespective of the cause of death (with exclusions);
- If at the time of death the insured person's credit liability exceeds 200,000 (two hundred thousand) USD or the equivalent in GEL or EUR (depending on the loan currency), the sum insured to be paid by the insurer will be the GEL equivalent of fixed 200,000 (two hundred thousand) USD, according to Insurance Terms #TBCLI/001/21. The insurer will only compensate for the rest of the liability, but no

more than the GEL equivalent of 500,000 (five hundred thousand) USD, if the death of the insured has been confirmed to have resulted from an accident.

The borrower/co-borrower will be insured against the risk of accidental total permanent disability on the following conditions: the maximum insurance benefit for borrowers/co-borrowers aged 18-55 years is 100,000 (one hundred thousand) USD or the equivalent in GEL or EUR (depending on the loan currency), while for borrowers/co-borrowers aged 56-65 years, the maximum limit of indemnity is 50,000 (fifty thousand) USD or the equivalent in GEL or EUR (depending on the loan currency).

If at the time of loan disbursement, the borrower/co-borrower is over 65 years of age, irrespective of the coverage limit, he/she is only insured against the risk of accidental death. Furthermore, the insurer will cover the borrower's/co-borrower's total credit liability but no more than GEL equivalent of 50,000 (fifty thousand) USD, irrespective of the insurance coverage indicated in the insurance policy. The borrower's/co-borrower's maximum possible age at loan disbursement is 70 years.

If the insured is 65 years old, he/she will be automatically insured against the risk of death only, while if the insured is above the age of 70 years, he/she will be insured against the risk of accidental death only. This insurance applies to individuals aged up to and inclusive 75 years.

If a co-borrower is a party to a loan agreement between the insured and the beneficiary, his/her life insurance coverage will be calculated based on his/her share in the loan amount on the terms and conditions envisaged herein. When an insured event occurs, the insurer will pay the part of insurance coverage indicated in the co-borrower's insurance policy.

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