

Mortgage Shield Policy Terms and Conditions

We welcome you as a Borrower of NBF Home Loan (the "Mortgage Loan"). To enjoy the benefits offered under this Mortgage Shield Insurance, we request you to go through the cover details in order to understand thoroughly the cover offered.

IMPORTANT NOTICE

- The policy covers Death due to any cause and Permanent Total Disability (PTD) other than those specifically excluded herein.
- In the event of Death the Insurance Company would pay the compensation to the Bank. All the claims under the cover will be coordinated with / by the Bank and will be settled through the Bank.
- Minimum age at entry is 18 and Maximum age at entry is 69 (for Expats) and 69 (for UAE Nationals).
- The maximum coverage age is 70 (for Expats) and 70 (for UAE Nationals). However, it is restricted to 65 years of age in respect of Permanent Total Disability.
- The Geographical Limit under this Cover is 'Worldwide'.
- The cover is subject to the Jurisdiction of the competent courts of the United Arab Emirates.
- The Bank reserves the right, at any time, to amend the terms and conditions and/or to reject, discontinue or cancel the Cover/benefits applicable either wholly or partially without assigning any reason thereof.
- A borrower's coverage shall terminate from the date the borrower is no longer eligible to participate as per Bank's rules.
- NBF is not at any time considered as an agent of Al Fujairah National Insurance Company, the "Insurance Provider".

DEFINITIONS

Accident means where the bodily injury is caused solely and directly by external violent means is unexpected, unforeseeable and not

attributable to the Borrower's intentional self-injury or suicide.

Bank means National Bank of Fujairah, UAE.

Company means Al Fujairah National Insurance Company

Benefit means the indemnity payable under the scope of this policy in respect of Death of the Borrower.

Bodily Injury means the injury which is caused by an accident (occurring after date of inception of policy) that within twelve months from the date of such accident results in borrower's death.

Borrower means the person to whom the bank has advanced a mortgage loan and who has not been disqualified by the provisions of this policy to be eligible to receive the benefits under this policy.

Commencement Date means the date the Borrower is enrolled for this policy by the Policyholder or the date of inception of this policy whichever is later.

Outstanding Balance means the actual outstanding mortgage loan amount of the Insured Person towards the Policyholder according to the amortization schedule has been issued by the Bank and as on the Date of Event.

Date of Event means any one of the following:

- 1) In respect of the date of Death resulting from an Accident or Illness happening after the Policy Commencement Date and during the Policy period.
- 2) In respect of Permanent Total Disablement the date of recognition of Permanent Total Disablement by a competent authority resulting from an Accident or Illness happening/manifesting after the

Commencement Date and during the Policy period

Death means death due to any cause other than excluded under this policy. **deablement**

Permanent Total Disablement means either of the below, as a result of the Injury or Illness arising out of a cause not specifically excluded under this policy:

- Permanent Loss of sight of both eyes.
- Physical severance / amputation of two limbs.
- Complete and Permanent Paralysis.
- Totally Disabled and the covered individual is rendered unable to earn income in any occupation, trade or profession for which the covered individual could reasonably be expected to be suited through education, training or experience

Provided that the disability shall be for a period of six consecutive months and that the Company is satisfied that the covered person will be so rendered indefinitely. However this time limit shall not apply to cases of physical severance/ amputation of limbs.

He/She In this policy, where the context admits, words importing the masculine gender shall include the feminine gender and words importing singular member shall include the plural and vice versa.

Illness means a disease or sickness first occurring after the Commencement Date

Injury means bodily injury resulting from an Accident occurring after the Commencement Date and during the policy period.

Policyholder means National Bank of Fujairah, UAE.

Insured Person means the borrowers who are actively at work on the effective date of the scheme or the date of taking the loan whichever is later.

Pre-existing diseases means illness, disease or sickness occurring or manifesting before the Commencement Date, for which advice or treatment was sought or obtained from a

medical practitioner, chiropractor, naturopath, or any other practitioner of a similar kind within twelve months immediately prior to the Commencement Date.

SCOPE OF COVER

Subject to the terms and conditions provided in this policy the Company shall indemnify the Policyholder as hereinafter provided:

- 1) Death due to any Cause (DAC) - In the event of the borrower's Death arising out of a cause not specifically excluded herein during the Cover Period, the Company shall pay the actual loan amount outstanding at the time of death to the Bank subject to a maximum of AED 10,000,000/- or the amount accepted as Sum Assured by the Company.
- 2) Permanent and Total Disability due to any cause (PTD) - In the event of Permanent Total Disablement due to Illness or bodily injury of the Insured Person arising out of a cause not specifically excluded under this policy after the commencement date and during the policy period, and submission of documents within 180 days of date of Accident/Sickness, the Company shall pay the actual loan amount outstanding at the time of event to the Bank subject to a maximum of AED 10,000,000/- or the amount accepted as Sum Assured by the Company.

Sanction Clause

The Company shall not provide cover and the Company shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Company to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom, United States of America, United Arab Emirates and / or all other jurisdictions where the Company transacts its business

Governing Law & Jurisdiction

The Insurance Policy shall be subject to and governed by, in its interpretation or in respect of any difference or dispute arising out of or in connection with it, to the laws and regulations of the United Arab Emirates. The competent Courts of the United Arab Emirates shall have the sole jurisdiction in case of any difference or dispute arising out of or in connection with the Insurance Policy.

EXCLUSIONS

Standard Exclusion for Death and Disability Benefits

No benefit will be payable should the claim event occur directly or indirectly due to the following:

Active participation in War, warlike operations (whether war is declared or not, conventional, biological, chemical or nuclear), invasion, acts of foreign enemies, hostilities, acts of terrorism, terrorist sabotage, rebellion, mutiny, civil commotion, civil war, revolution, insurrection, military or usurped power, martial law, embargo or any act committed by any person or persons for the purpose of overthrowing a government by violent force or to influence political decision making. Terrorism (suspected or proven) shall be understood to include the consequences of hostage taking, drive-by shooting, planting of bombs and any other forms of physical violence.

In the event of loss, damage, cost or expense directly or indirectly caused by contributed to by, resulting from or arising out of or in connection with biological, chemical or nuclear explosion, pollution, contamination and/or fire following thereon.

Standard Exclusion for Disability Benefits

- Attempted suicide or self-inflicted injury whilst sane or insane.
- Aviation, gliding or any other form of aerial flight other than as a fare paying passenger of a recognized airline or charter service.
- The misuse of drugs or alcohol.
- Ingestion of poison or drugs, or inhalation of fumes, voluntarily, except in the case of an accident admitted by any occupational health and safety board.
- The exercise of dangerous sports including but not limited to:
 - polo, boxing, climbing/mountaineering requiring ropes or guide or free climbing, gliding, ballooning, racing of any kind other than foot (including but not limited to horse

or motor racing), participation in speed or endurance tests or record breaking feats, any underwater activity involving breathing apparatus, such as deep sea diving, skydiving or parachuting, bungee jumping, show jumping, steeple chasing, evening or flat racing with horse, potholing, sailing outside territorial waters.

- A. Participation in any sports in a professional capacity.
- B. Any breach of law by the life assured or any assault provoked by him.
- C. Mental illness or mental disease or nervous conditions.
- D. Injury caused by nuclear fission, nuclear fusion or radioactive contamination.
- E. Insured engaging in or taking part in any naval, military or air force operation.
- F. Infection from any Human Immunodeficiency Virus (HIV), Acquired Immunodeficiency syndrome (AIDS) or any AIDS related condition other than blood transfusion
- G. Pre-existing conditions:

Pre-existing condition means illness, disease or sickness occurring or manifesting, for which advice or treatment was sought or obtained from a medical practitioner, chiropractor, naturopath, or any other practitioner of a similar kind within twelve months immediately prior to the Enrolment Date.

Pre-existing Conditions are excluded for disability benefits for a period of one year from the date of enrolment by the individual borrower. This exclusion is waived for members above the Free Cover Limit and who have been medically underwritten.

CONDITIONS

- (a) The benefits under this policy shall be extended only to Primary Borrowers and not to an additional or supplementary or collateral borrower or guarantors.
- (b) No Benefit shall be paid in respect of a Insured Person who attains the Maximum Coverage Age specified in the schedule of this policy (at which time that Borrower shall cease to be covered).
- (c) Notwithstanding anything contained herein to the contrary the benefits under this policy in respect of the Borrower shall terminate upon the happening of any one or more of the following:

This insurance shall automatically terminate:

- Upon the cover for member ceases upon classification of the loan by the bank as bad debt, or

- Upon the transfer of the Borrower's indebtedness to any other person, or
- Upon failure of the Policyholder to pay the premium in respect of such Borrower as required by the Policy.
- On non-renewal of the policy.
- Upon payment of claim in case of Death or Permanent Total Disability or,
- Upon the schedule maturity date under such installment credit agreement or upon earlier termination thereof, or
- Upon repayment in full of the sums due under the installment credit agreement, or

(d) The observance by the Insured Person of the terms of this policy and the truth of the statements and the answers by the Insured Person in the proposal and other material information provided by the Insured shall be condition precedent to any liability of the Company. If the circumstances in which the insurance contract was entered into are materially altered without the written consent of the Company, the policy shall become null and void.

(e) If any claim under this policy is in any way fraudulent or unfounded, all benefits under this policy shall be forfeited.

(f) The maximum cumulative amount of benefits payable for any one person shall not exceed the Sum Insured irrespective of the number of policies in force in respect of which the borrower has obtained a similar benefit as provided under this cover from the Company.

(g) The Insured Person or the Policyholder shall furnish the Company with any information the Company may require in respect of the Insured Person for the Benefits hereunder.

CLAIMS PROCEDURE

The Borrower or the Borrower's legal personal representative or the Insured shall submit the following documents within 180 days from date of event:

For Death Claims

- Copy of Death Certificate

- Copy of post mortem report (wherever legally required)
- Copy of police report (if death was due to an accident)
- Copy of medical report * with detailed diagnosis and cause of death if required by the Company when the actual cause of death is not clearly mentioned in the death certificate
- Copy of passport with visa page (where applicable / national ID card nationals)
- Evidence of Age
- Copy of the Loan application form signed by the Borrower
- Copy of the Loan outstanding form signed by the Borrower
- Copy of the Loan outstanding Statement since the inception of the Loan
- Any other documents as may be required.

For Permanent Total Disablement Claims

- Disability certificate from an authorized medical practitioner to assess disability
- Copy of police report (if disability is due to an accident)
- Copy of medical report * with detailed diagnosis and cause of disability and details of treatment given (if any)
- Copy of passport with visa page (where applicable / national ID card nationals)
- Copy of the Loan application form signed by the Customer
- Copy of the Loan outstanding Statement since the inception of the Loan
- Any other documents as may be required

All papers as indicated above may be required to be produced as copies stamped and signed by the Bank (other than those surrendered to the authorities, wherein a copy may be submitted) for verification before the final statement of claim.

Medical report should be obtained from the chief medical officer or any other registered medical practitioner recognized by the local authorities.

CONTACT INFORMATION

For any queries on coverage, benefits or claims procedure please contact Al Fujairah National Insurance Company during office hours (08.00 AM to 04.00 PM, Sunday to Thursday) at

Tel : +971-4-2772155 Extn. 3303

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