

**MASHREQ BANK
PERSONAL LOANS POLICY TERMS AND CONDITIONS**

We welcome you as a Mashreq bank Personal Loan borrower to enjoy the benefits offered under this policy. We request you to go through the cover details in order to understand thoroughly the cover offered. The Insurance is offered in association with Oman Insurance Company (P.S.C.) and Mashreq bank is not at any time considered as agent of Oman Insurance Company (P.S.C.)

DEFINITIONS

Age

Maximum Coverage Age - 70 years of Age, however restricted to 60 in respect of ILOE

Minimum Age of Issue means 18 years of Age

Maximum Age of Entry means 69 years of Age, however restricted to 59 in respect of ILOE

Commencement Date

The date the Borrower is enrolled for this policy by the Insured or the date of inception of this policy whichever is later.

Company

Oman Insurance Company, Dubai, United Arab Emirates.

Date of Event

In respect of Death the date of death resulting from an accident or sickness happening after the Commencement Date and during the policy period

In respect of ILOE The date of notice of termination served to the Borrower after the Commencement Date and during the policy period.

Insured Persons / Borrower

All individual Expatriates Personal Loan Borrowers of the Policyholder including on arrival package personal loan borrowers.

Involuntary Loss of Employment (ILOE)

Unemployment of the Borrower arising out of the unilateral decision of the employers to terminate his employment contract without citing any reason or for any reason other than those mentioned under Exclusions.

Re-Employment

Accepting and starting work for a new employer or the same employer under a new employment contract within 6 (six) months from the date of actual unemployment.

Policy holder

Mashreqbank Dubai United Arab Emirates.

Sum Insured

Between 18 and 65 years of age

Outstanding loan amount with accrued interest up to the date of borrower's death.

Between 66 and 70 years of age

50% of Outstanding loan amount with accrued interest up to the date of borrower's death.

However, in case of six or more consecutive defaults in instalments before date of death, accrued interest shall be payable for 6 months only from the date of last repayment to the loan account.

SCOPE OF COVER

Section 1

In the event of the death of a Borrower arising out of a cause not specifically excluded under this policy after the Commencement Date and during the policy period, the Company shall indemnify the insured the Sum Insured as at the date of death. However, during the first three months of loan disbursement date, cover shall be for Accidental Death only.

Section 2

In the event of involuntary unemployment of the Borrower after the Commencement Date and during the policy period, the Company shall pay the EMI or AED 4,000/- whichever is less subject to a maximum of 6 months.

GENERAL CONDITIONS

ELIGIBILITY

Such Borrowers proposed by the Policyholder, who have attained their 18th birthday but have not reached their 70th birthday in respect of Death and 60th birthday in respect of ILOE at the time of borrowing, are eligible on that date provided that they are engaged in their occupations on the date of loan disbursement.

Subsequent Borrowings shall also be eligible for coverage from the new loan date. However, for underwriting assessment, the total indebtedness as on date plus the new loan amount shall be the basis of medical requirement. The effective date of insurance shall be the respective borrowing dates on condition the borrower answers the Medical questionnaire to the satisfaction of the company at the date of borrowings.

Existing Borrowings being rescheduled (in respect of Amount and/or loan tenor) are also eligible for coverage. For underwriting assessment, the rescheduled loan amount shall be the basis of medical requirement. The effective date of insurance shall be changed to the Rescheduled date.

Whenever a borrower has or would have failed the underwriting assessment, the Principal Sum or increase in Principal Sum will be payable only in the event of Accidental Death, irrespective of whether the underwriting assessment has, or has not, been completed at the date of death.

Any Application which the Company declines to accept at the ordinary rates of premium, may be accepted on such special terms and conditions as the Company and the Policyholder may agree.

TERMINATION

The assurance granted under this Policy in respect of a Life Assured shall terminate on the earliest of the following dates in respect of Death:

- a) the date on which the Life Assured reaches the age of 70;
- b) the date on which the Life Assured leaves the group or otherwise ceases to be eligible for membership of the scheme;
- c) the date on which premium in respect of the Life Assured ceases to be paid;
- d) the Policy terminates;
- e) the loan outstanding is recovered by the policyholder.

The assurance granted under this Policy in respect of a Life Assured shall terminate on the earliest of the following dates in respect of ILOE

- a) the Borrower having attained the maximum coverage age specified of 60 years.
- b) the Borrower becoming unemployed voluntarily.
- c) 6 months prior to the Borrower's normal retirement date depending upon the age of the Borrower and the law of the land where he is employed.
- d) cancellation of the benefits under this policy by the Insured at any time in accordance with the terms and conditions of this policy.

AGE CORRECTION

If only the year of birth of a Life Assured is provided to the company then the date of birth for this Policy shall be January 1st of such life Assured's year of birth.

ASSIGNMENT

The Benefits received by this Policy are neither assignable nor chargeable by the Lives Assured.

OBSERVANCE OF TERMS AND CONDITIONS

The observance by the Borrower of the terms of this policy and the truth of the statements and the answers by the Borrower in the loan application form and other material information provided by the Borrower 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 in respect of that particular Borrower

FRAUD

If any claim under this policy is in any way fraudulent or unfounded, all benefits under this policy shall be forfeited in respect of the particular Borrower.

GOVERNING LAW AND JURISDICTION

All claims and/or disputes shall be subject to the jurisdiction of the competent courts of the United Arab Emirates

GEOGRAPHICAL LIMIT

The Geographical Limit under this cover is 'Worldwide' in respect of Death and UAE in respect of ILOE.

RIGHT OF AMENDMENT

The Bank reserves the right, at any time, to amend the terms and conditions and/to reject, discontinue or cancel the cover/benefits applicable either wholly or partially without assigning any reason thereof.

SPECIAL CONDITIONS APPLICABLE IN RESPECT OF ILOE BENEFIT

1. The Date of Event falls after a waiting period of 90 days from the Commencement Date
2. 1 month elimination period (this is a period where after losing job, no claim is paid, post 1 month, benefits are paid retroactively)
3. The Borrower remains unemployed during the period for which the benefit under this policy is paid and shall provide all necessary proofs as may be called upon by the Company in order to substantiate his unemployment
4. Monthly the Borrower has to submit the passport copy showing the visa page along with the bank's stamp and date.
5. The Borrower/Insured shall inform the Company as soon as the Borrower accepts an alternative job within six months period from the date of his actual unemployment. In case, it is found that the Borrower has been re-employed during the period he has been taking the monthly benefits, the entire claim will be void and Company reserves the right to recover the full amount paid to the Borrower/Insured as monthly benefit since the beginning of his unemployment.
6. The benefits under this policy shall be extended only to Primary Borrowers and not to an additional or supplementary Borrower.
7. Notwithstanding anything contained herein to the contrary the ILOE benefit under this policy in respect of the Borrower shall terminate upon the happening of any one or more of the following:
 - The Borrower having attained the maximum coverage age specified of 60 years.
 - The Borrower becoming unemployed voluntarily.
 - 6 months prior to the Borrower's normal retirement date depending upon the age of the Borrower and the law of the land where he is employed.
 - Cancellation of the benefits under this policy by the Insured at any time in accordance with the terms and conditions of this policy.

EXCLUSIONS – Applicable in respect of Death Benefit

No sum assured hereunder on that person's life shall be payable by the Company, if the death of the Life Assured should result directly or indirectly from;

1. Direct or indirect consequences of war or warlike operations (whether war be declared or not) or of invasion, act of foreign enemy, hostilities, mutiny, riot, civil commotion, civil war, rebellion, revolution, insurrection, conspiracy, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege. However, life assured living within the frontiers of U.A.E. are covered for Passive War Risk.
2. Taking active part in any of the event mentioned in (a) above.

3. Engaging in aviation or any flying activity other than as a fare-paying passenger in a commercially licensed aircraft of a recognized airline operating on a regular route;
4. Taking part or practicing for any dangerous or hazardous sport or competition, including but not limited to boxing, caving, climbing, horse-racing, jet-skiing, martial arts, mountaineering, off-piste skiing, pot holing, power-boat racing, under water diving, yacht racing or any race, trial or timed motor sport.
5. Any breach of law or participation in a criminal act by the insured.
6. Loans for Medical Treatment
7. HIV/AIDS related diseases

Further, if the Life Assured dies within 3 months from date of loan, no claim shall be payable except death due to an accident covered under this policy. If the life assured dies after two years from the effective date of insurance (i.e. respective date of borrowings or date of scheduling, if the loan was rescheduled), the claim shall be incontestable for concealment of material facts in Medical Questionnaire.

EXCLUSIONS – Applicable in respect of ILOE Benefit

8. Employment on a part time or temporary employment
9. Resignation or leaving by mutual agreement or voluntary unemployment or redundancy after voluntary breaks from employment in excess of normal holiday entitlement
10. Disability, sickness or accident or any other medical reasons (mental and/or physical)
11. Involuntary Loss of Employment which starts within 90 days of the Commencement Date
12. Where the insured person was aware of pending unemployment on or before the Commencement Date
13. Where the unemployment is a normal seasonal part of the employment or due to non-renewal of employment contract by the authorities
14. Where the Insured person has neither been terminated nor become redundant but his/her salary or allowances are being withheld in part or in full for any reason of the employment contract
15. Unemployment due to any of the following
 - i. Misconduct
 - ii. Criminal Conviction
 - iii. Dishonesty or Fraudulent Act
 - iv. Non Performance or Underperformance
16. Payment after the insured person reaches the age 60;
17. voluntary retirement
18. Company failure where a contributing cause was a natural catastrophic peril
19. If the Borrower is not able claim under the Tanmia unemployment benefit (for UAE nationals only)
20. Dismissal or redundancy when the employer is a next of kin of the claimant, or when the claimant is a shareholder of the company or a member of its board
21. Self employment
22. Strikes, lockouts, or other organized labor disputes or any unlawful acts
23. Employees of Mashreq bank
24. Emiratization (localisation)
25. If Borrower does not have a valid UAE resident or employment visa (applicable for Expatriates)

NOTICE OF CLAIM

Notice of any claim under this Policy shall be given by the Policyholder to the Company at its Head Office as soon as practicable but in any event within six calendar months after the date of death of the Life Assured. However within 90 days from the date of event in respect of ILOE.

Documents to support a death claim, which the Company may reasonably require, include but not limited to the following:

- Beneficiary Claim Form.
- Statement of Balance (on the basis of Principal Sum defined in the Schedule).
- Copy of Full Loan Application Form
- Statement of Accounts from inception of Loan showing all transactions.
- Copy of Passport showing valid residence at the time of loan disbursement (not applicable for on arrival package personal loan borrower's portfolio).
- Copy of Death certificate issued by competent authorities.
- Copy of Police Report in case of Accidental Death.
- Copy of duly signed and dated Medical Questionnaire completed by the Insured.
- Proof of Age (like of copy of passport or any other documents).

Documents to support a ILOE claim, which the Company may reasonably require, include but not limited to the following:

- i. Letter of termination confirming that employee's (insured borrower) contract was terminated indicating clearly the reason of termination
- ii. Letter from the bank stating the outstanding amount on client's loan account at the time of Insured's termination
- iii. Copy of employment contract and passport copy showing visa page
- iv. Copies of statement / history showing transactions, amount of instalments, instalment in arrears and the outstanding amount
- v. Copy of the loan application
- vi. Requirements for validation of continuity of ILOE claim
- vii. Monthly submission of passport copy showing visa page along with bank's stamp and date.

All papers as indicated above may be required to be produced in original (other than those surrendered to the authorities or Employer) for verification before the final settlement of claim.

The Company may also request for a copy of the Labour Contract from the Employer if it is required to verify the period of employment contract.

The claim shall be settled within 15 days from the date of receipt of above complete documents provided due premiums are paid to the company.
