

Mashreq Bank Personal Loan Life Insurance Policy Terms & Conditions (Expatriate and National)

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.).

IMPORTANT NOTICE

- The policy covers death due to any cause 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 65.
- The maximum coverage age is 70.
- 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.
- Mashreq is not at any time considered as an agent of Oman Insurance Company, the "Insurance Provider".

DEFINITIONS

Accident means a sudden, unforeseen and unexpected event caused by external, violent and visible means (but does not include any Illness or disease) which results in physical bodily Injury (but does not include mental, nervous or emotional disorders, depression or anxiety).

Benefit means the indemnity benefit payable as per the scope of cover of this policy

Borrower means the person to whom the Bank has advanced a Personal Loan and who fulfils the Insured's Personal loan requirements as per Loan Agreement with the Insured.

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

Company means Oman Insurance Company, Dubai, United Arab Emirates.

Date of Event means any one of the following:

1. In respect of Death, the date of Death, as certified by a competent authority, happening after the Commencement Date and during the Policy Period.
2. In respect of Involuntary Loss of Employment (If applicable), the date of notice of termination served to the borrower after the Commencement Date and during the policy period.

Death means death due to any cause.

Involuntary Loss of Employment means unemployment of the borrower arising out of the unilateral decision of the employers to terminate the employment contract without citing any reason or for any reason other than those mentioned under exclusions in the policy.

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.

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

Injury means bodily Injury resulting from an Accident which is within twelve months from the date of such Accident and results in Borrower Death.

Insured means Mashreqbank P.S.C

Loan Agreement shall mean an agreement made in writing between the Borrower and the Insured for a loan which entails payment in accordance with agreed monthly instalment/EMI. The amortization schedule issued by the Bank, based on which the Borrower is required to repay his Personal loan shall form part of the Loan Agreement.

Minimum Age at Entry means 18 completed years of age of the Borrower.

Maximum Age at Issue means 69 completed years for Death Benefit however, restricted to 59 with respect to ILOE benefit.

Maximum cover age

70 completed years for Death Benefit however, restricted to 60 years with respect to ILOE benefit.

In case of Age at entry Between 18 and 65 years of age.

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

In case of Age at entry Between 66 and 70 years of age.

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

Maximum loan duration means 48 months and up to 60 months for Govt employees.

Outstanding Balance means the actual outstanding Personal Loan amount including the accrued interest of the Borrower towards the Insured according to the amortization schedule issued by the Bank and as on the Date of Event. The calculation of the Outstanding Balance shall exclude any penalty (-ies) applied due to default of repayment of the loan by the Borrower.

Policy means this document, any supplementary contracts or endorsements, any amendments hereto signed by the Company and the Insured, the details provided by the Borrower in their respective Personal Loan enrolment forms, and the details provided by the Insured to the Company, all of which shall together constitute the entire contract between the parties.

Pre-existing diseases 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 Commencement Date.

Proof of Loss means the documents required to be submitted to the Company evidencing the Death, or Permanent Total Disability of the Borrower and to the satisfaction of the Company.

SCOPE OF COVER

Section 1: Death due to any cause (DAC)

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, subject to the limit(s) specified under the schedule of this Policy and subject to the receipt of required Proof of Loss to the satisfaction of the Company, indemnify the Insured up to the amount of the borrower's Outstanding Balance as on the Date of Event subject to a policy maximum limits.

Section 2: Involuntary Loss of Employment (ILOE)

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.

CONDITIONS WITH RESPECT TO ILOE BENEFIT FOR PERSONAL LOAN

The Date of Event falls after a waiting period of 90 days from the Commencement Date.

1. 1-month elimination period (this is a period where after losing job, no claim is paid, post 1 month, benefits are paid retroactively)
2. There must be at least 6 months of continuous employment after the term of a first claim for which benefits have been paid to re-qualify for a new one.
3. No payment will be done during the notice period.
4. The individual covered 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
5. Monthly, the individual covered has to submit the passport copy showing the visa page along with the bank's stamp and date.
6. The individual covered/Bank shall inform the Company as soon as the Individual covered accepts an alternative job within six months period from the date of his actual unemployment. In case, it is found that the Individual covered 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 Individual covered /Bank as monthly benefit since the beginning of his unemployment.
7. The benefits under this policy shall be extended only to Primary Borrower only and not to an additional or supplementary/joint loan applicants.
8. Notwithstanding anything contained herein to the contrary the ILOE benefit under this policy in respect of the individual covered shall terminate upon the happening of any one or more of the following:
 - In case of Death/ Disability
 - When the Borrower resumes work (even if it is only a part-time work)
 - When 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 UAE.
 - When the maximum benefit has been reached for several ILOE claims during the period of coverage.

EXCLUSIONS Applicable to Death any cause & ILOE

No Benefits under these sections shall be payable in respect of a borrower where the event giving rise to a claim occurs as a result of:

- a. Active participation in any war, whether declared or not, from warlike action, civil war, insurrection, riot, civil commotion or other acts of violence including terrorism originating from any political or civil unrest;
- b. Passive War Risk Cover & Terrorism is covered, however claims in any way occurring as a direct or indirect consequence of War or war-like operations or Terrorism is not covered in any of the following:
 - a. Syria, Iraq, Afghanistan, Palestine, Yemen & Libya
 - b. Any country where war or warlike operation takes place and where the insured remains in for more than 28 days following the outbreak. It is also understood that the sum insured will not be payable if the insured actively participates in any of the above-mentioned events and if the insured is traveling to a country after war has been declared in that country or after it has been recognized as a war zone or where there are war like operations. If the Company alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.
- c. Engaged in aviation, gliding, or any other form of aerial flight other than as a fare paying passenger or pilot or crew in a commercially licensed aircraft of a recognized airline operating on a regular route;
- d. Any breach of Criminal law by the Borrower or an assault provoked by him;
- e. Attempted suicide or self-inflicted injury whilst sane or insane within 1 year after the date on which the assurance of that Borrower first commenced;
- f. Loans taken out for medical reasons
- g. Loss resulting from accidental or deliberate spread or use of Nuclear, Biological or Chemical material including loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any event where Nuclear, Biological, and Chemical material is involved.
- h. If the Borrower dies within 3 months from date of loan, no claim shall be payable due to death as a result of pre-existing condition.
- i. Infection from any Human Immunodeficiency Virus (HIV), Acquired Immunodeficiency syndrome (AIDS) or any AIDS related condition other than blood transfusion.

Exclusions applicable with respect to Involuntary Loss of Employment Cover.

1. Involuntary Loss of Employment which starts within 90 days of the Commencement Date.
2. Borrowers who have not been continuously employed with the same employer for minimum 6 months.
3. Borrowers who are on probation.
4. Employment on a fixed term contract or part time or temporary, casual or contingent employment.
5. Resignation or leaving by mutual agreement or voluntary unemployment or redundancy after voluntary breaks from employment in excess of normal holiday entitlement.
6. Disability, sickness or Accident or any other medical reasons (mental and/or physical)
7. Where the Borrower was aware of pending unemployment on or before the Commencement Date.

8. Where the unemployment is a normal seasonal part of the employment or due to non-renewal of employment contract by the authorities.
9. Where the Borrower has left UAE.
10. Where the Borrower 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.
11. Unemployment due to any of the following
 - Misconduct
 - Refusal to accept orders from superiors
 - Criminal Conviction
 - Dishonesty or Fraudulent Act
 - Non Performance or Underperformance
 - The employer's rights to do so under Article 120 of the UAE labour law.
12. Payment after the Borrower reaches the maximum coverage age specified in the schedule of this Policy.
13. Termination due to voluntary retirement by the Borrower.
14. Termination of employment during probationary period.
15. The period for which payment from the employer is received instead of working notice.
16. Company failure where a contributing cause was a natural catastrophic peril, war or warlike event; nuclear radiation or radioactive contamination;
17. The natural expiry of fixed term contract of employment or of an interim contract;
18. Non-renewal of employment contract due to cessation or expiry of visa;
19. Retirement including voluntary, early, temporary or permanent retirement;
20. Involuntary Loss of Employment due to breach of employment contract or terms;
21. If the Involuntary Loss of Employment is in any way voluntary or results directly or indirectly from the Borrowers own actions;
22. Borrower was either working or employed or residing or is outside UAE.
23. Any Involuntary Loss of Employment where the Borrower cannot prove it was involuntary and that none of the exclusions in this section apply.
24. If the Borrower is not able to claim under the Tanmia unemployment Benefit (for UAE nationals only);
25. Dismissal or redundancy when the employer is a family member of the claimant (ties by blood), or when the claimant is a shareholder of the company or a member of its board
26. Dismissal or redundancy when the insured was employed by a company of which he or his spouse, partner, parent, child, brother or sister were a director, shareholder or an employer (other than by way of bona fide investment in a company quoted on a recognized stock exchange) or when the claimant is a shareholder of the company or a member of its board.
27. Self-employment.
28. Borrowers employed by the Insured.
29. Resulting directly or indirectly from a strike, lockout, or other organized labour disputes or any unlawful act.
30. Any drive as per the UAE government towards Emiratization (localization)
31. If Borrower does not have a valid resident or employment visa at the time of claim. (applicable for Expats)
32. If the Borrower refuses any other reasonable/alternate employment offered by his employer including any alternative employment being offered as a result of any organizational changes/mergers/acquisition/or take-over of his employer.
33. If any misrepresentation or concealment is made by or on behalf of the Borrower to obtain cover in support of any claim hereunder.

34. If the Borrower is an expatriate, any UAE resident visa obtained through sponsorship from a family member. However, this is not applicable if the Borrower signs a declaration confirming that he/she is unemployed. This is also not applicable for Borrowers working on a labour card instead of on an employment visa, holding a UAE visa sponsored by a family member. However, the Indemnity Period for such Borrowers shall be limited to six (6) months.
35. If the Borrower is an expatriate, any UAE residency visa obtained or maintained through whatsoever means, while the Borrower is not being treated or being recognized as a full time employee by his employer including for end of service benefit calculation as per UAE Labour Law.

CLAIMS PROCEDURE

Upon happening of an event giving rise to a claim under this Policy, the following procedure should be followed:

1. Give immediate written notice to the Bank but not later than 6 calendar months (180 days) from the Date of Event for Death Any Cause. For ILOE not later than 60 days from the Date of Event. If the Bank is not notified of the claim within that period, the Bank reserves the right to refuse liability for the claim.
2. The Company shall have the right and opportunity through its medical representative to examine the Borrower when and so often as it may reasonably require during the pendency of a claim hereunder and, in case of death, to investigate the circumstances of death, to examine the body and unless prohibited by law, to request or order an autopsy either before or after burial.

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

For Death Claims

1. Beneficiary Claim Form.
2. Death certificate (if death outside UAE, death certificate should be attested by the UAE Embassy of the country of death).
3. Post mortem report (wherever legally required)
4. Police report (if death was due to an accident)
5. 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.
6. Copy of passport with visa page (where applicable / National ID card for Nationals) including the details showing valid residence at the time of loan disbursement.
7. Proof of Age (like of copy of passport or any other documents).
8. Any other documents as may be required as per then prevailing Company policies.

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

Any payment of claim under this Policy shall be paid to the Bank.

For ILOE Claims (If availed)

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

1. Give immediate written notice to the Bank but not later than 90 days from the Date of Event.
2. Borrower shall submit the following documents within 120 days from the Date of Event.
3. Letter of termination confirming that employee's (individual covered) contract was terminated indicating clearly the reason of termination.
4. Copy of employment contract and passport copy showing visa page.
5. Copy of the personal finance application
6. Salary slips for the 3 months preceding date of notice of termination.
7. 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.
8. Monthly submission of passport copy showing visa page along with bank's stamp and date.
9. Any other documents as may be required as per the prevailing Company policies.

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 reserves the right to request for additional and/or detailed documents, beyond as stated above, which may additionally be necessary

- i. to establish circumstances surrounding the Involuntary Loss of Employment of the Borrower should the said circumstances warrant it;
- ii. to investigate any suspected fraud or misuse of Policy including when
 - a. the Indebtedness as on the Date of Event is not within the average preceding 6 months Indebtedness history of the Borrower from the Date of Event,
 - b. there is a sudden increased Indebtedness within last 2 month preceding the Date of Event,
 - c. there are any additional circumstances in sole discretion of the Company which may lead the Company to suspect fraud or misuse of the Policy,

CONTACT INFORMATION

For any queries on coverage, benefits or claims procedure please contact call centre of Mashreq Bank on 04 424 4444.

Disclaimer: Mashreq Bank PSC shall not be responsible for the insurance company's actions or decisions nor shall Mashreq Bank PSC be liable regarding payment of claims under the policy/Insurance contract issued by Oman Insurance Co.

"Should any discrepancies arise between the policy and any literature received by the Policyholder/Insured lives, the terms, conditions, endorsements and exclusions in the Policy will govern in all cases"