

## Mortgage Shield-Life Terms and Conditions

We welcome you as a Standard Chartered Bank Mortgage Loan Borrower to enjoy the benefits offered under the Mortgage Shield-Life Insurance Policy issued in favour of Standard Chartered Bank (hereinafter referred to as "the Policy"). We request you to go through the cover details in order to understand thoroughly the cover offered.

### **IMPORTANT NOTICE**

- The cover includes protection for outstanding loan amount in respect of Death and/or Permanent Total Disability of the Borrower subject to terms and conditions detailed herein.
- In the event of Death or Permanent Total Disability, the Insurance Company would pay the compensation to the Bank. All the claims under the cover will be coordinated with / by Standard Chartered Bank and will be settled through Standard Chartered Bank.
- Minimum age at entry should be at least 18 year old, while the Maximum age at entry should be less than 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.
- Standard Chartered Bank is not at any time considered as an agent of MetLife Alico Insurance Company, the "Insurance Provider".

### **DEFINITIONS**

**Accident** shall mean a sudden and unexpected event, which results directly or through an unbroken chain of events in the Insured Borrower's Death or Permanent Total Disability.

**Applicant** means any person or persons who may at any time apply for a Loan by completing a Loan Protection Insurance Application Form.

**Bad Debt** means Loans that have been classified by the Policyholder as non-performing Loans where one or more Monthly Payments under the Loan Agreement have become overdue by more than 120 days or in respect of which a complaint or suit is filed against the Insured Borrower for non-payment or the Insured Borrower is declared as having absconded or a judgment is entered in any court with respect to any indebtedness due and owing to the Policyholder under the Loan Agreement. This period can be extended to 180 days with proper communications between the bank and MetLife Alico Insurance Company.

**Bank** shall mean the Standard Chartered Bank, United Arab Emirates

**Borrower** means a person who has fulfilled the Policyholder's Loan requirements and has been granted a loan.

**Eligible Borrower** means a Borrower who has met the eligibility requirements set forth by the Insurance Company and the Policyholder.

**Entry Date** means the effective date of coverage of an Insured Borrower hereunder, which shall be the Policy date or the date of his becoming an Eligible Borrower, whichever is later.

**Face Amount** means the original amount of the Loan borrowed, net of any interest, costs and expenses and before any repayments is made under the Loan Agreement.

**Insurance Company or Company** means American Life Insurance Company (MetLife Alico).

**Insured Borrower** means an Eligible Borrower who, in accordance with the provisions of this Loan Protection Insurance Policy, is participating in the insurance plan under this Loan Protection Insurance Policy and who has completed a Loan Protection Insurance Application Form.

**Loan** means the principal amount advanced to a Borrower as evidenced in the Loan Agreement to which he is a Party.

**Loan Agreement** means together, the Offer and the Loan Conditions.

**Loan Conditions** means the conditions set out in the Offer and any other document entered into separately by the Borrower and the Policyholder which sets out any additional conditions applicable to the Loan.

**Loan Protection Insurance Application Form** means Policy application documentation as required by the Insurance Company under which the Applicant may apply for the Loan Protection Insurance Policy.

**Loan Protection Insurance Policy** means the insurance Policy which may repay the Applicant's Loan in the event of Death or Permanent Total Disability

**Month** means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month.

**Monthly Payment** means the amount which an Insured Borrower is required to pay to the Policyholder as lender each Month under a Loan Agreement.

**Offer** means, as the context requires, either; (a) the offer letter from the Policyholder as lender to a Borrower which sets out the terms of offer in respect of the Loan; or (b) the offer from the Policyholder as lender to advance the Loan to that Borrower.

**Outstanding Balance** shall mean the actual outstanding debt including interests or other charges or defaults if any, of the Insured Borrower towards the Policyholder on the claim date, according to the amortisation schedule of the loan. The Outstanding Balance decreases each month or increases due to further borrowing and is the same amount as the benefit covered.

**Permanent Total Disability** means disability from bodily injury, Sickness or disease so as to prevent the Insured Borrower from performing any kind of work, occupation or profession for compensation, profit or gain for the remainder of his lifetime

**Parties** mean the parties to the Policy.

**Policy** means this agreement, any supplementary contracts or endorsements herein, any amendments hereto signed by the Insurance Company and the Policyholder, Loan Protection Insurance Application Forms completed by Applicants and summaries of cover, which shall together constitute the entire contract between the Parties.

**Policyholder or Bank** means **Standard Chartered Bank - UAE** as the insured party under the Loan Protection Insurance Policy and includes its successors in title.

**Policy Year** means a period of twelve (12) Consecutive months beginning with the Loan Protection Insurance Policy date and any subsequent anniversary of such year.

**Sickness** means any pathological state or state of abnormal function of bodily organs of the Insured Borrower, not caused by an Accident, and objectively diagnosable.

**UAE** means the United Arab Emirates.

Masculine pronouns used in the Policy shall include both masculine and feminine gender unless the context indicates otherwise.

## **SCOPE OF COVER**

The Insurance Company hereby agrees subject to the terms and conditions provided under the Policy to pay the following benefits:

### **Death benefit**

If an Insured Borrower dies due to Sickness or an Accident, the Insurance Company will, upon receipt of due proof in writing of the death of the Borrower, pay the amount of the Covered Life Benefit to the Policyholder.

The Covered Life Benefit, at any time before the maturity date of the Loan, shall be equal to 100 % of the Outstanding Balance of the Loan as at the date of death, according to the amortization schedule set in force on the Entry Date.

### **Permanent Total Disability (PTD) benefit**

If an Insured Borrower becomes permanently and totally disabled prior to age 70 such that, in relation to that Insured Borrower, Permanent Total Disability occurs, the Insurance Company will pay to the beneficiary in one lump sum the Covered Permanent Total Disability Benefit and will terminate the death insurance coverage on the life of such Insured Borrower and in lieu of all other benefits.

The Covered Permanent Total Disability Benefit, at any time before the expiry of the scheduled insurance coverage term shall be equal to 100 % of the Outstanding Balance of the Loan as at the date of recognition of the state of Permanent Total Disability according to the original amortization schedule of that Loan in force on the Entry Date.

Such state of Permanent Total Disability shall be exclusively recognized by a physician specially authorized by the Insurance Company according to the definitions and provisions of the Policy.

There must be at least 6 continuous Months elapsed from the commencement of Total Disability before it can be recognised as being Permanent. However, in case of the total and irrevocable loss of sight of both eyes, or of the loss by severance of two or more limbs (at or above wrist or ankle), the waiting period of 6 Months can be waived and the state of Permanent Total Disability be recognised immediately.

There is a deferral period of 30 days from the commencement date. No claim will be admissible during these 30 days.

The Insurance Company cannot be liable for more than the Outstanding Balance of the Loan as set out in the Loan Agreement in force when the Loan was granted, irrespective of possible changes brought about to Monthly Payments to be made by an Insured Borrower at a later date.

## **MAXIMUM AMOUNT OF BENEFIT**

The Insured Borrower is covered for up to the amount of the Loan granted to him by the Policyholder provided however that this amount does not exceed AED 18,500,000. However for loan amounts higher than AED 15,000,000 the Borrower is covered for Death only.

## **ELIGIBILITY CONDITONS**

Besides the eligibility criteria stipulated by the Bank, all Borrowers must be:

- at least 18 year old and less than 65 years old at entry;
- natural persons. Corporations, partnerships and businesses will not be eligible for coverage under this Policy;
- All application forms must be completed in the UAE;
- All medical exams need to be done in UAE and it can be extended to the MEASA region (Oman, Qatar, Kuwait, Bahrain, Egypt,

Bangladesh, Lebanon and Jordan).

- permanently residing in an approved residence country as mentioned in the table below. In the event that the Applicant does not reside in any of the countries mentioned below, the Insurance Company can approve the insurance on a case to case basis.

1. European Union	9. Australia	17. Pakistan
2. Norway	10. New Zealand	18. Egypt
3. Switzerland	11. Hong Kong	19. UAE
4. Lebanon	12. Taiwan	20. Oman
5. Jordan	13. South Korea	21. Kuwait
6. USA	14. Turkey	22. Bahrain
7. Canada	15. Singapore	23. Qatar
8. Japan	16. India	24. Kingdom of Saudi Arabia

### CONDITONS APPLICABLE

- The Borrower/Insured shall furnish the Company with any information the Company may require in respect of the Borrower for the Benefit hereunder. The Company may, at its sole discretion, require the Borrower to undergo a medical examination by a legally qualified medical practitioner in the manner the Company deems required or fit
- If the Loan amount in respect of a Borrower is more than AED 3.5 million but less than AED 18.5 million, his inclusion under the Policy will be subject to satisfactory medical examination.
- Policy benefits in case of death or Permanent Total Disability shall be payable to the Policyholder as the exclusive and irrevocable beneficiary.

### EXCLUSIONS

Any death, disability or illness caused by or resulting directly or indirectly, wholly or partly from any of the following facts and events will not be covered by this insurance:

- ✓ A pre-existing physical or mental defect or illness for which the Insured Borrower has consulted or received treatment within the 1 year prior to the date of his enrolment in the Policy. However this exclusion shall not apply in respect of Death occurring after a continuous period of 6 months from the Commencement Date in respect of the particular Borrower. Further this exclusion shall not be applicable in respect of customers who have completed the medical requirements i.e. Medical Tests.
- ✓ Self-inflicted bodily injury regardless of its date and of its cause, or
- ✓ A Sickness directly or indirectly attributed to HIV and/or any related illness including AIDS (as per the definition below), or
- ✓ Chronic alcoholism or, abuse of alcohol or ,abuse or addiction to drugs; or
- ✓ Civil war, war, invasion or warlike operations, act of foreign enemy, hostilities, revolt, mutiny, riots, strike ,civil commotion, rebellion, revolution, insurrection, acts of terrorism to such a degree and extent of the involvement or engagement of the Insured Borrower in these conditions without any cause; or
- ✓ Exposure of the body voluntarily ,or not, to nuclear power or radioactivity in war or warlike operations or in peace; or
- ✓ Military service in the armed forces or security forces of any country or any authority will not be covered only if the event of claim arises due to his services.; or
- ✓ The commission of or attempted commission of an assault or any unlawful act, or being engaged in any illegal activity or felony. or
- ✓ Flight of the Insured Borrower in any kind of aircraft except as a fare-paying passenger or pilot or crew in an aircraft operated on a regular

schedule by an incorporated common carrier for passenger service over its established air route, or he is transported as a patient or injured or attendant or hostess with an ambulance or rescue-aircraft or helicopter.

In the case of death, suicide whilst sane or insane shall be excluded during the first year of the insurance coverage.

In the case of Permanent Total Disability, the following facts and events will not be covered:

- ✓ Any psychiatric, mental or nervous disorder; or
- ✓ Normal pregnancy, childbirth, abortion or miscarriage, or any complications thereof ;or
- ✓ Disability attributed by the Insured Borrower to subjective complaints not detectable with laboratory measurement, microbiological, biochemical means and/or imaging.
- ✓ Any claim that occurs within the deferral period.

Insurance is applicable world-wide. However, a state of Permanent Total Disability can only be recognized, by a physician specially authorized by the Insurance Company.

### **“Acquired Immune Deficiency Syndrome - AIDS”**

No benefits shall be paid under this Policy, in the event of an Insured Borrower's death or Permanent Total Disability caused by an opportunistic infection, a malignant neoplasm or suicide, if at the time of such death or disability there is present in the subject Insured Borrower an acquired immune deficiency syndrome.

For the purpose of this Clause, the terms “Acquired Immune Deficiency Syndrome” shall have the meanings assigned to it by the World Health Organization. A copy of the definition is maintained in the Insurance Company's Head Office in the country of issue of the Policy.

Opportunistic infection includes but is not limited to pneumocystis carinii pneumonia, organism of chronic enteritis, virus and/or disseminated fungi infection.

Malignant neoplasm shall include but not be limited to Kaposi's sarcoma, central nervous system lymphoma, hairy?cell leukaemia and/or other malignancies now known or which become known as immediate cause of death disability and the incurring of medical expenses in the presence of acquired immune deficiency.

Acquired Immune Deficiency Syndrome shall include HIV (Human Immune Deficiency Virus), encephalopathy (dementia), and HIV (Human Immune Deficiency Virus) Wasting Syndrome.

### **TERMINATION OF INSURANCE**

The insurance of an Insured Borrower shall automatically terminate on the earlier of any of the following events;

1. The Insured Borrower reaches age 70 for death or for Permanent Total Disability;
2. Upon settlement by the Insured Borrower of the Loan in full, including in the event of early termination;
3. Upon cancellation by the Policyholder of the Loan Agreement of the Insured Borrower, whatever the reason;
4. In case of death or recognized Permanent Total Disability of an Insured Borrower or one of the Insured Borrowers in case of co-borrowers;
5. In case of Bad Debt;
6. Cancellation of the Policy.

### **CLAIMS PROCEDURE**

Upon happening of an event giving rise to a claim under the Policy, the

Insured Borrower's Legal Representatives shall follow the following procedure:

- (i) Give immediate written notice to the Company but not later than 180 days from the Date of Event;
- (ii) The Insured Borrower's legal representative shall complete the standard claim form issued by the Company and submit the same with such evidence to substantiate the claim to the satisfaction of the Company as the Company may reasonably require;
- (iii) The Insured Borrower's legal representative shall submit the following documents (and any additional documentation that may be requested by the Claims Department of the Insurance Company).

#### **For Death Claims**

- Death Certificate.
- Post Mortem Report (wherever legally required).
- Police Report (in case of accidental death).
- Medical Report from an authorized medical practitioner along 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.

#### **For Permanent Total Disability Claims**

- Specific Forms as required by MetLife Alico must be completed and signed by the Insured Borrower and the treating physician.
- A copy of all relevant X-Rays / Lab Test and reports. These should show name and the date they were taken.
- A copy of Attending Physician's Statement (APS) or the medical report detailing the nature and date of the accident.
- A copy of the Police Report (if claim relates to an accident).
- Copy of passport of the Insured Borrower.
- Names and addresses of the doctors and hospitals, Insured Borrower used to consult or visit for treatment in UAE and abroad. Name and address of the Insurance Co. with which the Insured Borrower has medical coverage, if any.
- If applicable, in certain cases, we may also need the Insured Borrower to attend a medical examination or provide more details requested through a doctor or a medical committee.

In respect of any of the above claims, MetLife Alico Insurance Company reserves the right to request any additional documents which may be reasonably required.

#### **PREMIUM PAYMENT FREQUENCY**

The insurance premium is payable at the time of loan disbursement and subsequently on an annual basis upon renewal or as decided by the bank from time to time.

#### **INSURANCE REFUNDS**

The insured Borrower shall receive prorated insurance premium refunds in case the loan is prepaid in full. The prorated refund amount, as applicable, is based on the terms agreed between the Bank and the Insurance Company.

#### **GOVERNING LAW**

The provisions and terms of the Policy shall be construed in accordance with the laws applicable in the United Arab Emirates **and the UAE** courts shall have the sole jurisdiction in respect of any controversy / dispute arising there from.

## CONTACT INFORMATION

Should you require any further information or assistance, there are three easy ways to contact us:

### By Phone

- Call our 24-hour Phone Banking team on 600 5222 88 within the UAE or +971 600 5222 88 from outside the UAE

### At the Branch

- Visit our Home Finance Service Desk at the following branches:

Emaar Business Park Branch Emaar Business Park, Building 3 Dubai, United Arab Emirates	Branch working hours:  Saturday to Wednesday 8.00 am to 3.30 pm
Dubai Branch Al Mankhool road, next to Majestic Hotel Dubai, United Arab Emirates	Thursday 8.00 am to 2 pm
Deira Branch Baniyas Square, near Twin Towers Dubai, United Arab Emirates	
Dubai Mall Branch Banks Section, next to Feet First Dubai, United Arab Emirates	Dubai Mall Branch Operating hours: Saturday to Thursday 10.00 pm to 10.00 pm (Teller ervice till 8 pm, Personal Financial Consultant till 10 pm), Fridays 2.00 pm to 10.00 pm(Teller Service till 8 pm, Personal Financial Consultant till 10 pm)

### By Email

- Contact our Home Finance Service Desk via email at [HomeFinance.ServiceDesk@sc.com](mailto:HomeFinance.ServiceDesk@sc.com)

### Contact details of the Insurance Provider:

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Al Gharhoud Star Bldg  
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