

Loan Shield Policy - Customer Communication

DEFINITIONS

For the purpose of this Cover, the following definitions shall apply unless the context otherwise requires:

Accident

means where the Bodily Injury is caused solely and directly by external violent means is unexpected and unforeseeable.

Bank/Insured/RAKBANK

means The National Bank of Ras Al Khaimah (P.S.C) Public Joint Stock Company , PO Box 5300, Ras Al Khaimah, United Arab Emirates.

Benefit

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

Bodily Injury

means injury which is caused by an Accident which within twelve months from the date of such Accident results in Borrowers Death

Borrower

means a person to whom the Bank has advanced a loan (Personal Loan /Commercial Loan/ Home Improvement loan / Farm Loan/ RAK Finance Loan/RAK Finance plus covering Key Man risk/ RAK Trade Facilities /SME Loans & Facilities), and who has not been disqualified by the provisions of this Cover to be eligible to receive the benefits under this Cover.

Borrower shall also include Key-man (key-men) of borrowing entity. A Key-man would be "the main person (as determined by the Bank) who is responsible for running the business on a day to day basis, whose Death may affect the ability of the business to pay back the loan outstanding to the Bank".

Commencement Date

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

Company

means the Ras Al Khaimah National Insurance Company PSC, P.O. Box 506, Ras Al Khaimah, United Arab Emirates.

Cover

means the Loan Shield Benefit brought to you by the Bank and offered by the Company.

Date of Event

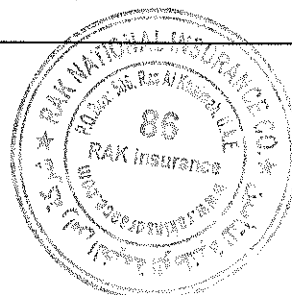
means the date of death resulting from any cause other than those specifically excluded happening on or after the Commencement Date and during the Cover period.

Death

means Death due to any cause other than those specifically excluded.

Insured Person

means the Borrower to whom the benefits under this Cover shall apply.



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Minimum Age at Issue

means 21 years

Maximum Age at Issue

means 64 years

Maximum Coverage Age

Means 70 years of age.

In this Cover, 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.

Outstanding Loan Amount means Disbursed Principal (Less) Repayments (Plus) Accrued Interest till Date of Event. However, in case of six or more consecutive defaults in installments before Date of Event, accrued interest shall be payable for six months only from the date of last repayment to the loan account.

SCOPE OF COVER

Subject to the terms and conditions provided in this Cover the Company shall indemnify the Insured as hereinafter provided:

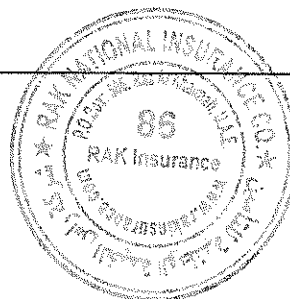
In the event of the Death of a Borrower arising out of a cause not specifically excluded under this Cover on or after the Commencement Date and during the Cover period, the Company shall indemnify the Insured the Outstanding Loan Amount.

Exclusions

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. Suicide within 12 months of the Commencement Date
- b. Any deliberate self-inflicted injury and/or self-medication (without a proper prescription from a legally recognised medical practitioner);
- c. Engaging in or taking part in
 - naval, military or air force service or operations; (military personnel are not covered only when they are participating in the war or any active military training exercises).
 - winter sports (other than skating or curling) at any winter sports resort.
 - sky diving involving the aid of breathing apparatus, rock climbing or mountaineering normally involving the use of ropes or guides, potholing, hang gliding, parachuting, hunting on horseback, or driving or riding in any kind of race;
 - driving or riding on motor cycles or motor scooters over 250 cc other than mopeds ;
- d. Any accident occurring on or in or about any aircraft other than an aircraft in which the Borrower was travelling as a bonafide passenger or pilot or crew and which is operated by a licensed commercial or chartered airline;
- e. Deliberate exposure to exceptional danger (except in an attempt to save human life), or the Insured Person's own criminal act.
- f. Nuclear radiation, nuclear fission, nuclear fusion and/or radioactive contamination
- g. Riot, civil commotion, strikes and active participation in war, rebellion, insurrection, resurrection, popular rising, usurped power, terrorism

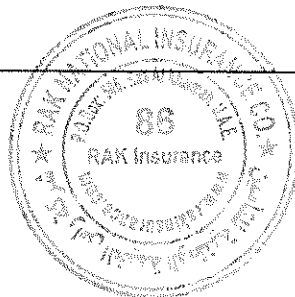
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- h. Infection from any Human Immunodeficiency Virus (HIV), Acquired Immunodeficiency syndrome (AIDS) or any AIDS related condition other than blood transfusion.

Conditions

- 1) The Borrower/Insured shall furnish the Company with any information the Company may require in respect of the Borrower for the benefits hereunder. Prior to acceptance, 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.
- 2) The Benefit under this Cover shall be extended only to Primary Borrowers and not to an additional or supplementary or collateral borrower or guarantors. However, if the loan is sanctioned based on the earning capacity of the borrower and his spouse then both the borrower and his spouse can be covered for the full principal sum under this Cover subject 100% additional premium is being charged. Upon first or joint Death, principal sum shall be paid and Cover ceased thereafter.
- 3) Notwithstanding anything contained herein to the contrary the Benefits under this Cover in respect of the Borrower/Insured Person shall terminate upon the happening of any one or more of the following:
 - a. Closure of the Borrower's loan account
 - b. the Borrower having attained the Maximum Coverage Age specified.
 - c. the Borrower's Death.
 - d. Cancellation of the Benefits under this Cover by the Insured at any time in accordance with the terms and conditions of this Cover.
- 4) The observance by the Borrower of the terms of this Cover and the truth of the statements and the answers by the Borrower in the proposal 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 Cover shall become null and void in respect of the particular Borrower.
- 5) If any claim under this Cover is in any way fraudulent or unfounded, all Benefits under this Cover shall be forfeited in respect of the particular Borrower.
- 6) Governing Law and Jurisdiction
This Agreement shall be governed by and construed in accordance with the applicable laws in force in the United Arab Emirates and under jurisdiction of courts of United Arab Emirates.
- 7) The Geographical limit under this Cover is "Worldwide".
- 8) The Bank/Company 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.



Claims Procedure

Upon happening of an event giving rise to a claim under this Cover, the Borrower/Borrower's Representatives/Insured shall follow the following procedure:

1. Give immediate written notice to the Company but not later than 120 days from the Date of Event for all claims.
2. The Insured or the Borrower or the Borrower's representative shall complete the standard claim form issued by the Company and produce at no cost to the Company with such evidence to substantiate the claim to the satisfaction of the Company as the Company may reasonably require;
3. The Borrower or the Borrower's representative or the Insured shall submit the following documents to the Company within 180 days from the Date of intimation to the Bank:
 - a) Duly filled Claim Form
 - b) Copy of passport and visa or Emirates ID
 - c) Copy of Death Certificate from appropriate Government Authority. In case of death of the applicant outside UAE, the death certificate has to be attested by the Embassy of UAE
 - d) Copy of Police Report (if death was due to an accident or unnatural event).
 - e) Copy of Post Mortem Report (wherever legally required)
 - f) Copy of medical reports with onset of illness, investigation, diagnosis, cause of death (may be requested by the Insurance Company)

All documents 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.

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

The Borrower consents and authorises the Bank to disclose and report any financial or non-financial information related to all his/her loan accounts with the Bank to the Company, in compliance with the terms and conditions of the Cover. The Borrower agrees and declares that he/she will not assert any claim, against the Bank for any loss, damage or injury suffered or alleged as a result of any such disclosure or reporting to the Company.

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