

### Home Finance Life Takaful - Terms and Conditions

Home Finance Takaful Scheme (provided by Watania Takaful Family PJSC.) provides financial protection to the customers (referred to as "Scheme Members") of Ajman Bank (Referred to as the "Certificate holder") by paying their Outstanding Finance Amount to the Ajman Bank subject to the Provisions & Conditions of Ajman Bank – Home Finance Takaful Certificate / Scheme as mentioned below.

#### Name of Participant:

- Ajman Bank

#### Product Benefits:

- Death due to any cause: 100% of sum covered
- Permanent Total Disability (PTD) due to accident or sickness own & similar occupation 6 month deferred: 100% of sum covered
- Passive War Risk (Death & Disability) and Passive Terrorism (excluding NBC)
- Repatriation actual expenses up to maximum of AED 10,000/- per customer
- Medical expenses due to Accident (Medex) up to a maximum of AED 10,000/- per customer

#### Basis of Cover / Scope:

Group Credit Takaful cover issued by the Watania Takaful Family PJSC to the eligible customers (Referred to as "Scheme Members" in the master certificate conditions of the Watania Takaful Family PJSC) of Ajman Bank. Home Finance covered (Referred to as "Facility" in the certificate conditions of the Watania Takaful) covered on an optional on opt in basis for new customers

#### Sum Covered:

The sum covered under each Certificate shall be the initial finance amount excluding profit charges at the inception of that individual Certificate under the scheme. Subsequently, at the end of each calendar month, the sum covered shall be the outstanding finance as per the amortization table for the particular Certificate as provided in the declaration by the bank for that month (Excluding profit charge)

Total outstanding balance at the end of each calendar month shall be the total of all the sums covered for the certificates as per the payment schedule covered under the scheme during that month (excluding profit charge).

Similarly, any additions to the existing finance amounts shall be treated in the same way as above.

The maximum sum covered allowed under this agreement in respect of any covered person shall never exceed AED 30,000,000. Any amounts above the maximum limit shall be referred to the takaful operator for approval and special terms & condition.

#### Eligibility:

All individual and joint customers under Home finance scheme (Referred to "Ajman Bank – Group Home Finance Takaful Scheme" in the certificate Conditions of the Takaful Operator) offered by Ajman Bank provided that:

- They are residents of UAE and/or UAE Nationals and/or GCC Nationals
- Actively working (i.e. not sick) and not on medical leave at the time of applying for the Facility.
- Should not exceed age 69 at entry. Cover cease at 65 riders and 70 for death

#### Scope Of coverage:

24 hours, worldwide

#### Effective Date of Cover:

Provided the customers fulfills the eligibility conditions and underwriting requirements, cover shall become effective on the first disbursement date of the financing as advised by AJMAN BANK to Watania Takaful until expiry of the financing period subject to renewal of the master Takaful Certificate.

#### Underwriting Requirement:

For new members joining the scheme on or after the inception date, the following underwriting requirements shall apply.

Financing Amount (AED)	Age 18 - 55	Age 56-69
0 – 3,500,000	None	None
3,500,001 – 7,500,000	MHQ	MHQ
7,500,001 – 15,000,000	MQ + MED + Blood + ECG + Stress ECG + Finance offer+ Travel Questionnaire	
15,000,001 - 25,000,000	Refer to takaful Operator	

- MHQ: Medical Health Questionnaire included in the proposal form. This questionnaire must be completed, dated and signed by the applicant for each proposal whatever the amount
- MER: Medical examination report completed by a medical examiner and including a urinalysis
- BLOOD: Complete Blood screening including Haemogram, Erythrocyte Sedimentation Rate, Platelet count, HIV 1 & 2 antibody test, glucose, HbA1c, creatinine, uric acid, urea, total cholesterol and HDL, triglycerides, transaminases SGOT & SGPT, gammas GT, Hepatitis B & C serology, PSA for men above 50.
- ECG: 12 lead Electrocardiogram with cardiologist report.
- Stress ECG: Exercise ECG with cardiologist report
- Finance offer: Signed Home Finance application form
- Accumulation of Risk: At all times the finance amount (Facility) to be considered for medical requirement shall be the sum of all credit agreements in all lines of credit. For example, new Facility or top up finances and refinancing and refinancing
- Extra Mortality loading shall apply on the total sum covered

- For all those cases involving individual underwriting with an unsatisfactory MHQ, no coverage shall be allowed until such time their underwriting decision is reached and confirmed in writing by the Takaful Provider. In case of any positive disclosure the Takaful Provider reserves the absolute right to ask for further medical examinations.
- Total Sum at Risk for medical underwriting shall be calculated as the sum of all coverages with the Takaful Operator of the Takaful Provider, per life, including (but not limited to) all Credit life, Group life and Individual life portfolios.
- Existing Scheme Members who underwent individual underwriting in the past will be accepted as per existing underwriting decisions including any loading and or extra mortality (up to 300% and up to the maximum treaty limit) and morbidity or even declination.
- No previously declined cases will be re-implemented

**General Conditions:**

- a) Cover Ceases after Death and/or disability claim
- b) Minimum age at entry 18
- c) Maximum age at entry 64 for riders and 69 for death only
- d) Maximum age at expiry:
  - a) 70 years for death b) 65 for riders
- e) Maximum Finance amount AED 30,000,000
- f) Minimum Finance amount AED 250,000
- g) Maximum term of financing 25 years
- h) Minimum term of financing 1 year
- i) Finances disbursed to corporates are covered subject to having a pre-defined named certificate holder(s) in the company for which the full or part of the finance is linked to. If it is in the company name then it cannot be covered
- j) Joint customers are covered subject to the following approach:  
Customer 1 = monthly unit rate applies Customer 2 = 80% x monthly unit rate applies
- k) Where, in the event of a claim under joint life cases, 100% of the Outstanding Finance Amount shall be paid
- l) As an alternative option based on the choice of the customer, if requested for, the coverage can be proportionate to the number of debtors (100% divided by the number of debtors). In this case, the Contribution Amount shall be charged in proportion according to the contribution Rate as stated below. The coverage shall be as per the provisions & conditions of the scheme. Subject always to the general terms and conditions of the Takaful Certificate and the exclusions as attached.
- m) Joint life cases may cover principal life along with natural spouse, natural siblings, partners or natural parents
- n) The guarantor of the finance is not covered under this agreement
- o) Defaulters will be covered for the first 12 months of Non-repayment subject to the following: The sum covered shall be as per the payment table without any additional amounts due to nonrepayment or profit charges
- p) Defaulters for the first 12 months can reschedule their finance (with no top up finance) subject to underwriting based on Declaration of Good health and approval of the takaful Operator.
- q) The rate will be applied to the full sum covered for up to 12 months of defaults as long as the tenor and age restriction is met.
- r) Any defaulters for more than 12 months will be excluded from the cover and the Finance will be written off as bad debt and will not be covered under this agreement.
- s) The following conditions should be met:
- t) The covered age does not exceed the maximum maturity age set in this agreement.
- u) The contribution must be paid in full within the full period.
- v) The total outstanding amount/sum covered shall not exceed in any case the Initial Finance amount

**Claim Submission:**

Notwithstanding "Errors and Omissions Clause" of this Agreement, the Takaful Operator shall not be liable for any claim for which the Takaful Operator has not received notice within 270 days from the termination of this Agreement. The receipt / confirmation date of such notice will be decisive.

**Epidemic / Pandemic Exclusion Clause:**

This certificate does not cover Death only arising out of, resulting from, caused or contributed to by any medical condition that is declared to be an outbreak or epidemic by the World Health Organization (WHO), or any Government or ruling body of a country that the outbreak or epidemic has occurred in.

**Termination of Cover:**

Cover in respect of any customers, shall automatically ceases at the earliest of the following events:

- a) Takaful contribution is not paid when due
- b) Eligible Customers reaches the maximum age limit
- c) Early termination of the financing
- d) Termination of the Takaful Certificate
- e) Payment of Death or PTD benefit

**Sanction Clause:**

Takaful Provider shall be deemed to provide cover and no Takaful Provider shall be liable to pay any claim or provide any Takaful Benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such Takaful Benefit would expose Takaful Provider to any sanction imposed by Kingdom of Bahrain or any sanction, prohibition or restriction under United Nations resolutions or the Trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America, unless such trade or economic sanctions, laws or regulations of the United Kingdom or United States of America would contravene the laws or regulations of Kingdom of Bahrain or the European Union or Germany.

**PARTICULARS TO BE FURNISHED:** The Takaful Certificate holder shall provide all necessary information to the Takaful Provider. Such particulars shall, unless otherwise agreed by the Takaful Provider in writing, be provided on the Certificate Commencement Date and thereafter monthly as specified by the Takaful Provider.

**EVIDENCE OF AGE:** Evidence of the age of a Takaful Scheme Member satisfactory to the Takaful Provider shall be required before any Takaful Benefit Amount is paid subject to Takaful Scheme Provisions and Conditions.

**Mode of Payment of Takaful Contribution:**

Monthly payment based on monthly Total Outstanding Balance declaration at the end of each of the preceding month. Grace period allowed for payment of Takaful Contribution is 30 days. Takaful Contribution shall be credited into Watania Takaful Family.

**Exclusions:**

As per Takaful Operator Certificate conditions however specifically excluding the following:

**Death and Permanent Total Disability Exclusions**

1. War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, military rising, insurrection, rebellion, revolution, military or usurped power, martial law, acts of terrorism, mutiny or riot or civil commotion assuming the proportions of or amounting to a popular rising.
2. Atomic, Biological, and Chemical contamination;
3. Worldwide Terrorism Exclusion  
Notwithstanding any other provision in this Certificate, the Takaful Provider shall not be liable for claims directly or indirectly caused by, resulting from, or in connection with acts of terrorism by making use of nuclear, biological or chemical weapons or material, or action taken in controlling, preventing, suppressing or in any way relating to any such act of terrorism, regardless of any other cause or event contributing concurrently or in any other sequence of the loss. An act of terrorism means an act – whether involving violence or the use of force or not – or the threat or the preparation thereof, of any person or group(s) of persons – whether acting alone or on behalf of or in connection with any organisation(s) or government (s) – which appears to be intended to intimidate or influence a de jure or de facto government or the public or a section of the public, or disrupt any segment of the economy and
4. from its nature or context is done in connection with political, social, religious, ideological or similar causes or objectives
5. Suicide within the first twelve (12) months from the commencement of individual takaful cover / Normal Date of Inclusion.  
In any case, active participation of the Scheme Member in any acts of terrorism – whether making use of nuclear, biological or chemical weapons or material or not – shall be excluded

**Permanent Total Disability Exclusions**

In addition to the above, the below is also excluded from Permanent Total Disability:

1. Suicide or attempted suicide or any act of Intentional self-injury whilst sane or insane.
2. Sexually transmissible diseases, AIDS or the presence of any Human Immunodeficiency Virus (HIV) or any antibodies to such virus
3. Facility taken out by the Scheme Member for his own medical treatment.
4. Any participation or training for any dangerous or hazardous sports or competition or riding or driving in any form of race or competition;
5. Underwater activity necessitating the use of artificial breathing equipment.
6. Scheme Member being in or upon or entering into or alighting from or descending or falling from aircraft of any kind other than a fully licensed standard type of fixed transport organization providing regular air services between duly established airports in which he/she is traveling as a pilot, cabin crew or farepaying passenger.
7. Any claim arising out of a Pre-Existing Conditions, which were present at the time of taking out the Facility for the first year of Facility inception of the Scheme Member.
8. Misuse of drug or alcohol;
9. Mental illnesses and nervous disorders
10. Extra-Contractual Obligations, for example any ex-gratia payments.
11. Any disease or medical impairment from which the Scheme Member was suffering or had a serious past history at the Certificate Commencement Date or his/her Normal Date of Inclusion, if later
12. Taking part in criminal or illegal acts

**Passive War and Terrorism Cover:**

Subject to the terms and conditions of this agreement, "Passive War & Terrorism" benefit shall become payable on death or disability of a covered member as a result of war, war-like operations (whether war be declared or not) or terrorism, provided that the war or act of terrorism either takes place in the country of residence of the covered member; and the covered member does not actively participate in any of the above-mentioned events or the covered member is involuntarily affected by suddenly occurring war, war-like operations or act of terrorism take place while travelling outside the country of residence where the covered member remains no more than 28 days, except Force Majeure, following the outbreak.

"Passive War & Terrorism" cover is limited to covered members living and working in the country where the cover is issued.

For the avoidance of doubt it is understood that no claim shall be payable if the covered member is travelling to a country after war has been declared in that country or after it has been recognized as a war zone or that country is exposed to warlike operations.

"Warlike operations" means hostilities, mutiny, riot, civil commotion, civil war, rebellion, revolution, insurrection, conspiracy, military or usurped power, martial law or state of siege.

Act of Terrorism shall mean any act, including but not limited to the use of force of violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization (s) or government(s) which is committed for political, religious, ideological, or ethnic purposes or reasons including the intention to influence any government and/or creating panic and fear among the public, or any section of the public.

For the purposes of the Passive War & Terrorism risk cover hereunder, solely death and disability resulting directly and independently of all other causes from bodily injury effected through external, violent and visible means shall be covered, provided the death materializes within a period of 6 months after the bodily injury has occurred.

**Exclusion:**

No claim shall be payable if it is proven that:

The Covered Member has been taking an active part in any of the events mentioned above, or that he was member in regular army or security forces or military or paramilitary organization.

Death, disability, injury, illness or associated cost or expense directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with an act of war and/or terrorism involving biological, chemical, or nuclear weapons, explosion, pollution, contamination and/or fire following thereon.

If covered member is travelling to a country after war has been declared in that country or after it has been recognized as a war zone by the United Nations or where there are warlike operations. In no case the Passive War Risk shall be covered in Iraq, Afghanistan, Syria, Yamen, Libya and Palestine unless referred to and agreed by Takaful Operator as special acceptance.

**Evidence of Claim:**

In case of claim, the Takaful Operator shall provide the below documents as supporting documents / evidence of claim.

**a) For Death claims:**

1. Copy of the official death certificate
2. Copy of the national Identity card or passport of the eligible,
3. Statements from the Bank detailing the outstanding balance
4. Finance application form signed by the customer
5. Copy of the Medical report/Forensic report stating the cause of death
6. Police report in case of accidental death
7. Good health declaration or medical questionnaire provided by the applicant at the inception date of the Finance, if any.

**b) For Permanent Total Disability claims:**

1. Copy of the national Identity card or passport of the eligible,
2. Note from the official authority giving agreement on the PTD of the eligible,
3. Statements from the Bank detailing the outstanding balance
4. Finance application form signed by the customer
5. Medical certificate from the attending physician giving full information on the claimants health status
6. Copy of all medical documents (hospitalization and surgery reports, histology reports, specialist's report, lab test, etc.) related to the claim
7. Good health declaration or medical questionnaire provided by the applicant at the Inception date of the Finance, if any.
8. Police report in case of accidental disability

**Claims notification limit: maximum of 270 days**

The takaful Operator reserves the right to have the claimant examined by an approved doctor and to request further documents.

Legal Actions: No legal action may be brought against the Company If more than (270 days have passed from the date on which the right to claim arose)

The takaful Operator reserves the right to have the claimant examined by an approved doctor and to request further documents.

**Permanent Total Disability:**

Means the total and permanent inability of the Scheme Member, due to Accident or Sickness occurring prior to attaining age 65 years and arising out of a cause other than those mentioned under Exclusions, to perform his/her own occupation or any other occupation for which he/she is reasonably suited by reason of education, experience, training and provided he/she is not undertaking any other occupation whatsoever during his remaining lifetime, and provided that Takaful Provider is satisfied that he/she will be so rendered indefinitely.

Permanent Total Disability benefit is subject to a deferment (waiting period) of benefit until six (06) months following the event giving rise to the claim as confirmed by the Medical Expert authorized by Watania Takaful Family PJSC. In case of Permanent Total Disablement, the Scheme Member has sustained specific injuries through an Accident which after six calendar months are beyond any hope of improvement.

The Takaful benefit payable on the extent of disablement occasioned by severance or total loss of the use of the parts of the body listed below:

- Total and irrevocable loss of sight of both eyes
- Total incurable insanity
- Loss of both arms or both hands
- Complete and permanent deafness of both ears of traumatic origin
- Removal of lower jaw
- Loss of speech of traumatic origin
- Loss of one arm and one leg
- Loss of one arm and one foot
- Loss of one hand and one foot
- Loss of one hand and one leg
- Loss of both legs
- Loss of both feet
- Total Paralysis of four limbs