Certificate Terms & Condition for Sharjah Islamic Bank - Credit Life Takaful Scheme:

Basis of Cover: Group Credit Life cover issued by the Watania Takaful to the eligible customers of Sharjah Islamic Bank Credit Life scheme (cover all financing facilities i.e. including but not limited to overdraft balances and credit cards) covered on an optional basis only for new business

Benefits:

- Death due to any cause (DAC) 100% of sum covered
- Permanent Total Disability (PTD) due to accident or sickness Any occupation 6 month deferred: 100% of sum covered as per annex b.
- Pensioners will be covered for Death (any cause) only
- PWR is excluded from cover.

Sum Covered:100% of the Outstanding finance Amount including accrued profit at date of Death or Permanent Total Disability. Maximum finance Amount: **AED 10,500,000** in aggregate per person, unless approved and covered for higher loan amount. New higher finance amount shall be reviewed for acceptance on a case-by-case basis.

Eligibility:

- Customer of SIB, and key personal/director of corporate SIB accounts, who are: UAE Nationals, GCC Nationals, Expatriates and UAE Residents.
- All SIB customers for all debt balances including accrued profits for all finance facilities including but not limited to overdraft balance and credit cards, debt balances of individuals and key personnel/director of companies, Corporate Finance Facilities, Restructured Finance Facilities, Revolving Finance Facilities, other Finance Facilities (i.e. all debit balances for the customer).
- Cover is subject to actively at work for new customers i.e. all new customers who have not been able to perform their contractual obligations to their employers for 30 days due to an accident or sickness (chronic or non-chronic) will not be covered. The customer will need to sign that he was continuously and uninterruptedly attending to work for the past 30 days.
- Actively at work applies at time of taking the Finance for nationals (i.e.: the customer should be actively working on the day he is taking the finance)
- Pensioners who are receiving regular pensions from UAE Government are exempted from this condition.
- New customers who are not active but are willing to be underwritten are exempted from this condition.
- Financial eligibility should be strictly applied.

Age Limit:

- Cover ceases at age 70 for death any cause and at age 65 for supplementary benefits.
- Members above age 70 and up to age 75 will be covered for Accidental Death only subject to a maximum Outstanding Sum covered of AED 3,500,000 and based on the scheme monthly rate.
- Maximum age of entry: 64 years, unless checked on a case-by-case basis

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 Sharjah Islamic Bank to Watania Takaful until expiry of the financing period subject to renewal of the master Takaful Certificate.

Underwriting guidelines:

Free cover limit, up to age 70 for DAC and up to age 65 for PTD (Maximum entry age being 64 for both)

a) AED 4,000,000 for members with less than 12 months cover.
b) AED 5,000,000 for members with more than 12 months cover.

c) Members having a finance between AED 4,000,0000 and AED 5,000,000 and less than 12 months cover are subject to filling an MQ.
d) No previously declined cases will be re-implemented unless presenting fresh and satisfactory medical underwriting evidence which will be assessed and decided upon.

Underwriting Grid

Amount for Finance with less than 12 months duration	Age 20 – 45	Age 46 – 64
Up to AED 4,000,000	None	None
AED 4,000,001– AED 5,000,000	MQ	MQ
AED 5,000,001 – AED 7,000,000	MQ + MER + Blood	MQ + MER + Blood
AED 7,000,001 to AED 10,500,000	MQ + MER + Blood + Stress ECG	MQ + MER + Blood + Stress ECG
Amount for Finance with 12 months or more duration	Age 20 – 45	Age 46 – 64
Up to AED 5,000,000	None	None
AED 5,000,001– AED 7,000,000	MQ + MER + Blood	MQ + MER + Blood + Stress ECG
AED 7,000,001 to AED 10,500,000	MQ + MER + Blood + Stress ECG	MQ + MER + Blood + Stress ECG

- **MQ:** Medical Questionnaire – to be completed, dated, and signed by the applicant.
- **MER:** Medical Examination Report completed by a medical examiner, including urinalysis.
- **Blood:** Complete blood screening including Haemogram, ESR, Platelet Count, HIV 1 & 2 Antibody Test, Glucose, HbA1c, Creatinine, Uric Acid, Urea, Total Cholesterol & HDL, Triglycerides, SGOT & SGPT, Gamma GT, Hepatitis B & C Serology, and PSA (Men).
- **ECG:** 12-lead Electrocardiogram with cardiologist report.
- **Stress ECG:** Exercise ECG with cardiologist report.

General Conditions:

- The guarantor of Finance is not covered under this agreement unless approved by takaful operator.
- No financial risks are covered under the plan.
- Cover is on loss occurring basis. Claims will only be paid if they are incurred during the 12-month period of cover (claims failing before Inception date or after termination date are not covered)
- All claim submissions must be referred to the takaful operator with all accompanying documents.
- The certificate holder should furnish any information, reports, or record on the statement of health of the person covered under the certificate or to allow any of the person covered to undergo medical examination, as required by the Cedant for cases above the FCL or overage cases.
- Corporates Finance Facility: In case of change of the Keyman/Director who is covered under the Keyman/Director finance. The new Keyman/Director will be covered for the remaining sum covered subject to new underwriting. Otherwise, he will be covered for the lesser between the outstanding sum covered and the Free Cover Limit.
- Restructured Finance Facility: Certificates are accepted without new underwriting in case the new sum covered is equal or less the outstanding sum covered at the time of the restructuring.
- Revolving Finance Facility: Customers having a revolving finance Facility will be covered for the Outstanding Finance Amount as declared in the monthly declaration and provided that the contribution Amount is paid accordingly, this is subject that the Outstanding Finance Amount declared is not greater than the Free Cover Limit as defined in the certificate. Medical Underwriting requirements will need to be completed by the Scheme Member to confirm coverage if the Outstanding Finance Amount as declared exceeds the Free Cover Limit, otherwise the Benefit will be capped to the Free Cover Limit.

- Any monthly finance Facility instalment default of more than twelve (12) consecutive or cumulative months in arrears will be borne by claimant or the certificate holder. The exposure will be in line with the pre-agreed finance Facility(ies) repayment schedule.
- Ancillary benefits are limited to a maximum of USD 2,000,000 per life.

Existing Customers:

- Any existing customer who had taken the finance and wants to top up the Finance amount above FCL, and somehow, the case was rejected by the underwriters, the customer will remain covered by the takaful operator for the existing finance amount which he was previously covered for.
- Existing customers are treated as expiry unless an old customer takes a top up finance leading to an exposure over AED 3,500,000 with takaful capped at AED 3,500,000, then he will be treated as a new customer as well.

New Customers:

- Definition of New customer: shall refer to the customer whose first time to apply for the financing facility is after the commencement date of the Agreement.
- New Customers (Clarification): limits above Free Cover Limit will strictly follow the underwriting decision whether being extra mortality or any particular condition exclusions, etc. based on the health of customer up to the maximum limit of the plan of AED 10,500,000, unless they are approved for higher amounts. If the new customer does not perform the underwriting for some reason and the bank agrees to finance him/her, the cover is capped at the FCL (until the OS reaches the AED 3,500,000 and then the SA will start decreasing) subject to filling a DOGH. If decision was a rejection, then the customer is not covered from ground up for the benefit(s) rejected from cover.
- If a new customer, or an existing customer asking for a new top up /additional finance, takes on a finance above the Free Cover Limit per person, and has completed all the underwriting requirements, and the underwriting decision was Rejected or Above +100% extra mortality and/or above +100% extra morbidity, then the Bank cannot grant him a new finance cover under the FCL.
- If a new customer, or an existing customer asking for a new top up/additional finance, takes on a finance above the Free Cover Limit per person, and has completed all the underwriting requirements, and the underwriting decision was +100% or below extra mortality then the Bank may grant him a new finance cover under the FCL. - Otherwise, the extra contribution requirement will be applied as per the underwriting decision.

Joint Customer:

- The outstanding sum covered will be paid at the first death or disability based on the sum cover distribution. If all the customers are covered for the full outstanding sum cover, then full payment will be disbursed at the first death or disability. contribution, full medical and financial underwriting shall apply for all customers based on their portion of the outstanding sum covered. Existing customers who do not comply with the above shall remain covered based on the expiring Joint Customers (Existing Scheme Members) rules as mentioned above.

Non-Working Customers:

- Definition of non-working customers: "Under this certificate, a non-working customer is a covered individual who derives his or her entire income from real estate, asset or investment property worldwide, without exercising any salaried occupation, any activity of civil servant or without being a self-entrepreneur. By real estate, asset or investment property worldwide, the present certificate refers to the following among others: life insurance/takaful contracts, term accounts, shares in various companies, real estate income, stock markets, financial investments, investment funds, interests, rents, dividends, capital gains, profits etc."

- Pensioner(s) – meaning a customer that collects a pension (a regular payment made by the UAE Government to people of or above the official retirement age) from the UAE Government because of normal retirement from the workforce– subject to retirement not being for any medical reasons
- For pensioners or non-working customers, the takaful operator will assess the risk based on requested sum covered and financial eligibility. The takaful operator is exceptionally willing to offer these members FCL of AED 1,000,000 up to age 65. Between AED 1,000,001 and AED 3,500,000, a medical questionnaire should be provided and full individual Underwriting for amounts above AED 3,500,000.
- For pensioners / non-working borrowers who wish to cap their sum covered at AED 3,500,000/- The takaful operator would need both an MHQ and a MER.
- For non- working customers the maximum sum cover shall be limited to AED 1 million for death any cause.
- Disability for non-working customers will be based on 4 out of 6 ADLs.

Pre-existing Conditions:

- Pre-existing conditions exclusion for new customers under the Free Cover Limit may be waived subject to excluding for the first 6 months under Death and for the first 12 months under Disability the following listed cases: "Cancer, liver problems, kidney problems, and cases where the covered underwent bypass surgery or open-heart surgery in the past 12 months"
- Exclusion: Pre-existing conditions for pensioners within the first 24 months from the date of issuance of the finance. This exclusion does not apply to existing pensioners who have been covered for a continuous period of 24 months.
- Pre-existing conditions for existing customers having more than 12 months finance duration are covered.

Notice of Cancellation: Subject to 1 months' notice prior to expiry date.

Termination of Cover:

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

Claim notification period:
Claims must be notified to the takaful operator as soon as possible but in any case, not more than 270 days from the SIB notification date of the incident-giving rise to the claim, together with the supporting evidence required by the takaful operator and listed hereunder. If the takaful operator is not notified of the claim within that period.

Claims Basis: The Takaful operator shall be liable for claims occurring during the Period of Cover of this Agreement.

Sanction Clause: No Takaful Operator shall be deemed to provide cover and no Takaful Operator shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that Takaful Operator to any sanction imposed by the United Arab Emirates 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 the Kingdom of Bahrain or the European Union or Germany.

Exclusions:
The takaful operator shall not be liable for claims directly or indirectly caused by, resulting from, or in connection with any of the following:

- War, invasion, acts 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, mutiny or riot or civil commotion assuming the proportions of or amounting to a popular rise.
- AIDS if it was contracted prior to the insurance cover with the Cedant
- Atomic, Biological, and Chemical contamination
- Criminal Acts committed by the insured
- Pre-existing conditions for pensioners within the first 24 months from the date of issuance of the loan. This exclusion does not apply to existing pensioners who have been covered for a continuous period of 24 months.

For Additional benefits the following supplementary exclusions apply:

- Mental and Nervous Disorder
- Intentionally self-inflicted injury, suicide or attempt suicide (whether sane or insane)
- Aviation, gliding or any form of aerial flight other than as a fare paying passenger of a recognized airline or charter service
- Being under the influence of alcohol and drugs other than in accordance with the directions of a registered medical practitioner.
- Involvement in any underwater activity.
- Participation in or training for any dangerous or hazardous sport or competition or riding or driving in any form of race or competition; leisure activities are covered.
- Covered engaging in any illegal act, breach of Law or criminal act
- Covered engaging in or taking part in any naval, military or air force operation
- Illegal Pregnancy, abortion or childbirth
- Disease or medical impairment, from which the insured was suffering, received treatment for or aware of at the commencement of his cover.
- Disability occasioned or contributed to by HIV infection, AIDS or an AIDS related condition