

# EFU Credit Cover Insurance Scheme

## PROVISIONS AND CONDITIONS

### 1. DEFINITIONS

In these Provisions:

**ACCIDENT** means bodily injury which is caused solely by violent, external and accidental means and resulting directly and independently of all other causes.

**APPOINTED SIGNATORY** means person(s) nominated by the Company and the Bank to carry out the Insurance Business.

**BANK** means Bank Alfalah Limited.

**CONFINEMENT DATE** means Date on which a Member is registered and interned as a bed-patient in a Hospital and incurs a daily room charge, whether or not borne by the Member himself.

**CREDIT** means the credit or other form of financial accommodation provided to Cardmember under the Credit Card by the Bank and other financial institutions in Pakistan.

**DAILY BENEFIT** means the benefit payable to the Member for each day of Hospital confinement, as specified in this Policy.

**CREDIT CARD** means Bank's Credit Card facility, which has been nominated as the facility to which the assurance is to apply.

**CARDMEMBER** means a customer of Bank's Credit Card Facility.

**COMMENCEMENT DATE** means the date this policy takes effect.

**DEATH** means death by Injury or Sickness.

**ELIGIBLE CARDMEMBER** means a Cardmember who is eligible for assurance under this Policy in accordance with clause 4.

**ELIMINATION PERIOD** means the period of time from the enrollment of a Member by the Assured into this Policy during which treatment necessitated by any cause other than Accident is not covered.

**ENROLLMENT DATE** means the date on which a Member was initially enrolled under the Policy.

**HOSPITAL** means an institution that is:

- a) properly licensed to provide medical care in accordance with the laws of Pakistan;
- b) is primarily engaged in providing diagnostic and laboratory tests, medical evaluations, medical treatment & services and surgical facilities;
- c) has 24 hours-a-day nursing service by registered graduate nurses under the permanent supervision of in-house Physicians in charge;
- d) maintains proper in-patient facilities with documented protocols and procedures; and
- e) maintains a daily medical record for each of its patients, which is readily accessible to the Company

**INDEBTEDNESS** at the time of Death, Permanent Total Disability or Terminal Illness means the closing balance(s) of the last Credit Card statement(s) of the Bank and other financial institutions in Pakistan in respect of insured Member prior to the Event giving rise to the claim plus amount of any authorized Credit Card transaction made prior to the Event giving rise to the claim not included in that statement. The Indebtedness shall not exceed the total amount outstanding on the Credit Card. Subject to Clause 11(c), the maximum benefit limit for other financial institutions' credit card shall be limited to the outstanding card balance on Bank Alfalah credit card facility.

No benefit shall be payable on account of the credit card issued other than Bank Alfalah where the cardmember has not made any Transaction on his Bank Alfalah credit card within the last three months prior to the date of Event giving rise to the claim OR the outstanding balance on Bank Alfalah credit card is "zero".

Provided if a Temporary Total Disability Benefit was being paid, the Indebtedness shall be reduced by an amount equal to reduction in the outstanding balances as a result of the Temporary Total Disability Benefit which have subsequently been paid.

**INJURY** means bodily injury resulting from an Accident occurring after the Commencement Date.

**INPATIENT** means a person confined in a Hospital as a registered bed patient for at least a consecutive period of 24 hours.

**INSURER/COMPANY** means EFU Life Assurance Limited.

**MEMBER** means an Eligible Cardmember who is included in this policy upon successful Acceptance of Cover defined in clause 14.

**MONTHLY INSTALLMENT** means "Total Minimum Payment Due" payable to the Bank by the Member as set out in the last billing statement issued prior to the occurrence of the Event giving rise to the claim.

**PERMANENT TOTAL DISABILITY** means a Member having been permanently and totally disabled for six consecutive months as a result of Injury or Sickness which prevents the Member from engaging in any occupation for which he is reasonably qualified by training, education and experience and provided that the Insurer is satisfied that he will be so rendered indefinitely.

**PHYSICIAN** means a licensed medical practitioner bearing valid inforce registration with the Pakistan Medical and Dental Council (PMDC), and who:

- a) is someone other than the Member or a relative of the Member;
- b) is a Physician in an Approved Hospital;
- c) is not or never has been disqualified or license revoked or suspended from practicing as a medical practitioner by the Pakistan Medical and Dental Council (PMDC) or any statutory / regulatory / government body / entity, whether within Pakistan or outside Pakistan.

**POLICY PERIOD** means the period of one month beginning from the Commencement Date or any Renewal Date.

**PRE-ADVICE** means information provided by the Member or any of his family members accompanying him at the hospital regarding his Hospitalization, through the Claims Helpline during his hospitalization. Information should include details regarding:

- a) Identification details of the patient to determine that he is the Member

- b) When Member was admitted
- c) Where Member is admitted
- d) Why Member is admitted (presenting complaints or diagnosis)
- e) When Member is expected to leave hospital

The Member must also advise Claims Helpline when he is discharged from Hospital and he should also confirm or amend the diagnosis at that time as previously advised.

Failure to comply with this condition may result in non-approval of a claim by the Company. For the claim to be paid, it is mandatory that the CNIC of the person claimed to have been hospitalized is present in the list of Members available with the Company.

**RENEWAL DATE** means any subsequent monthiversary of the Commencement Date.

**SICKNESS** means sickness or disease contracted for the first time after the Commencement Date.

**TEMPORARY TOTAL DISABILITY** means inability, due to Injury or Illness, of the Member to engage in his own occupation or employment for a period exceeding forty five days and provided the Member is not otherwise gainfully employed or in receipt of any payments from his employer (including sick pay) or any Social Security organization.

**TERMINAL ILLNESS BENEFIT** means a medical condition which in the opinion of a relevant specialist(s) approved by the Insurer would result in the life span of the Member being reduced to a period of not more than six months after the diagnosis of such a medical condition.

**TRANSACTION** means any retail purchase, cash withdrawal, installment plan or revolving balance.

Words importing the singular number include the plural number and vice versa and words of masculine gender shall include the feminine unless the context otherwise requires.

## **2. MASTER CONTRACT**

These Provisions and Conditions constitute the Master Policy between the Company and the Bank. No one except an Appointed Signatory is authorized to modify this Policy, or extend the time for premium payment, to waive any lapse or forfeiture, to waive any of the Company's rights or requirements or to bind the Company by making any promise or by accepting any representation or information. The Company shall not be bound by any promise or representation heretofore or hereafter given by any person other than the authorized representative and such approval be endorsed hereon.

## **3. AMENDMENT OF THIS POLICY**

This Policy may be amended or changed at any time, without the consent of the Members covered hereunder, upon written request made by the Bank and agreement by the Company. Any Amendment or change to this Policy shall be binding on all Members whether assured under this Policy prior to or on after the date such amendment or change becomes effective.

## **4. ELIGIBILITY**

The Cardmembers eligible for assurance are the present and future Basic Cardmembers of the Bank's Credit Card facility who are within the Eligibility Age Range i.e. between 18 and 75 years. Supplementary Card Members are not eligible for assurance.

## **5. EVIDENCE OF AGE**

Evidence of age of a Member satisfactory to the Company will be required before any benefit in respect of him is paid under this Policy and if after commencement of the assurance hereunder the date of birth of any Member is found to have been incorrectly notified to the Company, the Company shall notify the Bank of the adjustment to be made under this Policy in respect of such incorrect notification. No benefit whatsoever shall be payable under the Policy if the correct age of the Member is found to be more than 75 years. Computerized National Identity Card will be considered an authentic proof of age. If Identity Card is not available then Birth Certificate will be considered. If both Identity Card and Birth Certificate are not available then Matriculation Certificate or any other satisfactory evidence which the Company may specify will be considered as acceptable proof of age.

## **6. AMOUNT AND CALCULATION OF PREMIUM**

Premium is charged to the Member at the rate of 0.85 for every Rs. 100 on the closing balance shown on the Credit Card Statement each month.

The company may however, by giving notice in writing to the Bank, modify rates as it thinks fit. The revised rates would be applicable from the following month.

### **6. (A) PREMIUM PAYMENT METHODOLOGY**

Premium shall be received by direct debit at the rate of 0.85% on monthly closing balance shown on the last Credit Card statement. The premium rates applicable under this Policy shall be 69 paisa for every Rs. 100 per month of the closing balance amount shown on the last statement.

## **7. RENEWAL**

This Policy will be renewed automatically upon deduction of due premium by direct debit every month unless cancelled by individual customer or Bank. If cancelled by Bank then cover will cease for all covered members immediately following the cancellation date.

## **8. FREE LOOK PERIOD**

It is the period of fourteen (14) calendar days from the Commencement Date during which a customer has the right to examine the terms of the insurance policy and to cancel the coverage for any reason without penalty.

Premium in respect of Members shall not be payable for the first fourteen (14) days from the respective Commencement Dates. Therefore premium (if any) paid during Free Look Period of 14 days will be refunded in full without penalty, the insurance coverage is cancelled from inception and considered never to have been in effect, and no claims will be paid.

Where a customer cancels the Policy beyond Free Look Period, Clause 9 shall apply.

## **9. CANCELLATION**

If a Member cancels the coverage any time beyond the allowed free look period whilst the Policy is in full force then subject to terms and conditions of the Policy such cancellation shall be made effective from the following calendar month and any premium charged already prior to the cancellation request date shall not be waived or refunded.

The customers who wish to cancel the coverage will submit his request with the Bank in writing or over recorded telephone line on designated helpline number of Bank.

## **10. BENEFITS/COVERAGES**

Upon receipt of due proof in writing that the Member has whilst the Policy is in full force and effect, suffered Events set out hereunder, the Company subject to the exclusions, terms and conditions shall pay the following Benefits:

### **a) Death Benefit**

In the event of death of the Member, the Company will, upon receipt of and due investigation of the Claim, pay the amount of Member's Indebtedness plus credit charges on the indebtedness for a maximum period of two months after the date of death subject to maximum Rs. 1,200,000 and Rs. 7,000,000 for Classic/Gold and Platinum card types respectively.

### **b) Additional Accidental Death Benefit**

In the event of death of the Member due to injuries caused solely by violent, external and accidental means and there is evidence of visible contusion or wound on exterior of the body except in the case of drowning or of an internal injury revealed by an autopsy, and that such death occurred within 90 days of the accident solely as a result of same injury and not as an indirect result of any fit, physical defect, illness or disorder, the Company will, upon receipt of and due investigation of the Claim, pay twice the amount equivalent to the Member's Indebtedness subject to maximum Rs. 1,200,000 and Rs. 7,000,000 for Classic/Gold and Platinum card types respectively, in addition to the Death Benefit under this Policy.

The Company will also pay a monthly stipend equal to Rs. 8,000 to the bereaved family for a maximum period of three years or the remainder of age 75 years of the deceased Cardmember whichever is earlier.

### **c) Permanent Total Disability Benefit**

On Permanent Total Disability of the Member due to Accident or Sickness, the Company will, upon receipt of and due investigation of the Claim, pay the amount of Member's Indebtedness plus credit charges on the indebtedness for a maximum period of two months after the date of Permanent Total Disability subject to maximum Rs. 1,200,000 and Rs. 7,000,000 for Classic/Gold and Platinum card types respectively. The benefit will be paid after six consecutive months of disability.

Permanent Total Disability means inability of the Member to engage in any occupation for which he is reasonably qualified by education, training and experience. Benefit will become payable 6 months after the onset of disability.

### **d) Temporary Total Disability Benefit**

In the event of Temporary Total Disability of the Member due to Accident or Sickness, the Company will, upon receipt of and due investigation of the Claim, pay the amount of the Monthly Installment during the disability period upto maximum of twelve months. No Temporary Total Disability Benefit shall be payable for the first forty-five (45) days of any period of Temporary Total Disability Benefit.

### **e) Terminal Illness Benefit**

If the Member is diagnosed with a Terminal Illness (as defined in Clause 1 of these provisions and conditions), the Company will, upon receipt of and due investigation of the Claim, pay the amount of Member's Indebtedness plus credit charges on the indebtedness for a maximum period of two months after the date of diagnosis of such illness.

Payment of Terminal Illness Benefit shall absolve the Company of liability against death benefit of the same Member.

**f) Hospital Cash Benefit**

If the Member, as a result of Accident or commencement of Sickness is necessarily confined as an Inpatient within a Hospital, for at least 24 consecutive hours, under the continuous attendance of a Physician, then the Company will, upon receipt of and due investigation of the Claim, pay the Daily Benefit.

The insurance coverage for each Member for Hospitalization Benefit shall be equal to the Daily Benefit amount mentioned hereunder:

Daily Benefit (PKR)
2,000

**Maximum Hospitalization Limit:**

Subject to other terms and conditions of this Policy, the Daily Benefit will be payable for maximum 30 days under this Policy for all claims arising in respect of each Member during one Policy Year.

No benefit is payable in case of confinement of less than 24 consecutive hours.

**Successive Periods of Hospital Confinement:**

If within thirty (30) days of discharge following a period of Hospital confinement for which the Daily Benefit is paid or payable under this Policy, the Participant is readmitted and confined as an Inpatient, due to the same or related causes, the Daily Benefit will not be payable. If subsequent confinement as an Inpatient is after a period of at least thirty (30) days from the date of discharge from the immediately preceding period of Hospitalization, the confinement will be considered a new period of confinement and the Daily Benefit will be paid in accordance with the appropriate provisions of this Policy.

**g) Family Hospitalization Cover**

In the event of death of the Member, the family of deceased Cardmember will be eligible for a health insurance plan with a cumulative annual hospitalization limit of Rs. 500,000 for upto three years from the date of the death of the Cardmember.

Family will include one spouse and three children upto age of 18 years as per family registration certificate issued by NADRA. The spouse should not be older than 60 years at the time of commencement of Family Hospitalization Cover.

**11. LIMITATIONS AND REDUCTIONS**

- a) No Temporary Total Disability Benefit shall be payable for the first forty-five (45) days of any period of Temporary Total Disability Benefit.
- b) The maximum cumulative amount of benefits from any all events giving rise to the claim under this policy shall not exceed Rs. 1,200,000 and Rs. 7,000,000 for Classic/Gold and Platinum card types respectively.
- c) Maximum two other credit cards than issued by Bank Alfalah Limited will be eligible for coverage in the Policy.
- d) If an event enables the Member to qualify for more than one Benefit, only one benefit will be paid, the higher Benefit applicable.
- e) In case of non-payment of "Minimum Payment Due" for more than 90 days, the Member shall not be eligible for the benefit.
- f) No Permanent Total Disablement Benefits will be payable in respect of the Member where the Member has previously received such benefits under any credit cover insurance policy.

## **12. CESSATION OF MEMBERSHIP**

A Member shall cease to be a Member on any of the following:

- a) The Member's death, terminal illness, permanent total disability;
- b) Cancellation of the Member's Credit Card Facility;
- c) The Member having attained the age of 75 years;
- d) Non-payment of premiums by the Member for more than 90 days except in case of an insured event giving rise to a claim;
- e) Non-payment of premiums by the Bank to the Insurer for a period of thirty days after they have become due;
- f) Any other date on which the Member ceases to be eligible for assurance for any fraudulent or criminal reason affecting the assurance hereunder. Decision of the court shall be final in such cases;
- g) Written notice from the Member that the insurance be cancelled;

## **13. EXCLUSIONS**

No benefit will be payable if the death, terminal illness or disability of the Member results directly, wholly or partly as a result of or related to:

- a) Suicide within 13 months of the member's enrollment date;
- b) Sickness occurring within 30 days of the member's enrollment date;
- c) Any deliberate self-inflicted injury;
- d) Pregnancy, miscarriage, child birth or non-malignant disease accruing in or connection with female reproductive organs;
- e) Any accident occurring on or in or about any aircraft other than an aircraft in which the cardmember was travelling as a bona fide fare paying passenger and which is operated by a licensed commercial or chartered airline;
- f) Riot, civil commotion, strikes and war (whether war be declared or not);
- g) The influence of alcohol or drugs other than proper use of drugs prescribed by a legally qualified medical practitioner;
- h) Disease or incapacity which existed prior to commencement of insurance;
- i) Acquired Immune Deficiency Syndrome (AIDS), AIDS Related Complex (ARC) as defined by the World Health Organization from time to time or Presence of Human Immunodeficiency virus (HIV) as revealed by the positive HIV anti-body or HIV test;
- j) Catastrophes such as floods, epidemics, etc. resulting in 250 or more deaths;
- k) Service on duty with armed or paramilitary forces;
- l) Hazardous sports such as motorcycling, hunting steeple chasing, mountaineering, racing of any kind, winter, sports and diving;

- m) Heatstroke or sunstroke, poison, gas or fumes;
- n) Any Terminal Illness which was diagnosed prior to the commencement of the insurance;

#### **14. ACCEPTANCE OF COVER**

The written consent or verbal acceptance over telephone and the subsequent voice recording of the Cardmember is deemed to be his/her consent for effecting insurance coverage under this Policy. After receiving the consent of the Cardmember, received and confirmed by the Bank, the Company shall commence the cover.

The premium transaction shall be mentioned in the next Monthly Installment statement due after the date of giving the consent. The Cardmember shall have the right to call or write to the Bank cancel the cover. The Company reserves the right to decline or to accept any Cardmember for cover or to accept him on any special terms and conditions it deems appropriate.

#### **15. ASSIGNMENTS**

The assurances provided for under this Policy and the benefits payable hereunder are not assignable.

#### **16. CLAIMS**

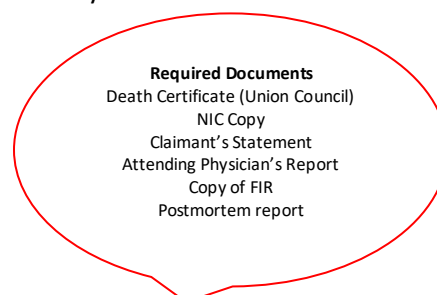
Written notice of claim must be presented to and received at the office of the Company issuing the Policy within 90 days of occurrence of insured event(s). The Member will provide, at his own expense, all certificates, information and evidence required by the Company in respect of claims.

The assurance effected hereunder shall carry no surrender or paid up value.

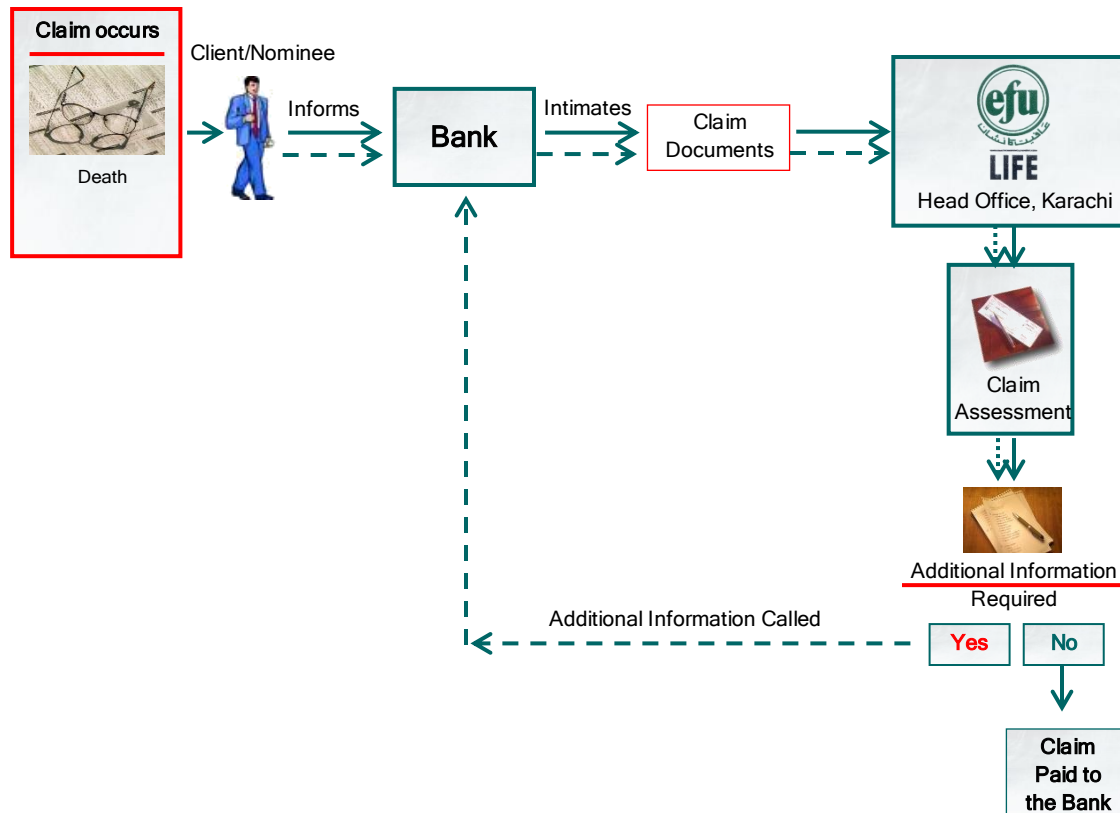
#### **16. (A) CLAIM SETTLEMENT PROCESS**

Written notice of claim must be given to EFU Life immediately but in any case not later than 90 days after occurrence of insured event(s). All claims will be subject to such discharge, evidence of claim and proof of age of the member as EFU Life may require. Claim forms will be available with the bank. In case of claim of an insured member, EFU Life will require following documents:

- Copy of death certificate issued by union council
- Copy of National Identity Card of covered member
- Claimant's Statement
- Attending Physician's Report
- Copy of FIR
- Postmortem report, if conducted
- Last six months card statement / bill
- Disability Claim Form
- Any other requirement deemed to be necessary







## 17. CHANGE OF OWNERSHIP

If the business of the Bank shall be transferred to or succeeded by any person or corporation then, subject to the consent of the Company, the payment of premiums under this Policy may at the option of such person or corporation be continued in which case such person or corporation shall as from the date of such transfer or succession take the place of and be treated for all purposes of this Policy as being the Bank hereof.

## 18. TERMINATION OF THIS POLICY

Subject to these provisions and conditions, this policy is issued for an indefinite period and will remain in force as long as all the due premiums are paid when due. However, the Company reserves the right to terminate the Policy by giving 90 days notice. It is clarified that any such termination shall not affect the obligations assumed at any time prior to the effective date of termination.

Notwithstanding anything to the contrary in this Policy, the termination of this Policy shall have the following effects:

- a) No individual sum assured shall be payable under this Policy on the death, terminal illness or disability of any person after the time of termination.

## 19. LAW

This Policy shall be governed by and interpreted according to the Laws of Islamic Republic of Pakistan.

### End of the Provisions and Conditions

#### Important Disclosures

- BAF refers to Bank Afalah Limited, a banking company incorporated under the laws of Pakistan and having its registered office at \_\_\_\_\_.
- EFU Credit Cover Insurance Scheme is an insurance product underwritten, issued and subject to Terms and Conditions set by EFU life assurance limited. It is not a bank product. Contact Details of Underwriter:

EFU Life Assurance Limited  
EFU Life House  
Plot 112, 8<sup>th</sup> East Street  
DHA Phase I  
Karachi  
Pakistan  
Tel: (021) 111-EFU-111 (111-338-111)

#### Disclaimer:

- Bank Alfalah is acting only as a distributor of EFU Credit Cover Insurance Scheme on behalf of EFU Life Assurance Limited and shall not be held responsible in any manner whatsoever to any person, including but not limited to, the insured customer(s), Beneficiary or any third party.
- Purchase of EFU Credit Cover Insurance Scheme is a separate product and specifically contemplated by the customer.
- Bank Alfalah will not be responsible in any manner if your application or claim is rejected by EFU Life Assurance Limited nor will it investigate or provide any opinion on merits of the claim.