

Credit Life Insurance (FNB)

MMI Holdings Namibia Ltd (Momentum) agrees and undertakes in favour of the life assured named in the Proposal and Policy Schedule to pay the benefits described in this policy subject to:

- the actual receipt by the Insurer at its head office, of the correct and sufficient premium or premiums;
- the terms and conditions contained herein or endorsed hereon.

DEFINITIONS

- For "his" read "her" where the life assured is female.
- "Insurer" shall mean MOMENTUM.
- "Policy 1" shall mean credit/loan agreements related to installment sale or personal loan agreements granted by the creditor to the life assured named in the Proposal and Policy Schedule.
- "Policy 2" shall mean facility agreements related to overdrafts and fluctuating loan agreements granted by the creditor to the life assured named in the Proposal and Policy Schedule.
- "Maximum Sum Assured" is the aggregate of all assurances for Policy 1 and/or Policy 2 that is laid down by the insured in consultation with the Institution from time to time.

CREDITOR

First National Bank of Namibia Limited herein known as the "Institution".

CREDIT/LOAN FACILITY AGREEMENT

The agreement referred to in the Proposal and Policy Schedule, which shall be a valid and current agreement to which the life assured, shall be bound as a debtor or as surety for the debtor.

BALANCE OF INDEBTEDNESS

In the case of Policy 1, the aggregate amount of all installments falling due under and in terms of the credit agreement, after the date of the event giving rise to a claim under this policy, plus the residual where applicable, less all such finance charges as are to be rebated in accordance with the provision of the Usury Act relating to advanced payment of installments under and in terms of a credit agreement. In the case of Policy 2, after the date giving rise to a claim under this policy, the full sum assured in terms of the Proposal and Policy Schedule.

BENEFITS

1. DEATH BENEFIT

An amount equivalent to but not exceeding the balance of the indebtedness as herein defined. The Insurer's liability under this credit life insurance issued by the Insurer in respect of the life assured named in the schedule will not exceed the maximum sum assured. In the event that the total of all such insurance policies exceeds the maximum sum assured, such policy will contribute on a pro rata basis and premiums paid in respect of the insurance in excess of the maximum sum assured shall be refunded.

2. LUMP SUM TOTAL AND PERMANENT DISABILITY BENEFIT

For policies 1 and 2, in the event of the total and permanent disablement of the life assured occurring prior to the attainment of age 65 and before the expiry of the term of the policies an amount equivalent to the death benefit shall be payable by the Insurer. For the purposes hereof total and permanent disablement shall mean such incapacity which prevents the life assured from following his own occupation or any occupation for which he is or could reasonably be expected to become qualified by virtue of his knowledge, training, education, ability and experience.

3. TEMPORARY TOTAL DISABILITY BENEFIT

If, before the policy anniversary preceding the assured's 65th birthday and the expiry of the term of this policy, the life assured is prevented, as a result of illness or bodily injury, from earning his normal income from his own or any similar occupation, the Insurer shall pay, after a deferred period of 30 days, the monthly installment agreed upon under the credit agreement in the case of Policy 1 and a monthly benefit equal to 1/12 of the sum assured will be payable subject to a maximum of 12 months in the case of Policy 2 or a proportion thereof if the life assured suffers only a partial loss of income, until the recovery of the life assured.

4. PERSONAL CATASTROPHE

For policies 1 and 2, in the event of the assured suffering any of the following prior to his 65th birthday:

- Heart attack** – being the death of a portion of the heart muscle as a result of inadequate blood supply to the relevant area. The diagnosis will be based on the following three criteria:
 - a history of angina pain
 - new ECG changes;
 - elevation of cardiac enzymes.
- Stroke** – any cerebrovascular incident producing neurological sequelae lasting more than 24 hours and including infarction of brain tissue, haemorrhage and embolisation from an extracranial source. Evidence of permanent neurological deficit must be produced.
- Cancer** – a disease manifested by the presence of a malignant tumour characterised by the uncontrolled growth and spread of malignant cells, and the invasion of tissue. The term "cancer" also includes leukaemia and Hodgkin's Disease but excludes:
 - all skin cancers;
 - Cancer-in-situ, including melanoma-in-situ.
- Renal failure** – end stage of renal failure presenting a chronic irreversible failure of both kidneys to function as a result of which regular renal dialysis is instituted.
- Loss of use** – the total and irreversible loss of the use of both legs or both arms.
- Blindness** – the total and permanent loss of all sight in both eyes.
- Surgery for coronary heart disease** – the actual undergoing of surgery due to coronary heart disease. This does not include angioplasty and/or any intra-arterial procedures.
- Surgery for a disease of the aorta** – the actual undergoing of surgery for a disease of the aorta needing excision and surgical replacement of the diseased aorta with a graft. For the purposes of this definition aorta shall mean the thoracic and abdominal aorta but not its branches. Traumatic injury of the aorta is excluded.
- Replacement of a heart valve** – the replacement of one or more heart valves with artificial valves. This includes the replacement of aortic, mitral, tricuspid, or pulmonary valves with artificial valves due to stenosis or incompetence or a combination of these conditions.
- An organ transplant** – the human-to-human organ transplant, from a donor to the life assured, of one or more of the following organs: the kidney, heart, lung, heart-lung, liver, pancreas or bone marrow. The transplantation of all other organs, parts of organs or any other tissue transplant is excluded.
- Multiple Sclerosis** – An unequivocal diagnosis of multiple sclerosis made by a neurologist or physician and confirmed by another independent neurologist. The claimant must exhibit neurological abnormalities occurring in more than one area of the nervous system, separated by a period of time, during which stage evidence of some regression of symptoms has occurred. The neurological features must exhibit the typical symptoms of demyelination occurring in the cerebrum, cerebellum, optic nerves, brain-stem or spinal cord.
- Terminal illness** – Any disease process which in the opinion of an appropriate specialist, and with the agreement of the Insurer's Chief Medical Officer, is likely to lead to death of the life assured within 12 (twelve) months of the notification of the claim.

Then an amount equal to the death benefit will be payable by the insurer. Each of the above illnesses must be diagnosed by a registered medical practitioner and must be supported by clinical, radiological, histological and laboratory evidence acceptable to the Insurer.

Provided that no claim is made under the lump sum total and permanent disability benefit.

5. RETRENCHMENT

In the event of the Life Assured suffering loss of employment due to the implementation of a staff reduction programme by the employer the Insurer will, on receipt of proof of such retrenchment, pay up to 6 months' instalments as agreed upon under the credit agreement which instalments will be paid monthly to the lending institution upon proof of continued unemployment. No benefit is payable within 3 months of the inception date of the policy and no amount will be payable under this benefit in the event of a second or subsequent retrenchment claim where the full benefit has been paid under a prior claim. For policies where a recurring premium is being paid, a claim will only be considered if the policy's premium position is up to date. In the event of non-payment of premium the benefit will cease with immediate effect.

PROVISIONS AND CONDITIONS

1. SPECIFIC RESTRICTIONS ON LIABILITY

- For policies 1 and 2 unless specifically stated, the Insurer's liability in terms of this policy shall not, under any circumstances:
 - extend beyond the 65th birthday of the life assured named in this policy;
 - For policy 1 only extend beyond the term of assurance stated on the Proposal and Policy Schedule;
 - For Policy 2 only extend beyond the period of grace for the payment of premiums as set down by the Insurer in consultation with the Institution from time to time.
- The Insurer shall not be obliged to make any payment in respect of any condition or event arising directly or indirectly from or traceable to:
 - intentionally self-inflicted injury, suicide or suicide attempt, within the first 2 years of the signing of the proposal, or
 - any illness of infirmity of which the assured was aware and which had its origin prior to the issue of this policy, or
 - the assured being affected by the Acquired Immunodeficiency Syndrome (AIDS) or any Human Immune Deficiency or related virus, in which case the premiums paid will be refunded on a pro-rata basis with effect from the initial date of diagnosis, or
 - poison, radio activity or nuclear explosion, or
 - participation in gliding, speed tests or races in a mechanically propelled motor vehicle, or
 - the assured refusing medical treatment as recommended by his own medical practitioner, or by the Insurer's chief medical officer if he has no medical practitioner of his own, or
 - war or armed international conflict (whether war be declared or not), terrorist or insurgency activities, rebellion, civil commotion, sedition, sabotage or any activity associated with the foregoing or the defence, quelling, investigation or containment thereof by any security force.
 - the life assured being affected (temporarily or otherwise) by alcohol or drugs other than as prescribed by a medical practitioner, or
 - the assured committing any criminal offence.
- The assured shall not be obliged to make any payment in respect of loss of employment occasioned, accelerated or affected directly or indirectly from or traceable to:
 - the ill health or incapacity of the life assured due to accident, injury, childbirth, abortion, pregnancy, miscarriage, disease or illness, or the mental disorder of the life assured, or
 - a strike, labour dispute or industrial action or interaction whether the life insured was participating or not, or
 - the life assured resigning or accepting voluntary retrenchment or redundancy, or having been aware of the commencement date, or having had reasonable grounds for believing that he would become unemployed, retrenched or redundant, or in the six months prior to the commencement date having received one or more verbal or written reprimands which constituted part of his employer's disciplinary procedures, or
 - civil commotion, war of the hostile action of armed forces of any country, irrespective of whether the life assured was actually participating therein or not, or
 - any action or omission by the life insured that resulted in dismissal in terms of his employment conditions, or
 - the expiry of a fixed term contract of employment which was renewable or going on normal or early retirement, or
 - any lawfully constituted authority nationalising, confiscating or commandeering the assets of the employer of the life assured.

The Insurer's liability in terms of this policy shall cease in the event of a claim settlement being made as a result of death, disability or personal catastrophe. Any permanent disability or personal catastrophe paid in terms of this policy will be subject to the limitations of disability benefits agreement as entered into by members of the Life Offices Association.

2. PREMIUM COMPUTATION

- For policies 1 and 2, in the event that the premium or premiums actually paid to or collected by the Insurer are incorrectly calculated so that they are in fact insufficient to pay for the benefits as set forth in the Proposal and Policy schedule then:
- written notification thereof shall be sent by the Insurer to the creditor
 - the error may be corrected and, subject to payment of the additional premium, the full sum assured shall be maintained, or
 - if no such adjustment is effected within the period of grace of the date of the original Proposal, the Insurer's liability shall be reduced by the ratio which the shortfall of the premium bears to the total premium due.

3. SURRENDER VALUE OF POLICY

- For policy 1 only, in the event that the life assured has made payment in full to the creditor of all amounts owing under and in terms of the credit agreement in advance of the date of expiry of the full term of such agreement, the creditor, acting under and by virtue of the cession, shall be entitled to surrender this policy to the Insurer in which event the Insurer will pay a surrender value in terms of the policy provided that:
- such full payment was actually made to the creditor at least 6 months prior to the expiry of the full original term of the agreement in question.
 - such surrender value shall be calculated by the actuary of the Insurer.

4. CESSATION OF COVER

The Insurer shall be under no liability in terms of this policy when the indebtedness, in respect of which the policy was issued, shall have been paid in full, had the life assured complied with his obligation to the creditor as originally undertaken, whichever event shall first happen. The Insurer shall not be affected by any arrangements which may be made between the creditor and the life assured in any reduction of the amount of installments originally agreed on or extending the period for the repayment of the indebtedness beyond that originally agreed upon.

5. CLAIMS

Unless the Insurer shall receive written notification within six (6) months of the happening of any event resulting in a claim being made against this policy, the Insurer shall in no case whatsoever be liable to pay any benefit. The creditor and / or the life assured shall duly complete such forms and give such details and assistance and furnish such proof in relation to any claims as the insurer at its discretion may require.

6. EXAMINATION

The Insurer shall be entitled to require that any life assured, whether or not then alleged to be suffering from the effects of injury, be examined at any reasonable time, at the cost of the Insurer by a medical practitioner acceptable to the Insurer. The report of such medical practitioner shall for all purposes under this policy be final and binding upon the parties.

7. CONDITION PRECEDENT

Strict compliance by the life assured and by the creditor with all the provisions, conditions and terms of this policy shall be a condition precedent to liability on the part of the Insurer hereunder.

8. ASSIGNMENT

Except for the irrevocable cession and assignment by the life assured to the creditor as recorded in the Proposal and Policy Schedule, neither this policy nor any of the rights granted hereunder shall be capable of further assignment nor shall any claim under this policy be capable of being ceded, without the consent of the Insurer. Except as herein expressly provided for, no person or company other than the creditor, acting under the cession herein defined, shall be entitled to any rights against the Insurer in respect of this policy nor shall any company other than the creditor acting as aforesaid, be entitled to make any claim or demand on the Insurer under or in respect of this policy.

9. WAIVER OF CONDITIONS

No waiver of any of the terms, conditions and endorsements of this policy shall be valid unless made in writing under the signature of a duly authorised officer of the Insurer. In addition, no act or omission to act by the Insurer or any officer, employee or servant of the company shall be or be deemed to be a representation on behalf of the Insurer upon which the life assured's heirs, executors or assigns is entitled to act.