

Master Policy - FNB Non Mortgage Home Loans

Underwritten by FNBLife, a division of Momentum Group LTD

Reg no: 1904/002186/06

1 Definitions

'retrenchment'	Shall mean a dismissal based on operational requirements as defined in the Labour Relations Act of 1995
'sum insured'	For policies written before 1 June 2007, the outstanding liability due by the borrower under the loan agreement on the date of death, permanent disability, dread disease (<i>as determined by FNBLife</i>) or retrenchment excluding any arrears instalments and interest thereon. The maximum covered amount is R500 000 and no loan will be partially covered. For policies written from 1 June 2007, the sum insured shall be the initial loan amount.
'gap cover'	For all policies written from 1 June 2007, we will pay out the initial loan amount for death and permanent disability. Where this amount exceeds the outstanding balance of the loan as at the date of event, Smart Housing Plan will pay the difference to the policy holder or beneficiary.
'premium'	Monthly premiums are payable to FNBLife. These rates will be reviewed from time to time and may change accordingly.
'temporary disability'	The borrower is unable, as a result of sickness or accident, to follow his current or any similar occupation for which he is reasonably suited by education, training or experience.
'permanent disability'	If the borrower is deemed permanently and totally disabled and cannot reasonably be expected to perform his current occupation or any similar occupation following reasonable rehabilitation or training.
'heart attack'	The death of a portion of heart muscle due to the abrupt interruption of coronary blood supply as evidenced by: <ul style="list-style-type: none">• typical chest pain,• elevation of cardiac enzymes and• New ECG changes indicative of myocardial infarction (<i>heart attacks</i>).
'cancer'	A malignant tumor characterised by the uncontrolled growth and spread of malignant cells to normal tissue. We include: <ul style="list-style-type: none">• leukaemia,• lymphomas,• Hodgkin's disease and• Malignant melanomas with Clark level 2 or more depth invasion. We exclude: <ul style="list-style-type: none">• localised non-invasive skin cancers,• Cancers in situations of those associated with HIV, such as non-Hodgkin's lymphoma and Kaposi's sarcoma.
'stroke'	Any cerebrovascular incident or accident-producing neurological sequelae lasting more than 24 hours.
'Coronary artery'	Open-heart surgery involving the coronary arteries to restore normal blood supply to the heart:

- | | |
|---------------------------|--|
| 'surgery' | <ul style="list-style-type: none"> • This must have been proven necessary by an angiogram. • We exclude all other operations or intra-arterial procedures, for example angioplasty and stenting. |
| 'organ transplant' | The actual undergoing of a transplant of the heart, lung, liver, kidney or bone marrow as a recipient. |

2 Life Assured Benefits

2.1 Waiting Periods:

No permanent disability benefits are payable on events that occur before the 3rd (third) monthly premium has been paid.

2.2 Death benefit:

We will pay the sum assured on the borrower's death.

2.3 Temporary Disability Benefit:

2.3.1 On the borrower's disability, FNBLife will pay an amount equal to 3 (*three months*) instalments due in terms of the agreement. We will allow a maximum of two claims provided that the different events leading the disability claims occur more than six months apart and provided that a lump sum disability benefit has not been paid.

2.4 Permanent Disability Benefit:

After the temporary disability benefit(s) have been paid as described in 2.3 here above FNBLife will again evaluate the borrower's disability status. If the borrower is then deemed permanently and totally disabled, as defined, FNBLife will pay the sum assured due by borrower under the loan agreement at the date FNBLife deems the borrower to be permanently disabled.

2.5 Retrenchment Benefit:

FNBLife will acknowledge a retrenchment claim if, in FNBLife's opinion, an insured life has had their employment terminated due to adverse business conditions; the introduction of new technology; or the reorganization of the business resulting in staff reductions.

FNBLife will pay an amount once equal to six months instalments due in terms of the agreement subject to a maximum of the sum insured.

2.6 Dread Diseases

FNBLife will pay the sum assured if the borrower is diagnosed with the following diseases:

2.6.1 Spinal Disability (*full and total paraplegia*);

2.6.2 Cancer;

2.6.3 Major Organ Transplant (*MOT*) (*Heart, Lung, Liver, Kidney, Pancreas, Bone marrow*);

2.6.4 Heart Attack (*Myocardial Infarction only*);

2.6.5 Heart Surgery;

2.6.6 Stroke;

For Loss of limbs or sight or hearing or speech: A percentage of the sum Insured will be paid as follows:

- Loss of one limb 50%.
- Loss of two or more limbs 100%.
- Loss of one foot 40%.

- Loss of both feet 100%.
- Loss of one hand 50%.
- Loss of both hands 100%.
- Loss of sight in one eye 25%.
- Loss of sight in both eyes 100%.
- Loss of hearing of all sound 50%.
- Loss of speech 100%.

3 **Exclusions**

FNBLife will not be obliged to pay any benefit to borrower for **death** or **disability** arising directly or indirectly from or traceable to:

- 3.1 suicide within the first twenty-four months of the commencement of cover; or
- 3.2 An act of war or terrorism or an act involving the release of nuclear energy
- 3.3 The borrower being affected (*temporarily or otherwise*) by alcohol or drugs other than as prescribed by a medical practitioner.
- 3.4 The borrower committing any breach of criminal law.
- 3.5 3 months claim deferment period in cases of permanent disability claims

3.6 **For the retrenchment benefit:**

- 3.6.1 self employment or expiry of a fixed term employment contract; or
- 3.6.2 borrower have not been in continuous full-time employment for at least six months prior to the retrenchment; or
- 3.6.3 any form of retirement, resignation or dismissal; or
- 3.6.4 A general offer of voluntary retrenchment to all employees.
- 3.6.5 Prior knowledge of impending retrenchment on date of entering this agreement

3.7 **For dread diseases benefit:**

- 3.7.1 All skin cancers (*except invasive malignant melanomas*).
- 3.7.2 Early stage prostate cancers (*medically classified as TNM Class T1 (a) or T1 (b) or of another equivalent or lesser classification*).
- 3.7.3 Transient ischaemic attacks
- 3.7.4 Reversible ischaemic neurological deficit
- 3.7.5 Cerebral symptoms due to migraine
- 3.7.6 Cerebral injury resulting from trauma.
- 3.7.7 Systematic hypoxia
- 3.7.8 Vascular disease affecting the eye or optic nerve.

4 **Important General Conditions**

4.1 **Commencement of Cover:**

Cover commences on the day on which the completed application form is accepted by FNBLife and all requirements have been met.

4.2 **Cessation of Cover:**

This assurance cover will cease on the earliest happening of the following:

- 4.2.1 Borrower attaining the age of 65 years.
- 4.2.2 The repayment by the borrower or FNBLife in full of the indebtedness in respect of which the borrower enjoyed cover in terms of this policy or where it would have been paid in full had borrower complied with the borrower's obligation to FNB as originally undertaken, whichever event occurs first;
- 4.2.3 The expiry of the term of the policy.

4.3 **Claims:**

4.3.1 No claim shall be considered if the borrower is not able to furnish documentation acceptable to FNBLife that is positive verification of the claim and the facts giving rise to it. The costs of obtaining all relevant information and documentation required by FNBLife in the event of a claim are for the borrower's account.

4.3.2 All claims against this policy must be lodged with FNBLife within 6 (*six*) calendar months of the event.

4.3.3 No additional debits, arrears instalments or interest thereon are covered.

4.4 Cooling off:

If borrower finds that this policy is not suitable to the borrower's requirements, the borrower may cancel it by informing FNB Smart Product House, Smart Housing plan in writing within 30 days from the date that borrower receives this policy summary, FNBLife will then refund borrower the amount paid less any benefits already paid and the cost of any risk cover, if the borrower has agreed to it in writing.

4.5 Assignments and cessions:

Except for the original assignment of this assurance to FNB (*as recorded in the application form*), this assurance may not be ceded or assigned.

5 Contact Details

If borrower has any query or complaint please contact FNB Smart Product House Call centre at telephone No: **0860 762 278** .or email smartproducthouse@fnb.co.za:
If the borrower's complaint has not been resolved to the borrower's satisfaction, the borrower can contact the Ombudsman for Long-term insurance or the Registrar of Long-term Insurance.

Particulars of the Long-term Insurance Ombudsman;
Private Bag x45
Claremont
7735
Tel: (021) 657-5000
Fax: (021) 674-0951

Particulars of the Registrar of Long-term Insurance;
Financial Services Board
PO Box 35655
Menlo Park
0102
Tel: (012) 428-8000
Fax: (012) 347-0221

FNB Smart Product House
Smart Housing Plan
P O Box 61530
Marshall Town
2107