ADAMJEE LIFE ASSURANCE COMPANY LIMITED
Adamjee Life Salary Protection Plan - Policy Provision

The Policy offers a free-look period of 14 days during which you can cancel your Policy by contacting Adamjee Life Assurance Company Limited, and have your premiums refunded. However, Adamjee Life reserves the right to deduct the expenses incurred on medical examination(s) (if any) of the Policyholders in connection with the issuance of this Policy.

1. DEFINITIONS

Unless the contrary appears from the context, the following words and phrases shall have the meanings assigned to them where they appear in this Policy:

a) POLICYHOLDER or INSURED PERSON or YOU or YOUR. The person who is purchasing this Policy and on whose life the cover under this Policy is effected and who has been accepted as the Policyholder in terms of this Policy.

b) BENEFICIARY or NOMINATED BENEFICIARY. The person who has been nominated by You to receive the benefit on Your death.

(i) ACT OF TERRORISM. An act including but not limited to the use of force or 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 organisation(s) or government(s), committed for political, religious, ideological, or ethnic purposes or reasons including but not limited to the intention to influence any government and/or to put the public, or any section of the public, in fear.

(ii) BENEFIT. The amount of monthly benefit payable as stated in this Policy.

(iii) EXPIRY DATE. The date, as specified in the Policy Schedule, on which the Policy shall expire unless renewed as per clause 17.

(iv) HAZARDOUS or PROFESSIONAL SPORTS / ACTIVITIES. Including but not limited to participation in the following sports on an income-earning basis or participating in the following sports more than once a month: Aviation sports, paragliding, underwater diving necessitating the use of an artificial breathing apparatus, hang-gliding, hunting, spear-fishing, rock-climbing or mountaineering necessitating the use of ropes and guides, motor boat racing, motor racing, motor-cycle racing, sky diving/parachuting, target shooting, parasailing, go-carting, drag-racing, rally driving, bungee jumping, winter sports involving snow or ice, or racing other than on foot.

(v) INCEPTION DATE. The date, as set out in your Policy schedule, from which the Insured Person is covered in terms of this policy.

(vi) INSURED EVENT. Death by any cause or Permanent Total Disability

(vii) MONTHLY SALARY. A salary is a form of periodic payment from an employer to an employee, which is specified in an employment contract/pay slip. By monthly salary, the Policy refers to gross monthly salary of the Insured Person.

(viii) PREMIUM DUE DATE. The date as stated in the Policy Schedule.

(ix) RENEWAL DATE. The date following the expiry date of cover from which the Policy is renewed as per clause 17.

(x) WAITING PERIOD. The period, if any, from the Inception Date of a Policy during which no claim will be considered as a valid claim.

2. Basis of Contract

This policy wording as amended from time to time, various administrative forms, application forms, Policy Schedule, declarations, proof of source of income, authorisations, any voice-logged conversations pertaining to this Policy and agreements supplied by the Company shall form the basis of this insurance contract.

3. Statutory Fund

For the purposes of section 16 of the Insurance Ordinance 2000, this policy and any Riders attached to it shall be referable to the Conventional Business Statutory Fund of the Company. The Company may, by endorsement to the Policy, change the Statutory Fund(s) to which the Policy and any Riders are referable.

4. Scope of Cover

Other than residence in or trips to the countries where there is war or war-like activities, where cover is not provided under

this Policy, once issued, this Policy is not subject to any limitation as to residence, occupation in any place or country or travel or place of death, disability or illness of an Insured Person.

5. Free Look Period

Where no claim has been instituted in terms of this Policy or where no right has accrued to You to institute a claim or receive any benefit in terms of the Policy, You may, within 14 (fourteen) days after receiving the policy documentation sent by the Company, cancel the Policy by informing the Company of the cancellation in writing.

All premiums paid during this 14 (fourteen) day review period shall be refunded by the Company, subject to the deduction of the cost of any medical examination incurred by the Company in connection with underwriting of the Policy.

6. No Premium No Cover

This Policy shall not be effective until the first Premium due, as shown in the Policy Schedule, has been received in full and after the application has been approved and the Policy document issued by the Company.

7. Alteration and Escalation of Benefits

The Monthly Benefit, as stated in the Policy Schedule, is a percentage of the Insured Person's monthly salary, chosen at inception by the Insured Person, subject to a maximum of 100% of the Insured Person's monthly salary. Proof of Insured Person's salary will be obtained before the Monthly Benefit for the Policy is determined.

The Monthly Benefit is payable every month for a maximum period of ten (10) years from the date of the occurrence of the insured event, or up to 65th birthday of the Insured Person, whichever comes first.

The Insured Person can choose at the time of applying for insurance to have an increment of 5% applied to the insured salary every year. This is to protect the benefit against inflation. The premium will increase accordingly.

In case of a change in the source of salary, an increase or decrease in the Monthly Benefit amount as stated in the Policy Schedule is possible upon Policy Anniversary subject to satisfactory proofs and is at the discretion of the Company and subject to such terms and conditions and premiums as the Company may deem fit.

8. Death Benefit

On the death of the Insured Person before the Expiry Date and whilst the Policy is in full force, the Company shall, subject to the provisions herein stated, pay to the Nominated Beneficiary under the Policy, the Monthly Benefit, as stated in the Policy Schedule for a maximum period of ten (10) years from the date of death of the Insured Person or up to (what would have been) the 65th birthday of the Insured Person, whichever comes first.

If the Insured Person has opted for an increment of 5% to be applied to the insured salary every year, then on the death of the Insured Person before the Expiry Date and whilst the Policy is in full force, the Company shall, subject to the provisions herein stated, pay to the Nominated Beneficiary under the Policy, a Monthly Benefit based on the insured salary at the time of death, which continues to increase by 5% every year, for a maximum period of ten (10) years from the date of death of the Insured Person or up to (what would have been) the 65th birthday of the Insured Person, whichever comes first.

The amount of any premiums due but unpaid will be deducted from the Death Benefit. Further, where premium payment frequency is other than annually, remaining premiums for the policy year, if any, will be deducted from the Death Benefit payable.

Once a claim is accepted under this clause by the Company, the cover under this Policy will terminate.

9. Permanent Total Disability Benefit

If, while this Policy is in force, the Insured Person, after a waiting period of 90 days, sustains total and permanent disability (as described below), upon receipt of due proof in writing of such disability of the Insured Person, the Company will, subject to the provisions hereinafter stated, pay to the Insured Person, the Monthly Benefit, stated in the Policy Schedule for a maximum period of ten (10) years or up to the 65th birthday of the Insured Person, whichever comes first.

If the Insured Person has opted for an increment of 5% to be applied to the insured salary every year, and if, while this Policy is in full force, the Insured Person, after a waiting period of 90 days, sustains total and permanent disability (as described below), upon receipt of due proof in writing of such disability of the Insured Person, the Company will, subject to the provisions hereinafter stated, pay to the Insured Person, a Monthly Benefit based on the insured salary at the time of sustaining such disability, which continues to increase by 5% every year, for a maximum period of ten (10) years or up to the 65th birthday of the Insured Person, whichever comes first.

A life shall be regarded as being totally and permanently disabled under a "3 ADL Failure" definition of disability, only if that life, due to accident or sickness, has been rendered disabled to such an extent that there are at least 3 of the 6 activities of daily living (see below) which that life is unable to perform without the continuous assistance of another person.

In order for a benefit to be payable, such disability must have persisted continuously for a period of at least 180 days and must, in the opinion of a suitable medical practitioner, appointed by the company, be deemed permanent.

The activities of daily living are:

- Washing: the ability to wash in the bath or shower (including getting into and out of the bath or shower) or wash satisfactorily by other means,
- Dressing: the ability to put on, take off, secure and unfasten all garments and, as appropriate, any braces, artificial limbs or other surgical appliances,
- Transferring: the ability to move from a bed to an upright chair or wheelchair and vice versa,
- Mobility: the ability to move indoors from room to room on level surfaces,
- Continence: the ability to control bowel and bladder function so as to maintain a satisfactory level of personal hygiene,
- Feeding: the ability to feed oneself once food has been prepared and made available.

The amount of any premiums due but unpaid will be deducted from the Permanent and Total Disability Benefit. Further, where premium payment frequency is other than annually, remaining premiums for the policy year, if any, will be deducted from the Permanent and Total Disability Benefit payable.

Once a claim is accepted under this clause by the Company, the cover under the Policy will terminate.

10. Claims

In the case of an amount being payable on the death or permanent total disability of an Insured Person under the terms of this Policy, You (if applicable), Nominated Beneficiary or appointed Executor shall, at their own expense submit the claim to the Company.

All claims shall be subject to such discharge, evidence of claim, title of the claimant and proof of age of the Insured Person(s) as the Company may require.

All certificates, information and evidence required by the Company shall be furnished in the form prescribed and without expense to the Company.

If further claim investigation is necessary in order to form a more accurate and fair assessment of the claim, the Company reserves the right to delay payment until after such investigation is complete.

11. Limitation of Company's Liability

The Company will not be liable to make any payment unless the premium due in terms of this policy has been received, and the applicable documentation, data or medical evidence and satisfactory proof of a claim, as required by the Company has been provided to the Company at Your, or if applicable the Nominated Beneficiary's or the appointed Executor's expense.

Payment by the Company of the benefits provided in the event of a valid claim in terms of this policy will be a full and effective discharge by the Company of its liability and obligations in terms of the policy.

Any receipt or discharge which You or Your personal representatives or Beneficiary may give to the Company for any benefit paid under this policy shall be deemed as final and complete discharge of all liability of the Company in respect of any and every benefit payable under this Policy.

The Company shall have no liability whatsoever under this policy where any claim arises from, or is the result of any intentional contravention of any criminal law, whether legislative or at common-law (including fraud), by the Policyholder, or by anyone acting on the Policyholder's behalf or with the Policyholder's consent, or by any person claiming any benefit under this policy. All benefits afforded in terms of this policy in respect of such claim, and premiums paid in respect of such policy shall be forfeited, and this policy may be voided or cancelled as from the date of the criminal offence, at the Company's discretion.

12. Compensation On Late Settlement Of Claims

After having complied with all requirements, including the filing of necessary documents for the payment of a claim, You or the Beneficiaries, as the case may be, shall be entitled to receive compensation in the event the Company delays making payment of any amount due under this Policy within ninety days of the later of the due date of the claim or the date on which You or the Beneficiaries comply with all the requirements for payment of the claim. The Company shall however not be liable to make payment of any compensation if it can prove that such delay was due to circumstances beyond its control.

The compensation shall be payable for the period during which the delay continues and shall be calculated at monthly rests at a rate of five per cent higher that the prevailing base rate (as defined under the provisions of the Insurance Ordinance 2000).

13. Premiums

This Policy shall not be effective until the first Premium due, as shown in the Policy Schedule, has been received in full and after the application has been approved and the Policy document issued by the Company.
Premiums are payable as set out in the Policy Schedule. The Company will allow a grace period of thirty days from the due

date of any premium (except the first premium due on Inception Date of the Policy), during which time the Policy shall remain in force. On the occurrence of any event leading to a benefit being payable during the grace period the Company will pay the Benefit as per clause 8 or 9 but will deduct all unpaid premiums from such payment.

If any due premium is not paid within the grace period then the Policy shall lapse and be forfeited without any amount being payable.

Any premiums paid after the Policy has lapsed shall be returned to You unless the Company agrees in writing to reinstate the Policy.

14. Reinstatement

If the Policy has lapsed or has been subject to the provisions of clause 13, the Company may reinstate it subject to such terms and conditions and such charges as the Company may require.

15. Cash Value

This Policy does not acquire a Cash Value.

16. Surrender Value

You may at any time request the Company to fully surrender the Policy, with no value.

17. Guaranteed Renewability Option

The Insured Person has the option to renew or extend the policy on guaranteed basis (i.e no medical underwriting required) for a further period of 10 years or up to age 65 years, if earlier, subject to minimum 5 years term. The premiums shall be revised and will be advised by the Company at the time of renewal.

In such an event the Renewal Date shall be the first day following the Expiry Date of the Policy prior to the renewal and the Expiry Date shall be revised accordingly.

A renewal notice is to be provided by the Insured Person within 90 days of Expiry Date of the existing Policy.

Provided that an Insured Person whose age, at the Renewal Date, exceeds the Maximum Entry Age specified in the Policy Schedule at the Renewal Date shall not be covered for the extended period.

18. Beneficiaries

You may nominate a person, or more than one person as the Beneficiary(ies) in terms of this Policy. The Beneficiary will receive the Death Benefit in case of the Insured Person's death. The Insured Person will receive the Permanent Total Disability Benefit in case of Insured Person's Permanent Total Disability. In the event that the Insured Person dies after suffering Permanent Total Disability, the residual Permanent Total Disability Benefit will become payable to the nominated Beneficiary.

If more than one person is nominated as a Beneficiary than the nomination will not be valid unless the proportion payable to each beneficiary is stated. Once a Beneficiary nomination has been made, it remains in force until You inform the Company in writing of any change. If no beneficiary has been nominated, the benefit will be payable to your estate.

19. Assignment

You may assign the ownership of the Policy to another person or legal entity. Such assignment will only be considered to be valid, however, if You make the request to assign in writing and the Company acknowledgers the receipt of the request and endorses the Policy accordingly. In registering an assignment, the Company does not accept any responsibility as to its validity, legal effect or meaning. Any proceedings of the policy in case of refund or claim may be paid to the assigned entity. In order to revoke any assignment, the company will require a NOC from the assigned person or entity.

20. Incontestability, Misstatement, Misdescription and Non-Disclosure

Once this Policy has been in full force and effect for two years, it will not be called in question by the Company for any reason except wilful misstatement, mis-description and nondisclosure of material facts and fraud.

Equally, in the event of an increase in the sum assured, if applicable, or reinstatement, this Policy shall not be called in question by the Company after expiry of two years from the effective date of the increase in sum assured or reinstatement of the Policy for any reason except wilful misstatement, mis-description and nondisclosure of material facts and fraud.

Misrepresentation, mis-description or non-disclosure of any material fact or circumstances in connection with this policy, a claim or the application for this policy may result in this policy being cancelled, a claim rejected or the policy being voided from inception.

In the event that a benefit has been paid as a result of any misrepresentation, non-disclosure, mis-description or fraudulent action by an Insured Person or by any person claiming any benefit under this policy, such person will be required to repay or return the benefit paid. The Company shall be entitled to take legal action to recover the benefit and any costs involved.

21. Misstatement of Sex or Age

If the Insured Person's sex or age has been misstated, the benefits under this Policy may change. The amount payable will be as much as would have been purchased at the Insured Person's correct age and sex by the premium actually being paid. Provided that if age of the Insured Person at the Inception Date is higher than the maximum age at which the Company writes this contract, then the Policy will be void from its inception.

22. Change of Law

All applicable changes in the laws of Pakistan shall apply on the Policy contract, for example should there be any changes in the law of taxation or in the event of any levy on the Company in respect of the Policy being imposed by or paid under statute or statutory authority, the Company may vary the premiums and conditions (or either of them) in such manner as the Company deems appropriate.

If any provision of this Agreement is held illegal or unenforceable, such provision shall be severed and shall be inoperative, and the remainder of this Agreement shall remain operative and binding on the Parties.

23. Clerical Error

A clerical error by the Company shall not invalidate insurance otherwise validly in force, nor continue insurance otherwise not validly in force.

24. Law

This Policy is governed by the law of the Islamic Republic of Pakistan.

25. Notices

The Company will issue Notices in accordance with the provisions of the Insurance Ordinance 2000.

26. Jurisdiction

All claims under the Policy shall be processed, settled and paid in Karachi and the entire cause of action shall be deemed to arise in Karachi. All proceedings in respect of any such claim shall be instituted in a competent Court in the city of Karachi.

27. Non-Participation

This policy will not participate in the surplus earnings of the statutory fund to which it is referable.

28. Exclusions

The Company shall not be liable to make any payment under clause 8 and 9 in respect of claim arising directly or indirectly from or traceable to:

a) War Exclusion

No benefits shall be paid under this Policy or any Supplementary Contract or Rider attached, as a direct or indirect consequence of, or as a result of Insured taking an active part in a war, any act of any person acting on behalf of or in connection with any organization actively directed towards the overthrow or to the influencing of any government or ruling body by force, terrorism, or violence, whether or not he/she is a member of the regular army, police or any military or paramilitary organization.

b) Terrorism Exclusion

No benefits shall be paid under this Policy or any Supplementary Contract or Rider attached, as a result of the Insured, whether as a combatant or a non-combatant, participating actively in acts of terrorism.

c) Non-disclosure clause

Any illness(es), disease(s), injury(ies) or any medical condition(s) including any recurring illness(es), disease(s), injury(ies), medical condition(s) including any congenital condition, which the Insured contracted prior to the Issuance/Reinstatement Date, and which Insured was aware of and/or was undergoing any medical treatment/tests for the same, and was not disclosed in the Basic Policy proposal form or in any declaration of health to the Rider or in the application for revival, and/or for which, prior to the Issuance/Re-instatement Date, medical advice or diagnosis or treatment was recommended or given by a certified medical officer or evidence of the condition existed which would have caused any ordinary prudent person to seek diagnosis, medical advice, care or treatment from a health professional and/or failure to follow such medical advice.

d) General Exclusions

The Company shall not be liable to make any payments under this Policy, if the Insured dies or is totally and permanently disabled as a direct or indirect consequence of, or as a result of the Insured's:

- Suicide within two years of the Inception Date of the Policy or within two years of any Policy reinstatement date;
- Participation in combat duties, military exercises or any active service within any military, naval, air, police or correctional services body;

- Participation in hazardous or professional sports/activities;
- The commission of or attempted commission of an assault or any unlawful act, or being engaged in any illegal activity, including but not limited to self-harm, drug overdose, alcohol abuse;
- Entering, servicing, operating, travelling in or ascending into or descending from any aircraft or aerial craft or device except as a fare paying passenger in an aircraft operated on a regular schedule by an incorporated common carrier for passenger service over its established air route.

e) Additional Exclusions applicable to Permanent Total Disability Benefit

The Company shall not be obliged to make any payment under clause 9 in respect of any condition or event arising directly or indirectly from or traceable to:

- Intentional self-inflicted injury, participation in any criminal act, violation of law.
- Failure to seek or follow medical advice; taking of alcohol or drugs (unless prescribed by a medical doctor)
- Heatstroke or sunstroke, poison, gas or fumes ;
- Disease and incapacity or bodily injury which existed prior to this Policy;
- Exposure to atomic energy explosions of any nature whatsoever.
- War, invasion, act of foreign enemy, hostilities (whether war be declared or not), armed or unarmed truce, civil war, mutiny, rebellion, revolution, insurrection by military or usurped power, riot or civil commotion, an illegal organization or an industrial dispute;
- Pregnancy or childbirth.
- Human Immuno Deficiency Virus (HIV).