
LIBERTY LIFE INSURANCE ZAMBIA LIMITED HOME LOAN PROTECTION PLAN

Terms and Conditions

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1. Plan

The Home Loan Protection Plan is available to registered account holders of Stanbic Bank Zambia Limited with a registered home loan. On the occurrence of the Insured Event as defined below, during the term of the policy, the Insured Benefit will be paid by the Insurer to the Bank, provided all claim requirements have been met.

2. Insurer

The Insurer and underwriter is Liberty Life Insurance Zambia Limited, a registered financial services provider.

3. Owner of Policy

Stanbic Bank Zambia Limited (the "Bank"), a limited liability company with registration number 6559, incorporated in the Republic of Zambia, is the owner of the policy.

4. Insured Person (Life Assured)

The Insured Person shall be the person whose life is covered under the issued Plan, who entered into a valid home loan agreement with the Bank, who is at least eighteen (18) years of age but not older than sixty-four (64) years at the Cover Commencement Date.

5. Joint Life Assured

An additional person with an insurable interest may also be covered as per the same conditions applicable to the Insured Person. The joint (second) life must actually suffer a loss if the risk insured against occurs. The joint life must bear some relationship, recognised by law, to the loan, such that the person will be prejudiced by its loss or may incur liability for it.

6. Sum Assured

The sum assured at the date of the claim shall be the outstanding balance of the home loan for which the policy is effected, subject to all installments under the credit agreement that should have been paid prior to the date of the claim, having been paid.

7. Benefit(s)

The Plan covers the Insured Person for the Death Benefit, Permanent Disability Benefit and Dread Disease Benefit.

8. Insured Event

The Insured Event will be the Death Benefit, Permanent Disability or the suffering of a Dread Disease of the Insured Person.

8.1. Death

On the death of the Insured Person, if during the term of the policy, the Death Benefit will be paid provided all claim requirements have been met. The Death Benefit is equal to the outstanding balance of the loan at the time of death. The outstanding balance will allow for the reduction of the initial sum assured by all installments which were due to be paid up to the date of the Insured Event.

8.2. Permanent Disability

In the event that the Insured Person becomes permanently disabled, during the term of the policy, an amount equivalent to the Death

Benefit will be paid by the Insurer to the Bank, provided all claim requirements have been met. Permanent Disability occurs when, owing to an accident, illness or surgical operation, the Insured Person has either:

- Become totally and permanently disabled from attending to or engaging in their own or similar occupation, business or employment for remuneration; or
- Suffered the loss of or the loss of the permanent use of both hands or both feet or one hand and one foot or the sight of both eyes.

The benefit is only payable if the disability has existed for not less than one-hundred-and-eighty (180) days and proof of permanent disability satisfactory to the Insurer is given. The Insured Person must continue to pay the Premium during this time in order for Cover to continue.

8.3. Dread disease

If the Insured Person is diagnosed during the term of the policy as suffering from one of the illnesses listed and defined below, the Insurer will pay an amount equal to the Death Benefit to the Bank, provided all claim requirements have been met. Each of the illnesses must be confirmed by a registered medical practitioner appointed by the Insurer and must be supported by acceptable clinical, radiological and laboratory evidence.

The benefit shall be the first diagnosis of any of the following conditions:

1. Cancer: This is defined as a malignant tumour positively diagnosed with histological confirmation and characterised by the uncontrolled growth of malignant cells and invasion of tissue. The term malignant tumour includes leukaemia and lymphoma.

2. Heart attack: This is defined as the death of heart muscle, due to inadequate blood supply, as evidenced by all three of the following criteria:

- a) Compatible clinical symptoms; and
- b) Characteristic ECG changes, e.g. ST-segment and T-wave changes indicative of myocardial ischaemia or myocardial infarction; and
- c) Raised cardiac markers:
 - Trop T > 0,5 ng/ml or Trop I > 0,25 ng/ml, or
 - Raised CK-MB mass
 - Up to 2 times the upper limit of normal values in acute presentation phase, or
 - Up to 4 times the upper limit of normal values post-intervention.
 - Total CPK elevation of up to 2x upper limit of normal values, with at least 6% being CK-MB.

The evidence must show a definite acute myocardial infarction. Other acute coronary syndromes, including but not limited to angina, are not covered by this definition.

ECG changes shall mean:

ECG changes indicative of myocardial ischaemia that may progress to myocardial infarction.

1. Patients with ST-segment elevation:
 - a) New or presumed new ST-segment elevation at the J point in two or more contiguous leads with the cut-off points greater than or equal to 0.2mV in leads V1, V2 or V3 and greater than or equal to 0.1mV in other leads.
 - b) Contiguity in the frontal plane is defined by the lead sequence AVL, I and II, AVF, III
2. Patients without ST-segment elevation
 - (a) ST-segment depression of at least 0.1mV
 - (b) T-wave abnormalities only

New pathological Q-waves shall mean:

- (a) Any new Q- wave in leads V1 through V3
- (b) A Q-wave greater than or equal to 40ms (0.04s) in leads I, II, AVL, AVF, V4, V5 or V6
- (c) The Q-wave changes must be present in any two contiguous leads, and be greater than or equal to 1mm in depth
- (d) Appearance of new complete bundle branch block

3. Coronary Artery Bypass Graft (CABG): This is defined as the undergoing of surgery, to correct the narrowing of, or blockage to, one or more coronary arteries by means of a by-pass graft.

4. Stroke: This is defined as death of brain tissue due to inadequate blood supply or haemorrhage within the skull resulting in neurological deficit lasting longer than 24 hours, confirmed by neuro-imaging investigation and appropriate clinical findings by a specialist neurologist.

5. Major organ transplant: This is defined as the actual undergoing of a transplant as a recipient of any one of the following complete human organs:

- (a) Kidney
- (b) Lung(s)
- (c) Liver
- (d) Heart
- (e) Pancreas

6. End Stage Renal Failure: This is defined as the end stage and irreversible failure of both kidneys requiring dialysis. This must be confirmed by an appropriate specialist and blood test results.

9. Benefit Term

This is the period of Cover that the Insured Person is entitled to on condition that the Premium is paid. The Cover is determined at entry to coincide with the expiry of the loan agreement. The maximum benefit term is two hundred and forty (240) months.

10. Cover

This is the insurance that is given to the Insured Person(s) on condition that the Premium is paid. This Cover is automatically included for all eligible account holders with home loans registered at the Bank. Cover for each Insured Event shall expire on full and final payment in respect of a valid Claim for that Insured Event.

11. Cover Commencement Date

Cover will commence immediately following receipt of the first premium from the Insured Person.

12. Premium

The premium is the monthly amount payable in order to be covered for the insurance benefits. Premiums are payable monthly and within one month of when they are due. The premium rates charged will change as the Insured Person(s) moves between the age bands, i.e. as the Insured Person gets older, the unit rate charged will increase. The monthly premiums will also vary according to the outstanding loan amount, i.e. the premiums will decrease in accordance with the decreasing loan amount. Premiums will be debited to the Insured Person's personal loan account and may attract interest.

The premium payable on Joint Lives will be the premium rate for the older life assured, plus a discounted rate of the applicable premium for the younger life assured.

On registration, premiums payable will be based on the outstanding loan balance.

13. Premium guarantee

Premium rates are not guaranteed and the Insurer will review the premiums at least once a year. The Bank will give the Insured Person at least thirty (30) days' written notice of such an amendment.

14. Payment of Benefits

The benefit of this policy will be paid if:

- All premiums due have been paid; and
- The claim for the benefit is valid; and
- The Bank is entitled to the benefit; and
- All material information captured in terms of the insurance contract are correct; and
- All conditions of cover have been met.

15. Claim Requirements

The following documentation is required to support a claim for the death and disability benefits and must be certified:

1. Benefit Specific completed Claim Form
2. Insured Person's Identity Document
3. Proof of relationship
4. Death certificate
5. Claimant's Identity Document
6. Police case number (if applicable)
7. Medical reports (as specified below)

In addition to the documents listed above, in the event of a claim for one of the Dread Diseases listed below, the following condition specific documentation is required to support a claim:

Cancer

1. Medical Specialist Report
2. Histology Report

Heart Attack

1. Medical Specialist Report
2. ECG tracing
3. Blood test results

Coronary Artery Bypass Graft (CABG)

1. Medical Specialist Report
2. Surgery Report

Stroke

1. Neurologist Report
2. CT or MRI Scan

Major organ transplant

1. Medical Specialist report
2. Surgery report

End Stage Renal Failure

1. Medical Specialist report
2. Blood test results

The Insurer reserves the right to call for any additional information reasonably necessary in order to assess and verify a Claim. All costs associated with the obtaining and submission of the supporting documents must be borne by the Insured Person. The onus of proving any Claim rests on the Insured Person.

16. Maximum number of policies

The maximum number of policies permitted is one per client.

17. Waiting Period

No waiting periods are applicable to the Benefits on this Plan.

18. Evidence of Health

No medical evidence is required to be eligible for the Plan.

19. General Exclusions

The Insurer will not be liable for any Claim arising whether directly or indirectly as a result of:

1. Invasion or act of foreign enemy;
2. Hostilities (whether war is declared or not), riot, strike, civil commotion or usurpation of power or any military, naval, air force or police related activities;
3. Involvement in criminal activity;
4. Suicide and attempted suicide within the first twenty-four (24) months following the Commencement Date;
5. The effects of radioactivity or nuclear explosion, biological or chemical warfare, any radio-active contamination, or terrorism;
6. Pre-existing conditions are not covered: A claim will not be considered if an Insured Event occurs within six (6) months of the Plan being in force, directly or indirectly as a result of a condition or injury that the Insured Person was aware of or for which or in relation to which the Insured Person had received medical examination, treatment or advice during the period of six (6) months prior to the Cover Commencement Date;
7. Excessive use of alcohol or drugs other than as prescribed by a medical practitioner;
8. The Insured Person travelling in an aircraft other than as a fare-paying passenger on board the aircraft of a registered airline operator and flying between recognised airfields;
9. Non-compliance with medical treatment;
10. Hazardous pursuits: Participation in motorised speed contest/s and/or racing, parachute jumping, skydiving, hang-gliding, mountaineering, deep-sea diving, bungi-jumping, pot-holing or reckless deliberate exposure to risk;
11. The Insured Person was on duty in the National Defence Force, police or similar duties.

The following exclusions apply to the Dread Disease benefit specifically:

Cancer:

1. All cancers in situ and all pre-malignant conditions

2. All tumours of the prostate unless histologically classified as having a Gleason score greater than 6 or having progressed to at least clinical TNM classification T2N0M0
3. All skin cancers, other than malignant melanoma that has been histologically classified as having caused invasion beyond epidermis (outer layer of skin).

Heart Attack:

1. Acute coronary syndromes, including but not limited to angina.

Stroke:

1. Transient ischaemic attack
2. Vascular disease affecting the eye or optic nerve
3. Migraine
4. Vestibular disorders
5. Traumatic injury to brain tissue or blood vessels

20. Surrender Value

No surrender cash value is payable under this Policy.

21. Cession

All benefits from this policy are ceded to the Bank. No other person or entity will be entitled to make any claim or demand to the Insurer under or in respect of this policy.

22. Days of Grace

If a premium is not paid on the due date, the plan will fall into a Grace Period during which time cover will be afforded to the Insured Person. If no premium is received after the Grace Period, no further cover will be extended and no benefit is payable if two consecutive premiums are unpaid.

The number of days that constitute the Grace Period will be thirty (30) days.

23. Termination of Plan

The benefits under this policy in respect of the Insured Person will cease when:

- a) The home loan is cancelled for whatever reason; or
- b) The home loan is paid off; or
- c) Premiums are not paid on due date; or
- d) The Policy is cancelled; or
- e) The lapse of the Plan; or
- f) a Death or Permanent Disability or Dread Disease Benefit is paid; or
- g) The Insured Person reaches the age of sixty-five (65) years in respect of the Permanent Disability Benefit and/or the Dread Disease Benefit; or
- h) The Insured Person reaches the age of seventy-five (75) years in respect of the Death Benefit
- i) Where joint lives are covered and one of the Lives Assured reaches the maximum age of cover permitted in terms of the policy for a particular benefit, cover for the oldest Life Assured will be cancelled and cover for the other Life Assured will continue until the respective maximum ages of the benefits are reached.

24. Cancellation

The Insurer reserves the right to cancel the policy in writing, within a period of thirty (30) days from the date of signature.

25. Revision or cancellation of terms and conditions

The Insurer and the Bank reserve the right to amend, revoke, vary, alter or cancel any of the terms and conditions of this Policy. If so, the Bank will give the Insured Person at least thirty (30) days written notice of such amendment or cancellation to the last known address.

26. Currency

Premiums and Benefits are expressed and payable in Zambian Kwacha or any other mutually agreed currency between the Insurer and the Bank.

27. Territorial Limits

The Insured Person will be covered while domiciled in the country where the policy was issued. The Insured Person will also be covered outside the domiciled country for a maximum period of twelve (12) months, provided premiums are continued to be paid. Should the Insured Person be outside the domicile country for longer than twelve (12) months the policy will lapse. Written permission may be sent to request an extension of stay outside the domicile country. Should the Insured Person return to the domicile country and subsequently leave before thirty (30) days have expired then this will not constitute a return to the domicile country.

28. Fraud

If any claim under this Plan is fraudulent in any manner, all Benefits will be forfeited, the Plan cancelled and all Premiums paid will be forfeited and no refund of premiums will be payable.

29. Non-disclosure and Misrepresentation

If any material information has been withheld or any information disclosed appears to be false or incorrect, the Insurer reserves the right to invalidate the Plan and all Premiums will be forfeited.

30. Jurisdiction and Law

The laws of Zambia, whose courts shall have jurisdiction in any dispute arising hereunder, will govern this Plan. The Benefits payable and the Premium rates under this Plan may be changed if any legislation is changed. If these changes are made, the Insured Person will be notified in writing.

31. Dispute Resolution

Any dispute or action relating to this Plan will be determined in accordance with the laws of Zambia. In the event of a dispute please contact the following:

The Principal Officer**Liberty Life Insurance Zambia Limited**

Address: Kwacha Pension House, First Floor, Stand 4605,

Tito Road, Lusaka

Fax number: +260 211 255537

Telephone number: +260 211 255536