



Habib Bank AG Zurich
Mortgage Property Insurance

Terms and Conditions



عمان للتأمين
Oman Insurance



Table of Contents

Introduction	3
Declaration	3
Definitions	3
Covers	3
Conditions	5
General Conditions	6
Claims Procedure	8
General Clauses	8
Eligibility	10
VAT Clause	11
Contact Information	11



Introduction

The Policy holder (You, your) named in the Policy Schedule pays the premium as agreed with Oman Insurance Company (P.S.C), (We, Our or Us) will provide the insurance described in this Policy and any endorsements thereto for the Insured Period as defined in this Policy, to the Insured Persons detailed in the Policy Schedule and in reliance upon the statements, dated as stated in the Policy Schedule and which is the basis of this Policy and is deemed incorporated in the Policy.

The insurance provided under this Policy is only with respect to such and so many of the benefits as are indicated by a specific amount set opposite in the Policy Schedule.

This document together with the Policy Schedule and any endorsements that accompany it set out the Policy between the Policyholder and the Company and should be read as one document.

This Policy will only be in force if the Policy Schedule is signed by a person We have authorized.

Declaration

The coverage described in the Policy is provided and underwritten by Oman Insurance Company (P.S.C.) hereinafter referred to as the "Company".

The Company has relied on the information given by the Policyholder. For the Policy to be valid, all the information provided by the Policyholder must be true and complete. If there are any changes in circumstances which may affect the Policy, the Policyholder must advise the intermediary or the Company, as soon as is reasonably possible.

This Policy is only valid if issued with a Policy Schedule. The Policy Schedule will indicate the benefits purchased. The Policyholder must read the entire Policy carefully to determine the Insured Persons' rights and duties, and what is and is not covered. The Company has no duty to provide cover unless there has been full compliance with all sections of the Policy.

Definitions

For the purpose of this Policy, the following definitions shall apply unless the context otherwise requires:

Bank means Habib Bank AG Zurich, United Arab Emirates

Borrower/Insured Person means the person / Entity to whom the bank has advanced a mortgage loan / Credit Facilities (which are secured by mortgaged property) and who has not been disqualified by the provisions of this policy to be eligible to receive the benefits under this policy.

Company means Oman Insurance Company PSC, Dubai, United Arab Emirates

Commencement Date means the date the Insured Person is enrolled for this Policy by the Bank or the date of inception of this Policy whichever is later.

Date of Event means any one of the following:

In respect of Property Shield, the date of the happening of loss or destruction or the damage to the property insured after the commencement date and during the policy period.

Property Insured means the buildings or apartments for which loan was disbursed by the bank and fixed improvements to the subject building, if any made by the borrower.

Reinstatement value means the expenses incurred by the insured for reinstating/rebuilding the destroyed or damaged property on the same site by a new property of a similar kind, capacity, size and quality.

Terrorism means Act of terrorism means 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

organization(s) or government(s), committed for political, religious, ideological, or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Class I Construction means Building built with block and cement walls and roofed with reinforced concrete.

In this policy, where the context admits, words importing the masculine gender shall include the feminine gender and words importing singular member shall include the plural and vice versa.

Cover

Property Shield

Residential Properties for which purchase loan was disbursed to the borrower by the Insured Bank against All Risks cover excluding Sabotage Terrorism and Political risks of any kind.

Commercial/Office Premises for which purchase loan was disbursed to the borrower by the Insured Bank against All Risks cover excluding Sabotage Terrorism and Political risks of any kind.

Subject to the terms exceptions limits and conditions contained herein or endorsed hereon (hereinafter referred to as 'the Terms of the Policy) if the Property Covered or any part thereof shall be accidentally physically lost destroyed or damaged the Company will pay to the Insured the value

of the property at the time of the happening of its loss or destruction or the amount of such damage or at their option reinstate or replace such property or any part thereof

PROVIDED THAT the liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Policy Schedule to be Insured thereon or in the whole the total sum insured hereby or such other sum or sums as may be substituted therefore by memorandum hereon or attached hereto signed by or on behalf of the Company. The liability of the Company individually in respect of such loss destruction or damage shall be limited to the proportion set against its name.

Sum Insured

New Market Value of the Property subject to a maximum of AED 25,000,000/- per Property (Properties above AED 25 Million should be referred to Oman Insurance Company for approval and this will be underwritten separately) and properties above AED 28 Million are subject to full RI support.

Basis of Settlement

Repair or Reinstatement as may be decided by the Company. The total indemnity shall not exceed the Sum Insured/New Reinstatement Value of that part of the property damaged.

In the event of Sum Insured being less than 85% of the Current New Reinstatement Value at the time of loss, then the claim payment shall be in that proportion as the Sum Insured is to the Current New Reinstatement Value.

Deductible

An amount of AED 1,000/- will be deducted from each and every claim payable. Losses due to / arising out of a single event shall be considered as single claim.

Exclusions applicable to Property Shield

The Company will not indemnify the Insured in respect of

- 1.a) electrical or mechanical breakdown or derangement of plant machinery or equipment
- 1.b) Deterioration of property due to change in temperature or humidity or failure or inadequate operation of an air-conditioning cooling or heating system
- 1.c) Subsidence ground heave landslip erosion settling or cracking

UNLESS EITHER

(i) caused by

- Fire lightning
- Explosion (for the purposes of this Exception "explosion" shall not mean the bursting or disruption of turbines compressors transformers rectifiers switchgear engine cylinders hydraulic cylinders fly-wheels or other moving parts subject to centrifugal force or boilers economisers or other vessels machinery or apparatus in which pressure is used)
- Aircraft or other aerial devices or articles dropped there from
- Impact by vehicles watercraft locomotives or Rolling stock
- Earthquake
- Riot or malicious acts (other than any act excluded by reason of Exception 6 (b) herein)
- Strikes locked-out workers or persons taking part in labour disturbances
- Storm, Tempest and Flood

OR

(ii) resulting in

- The occurrence of any of the events in (i) above then the Company will only indemnify the Insured under the Terms of the Policy in respect of the resultant loss destruction or damage.

2. Loss destruction or damage to :-
 - a) Property in course of construction or erection
 - b) Electrical wiring caused by electrical current (other than lightning)
3.
 - a) Consequential loss of any kind or description whatsoever.
 - b) The cost of replacing or rectifying defective materials workmanship design or defect or omission in design plan or specification
 - c) Contamination pollution, wear and tear, corrosion, vermin fungus rot, gradual deterioration, deformation or distortion, shrinkage, evaporation, change in colour or texture or finish or action of light
 - d) The cost of normal upkeep or normal making good.
4. Loss destruction or damage by storm tempest water hail frost or snow to temporary structures other than buildings structures and designed to exist and operate in the open.
5. The amount stated in the Schedule as the Deductible in respect of each and every occurrence or a series of occurrences consequent on or attributable to one source or original cause giving rise to loss destruction or damage the subject of indemnity under this Policy
6. Any loss destruction or damage directly or indirectly occasioned by or through or in consequence of :-
 - a) War invasion act of foreign enemy hostilities or warlike operations (whether war be declared or not) civil war
 - b) Mutiny civil commotion assuming the proportions of or amounting to a popular rising military rising insurrection rebellion revolution

military or usurped power or any act of any person acting on behalf of or in connection with any organisation with activities directed towards the overthrow by force of the Government de jure or de facto or to the influencing of it by terrorism or violence.

c)

- i) Permanent or temporary dispossession resulting from confiscation nationalisation commandeering or requisition by any lawfully constituted authority
- ii) Permanent or temporary dispossession of any building resulting from the unlawful occupation of such building by any person

Provided that the Company is not relieved of any liability to the Insured in respect of physical damage to the Property Insured occurring before dispossession or during temporary dispossession which is otherwise insured by this Policy.

d) The destruction of property by order of any public authority

In any action suit or other proceeding where the Company allege that by reason of the provisions of Exceptions 6(a) and 6(b) above any loss destruction or damage is not covered by this insurance the burden of proving that such loss destruction or damage is covered shall be upon the Insured.

7. Any loss destruction or damage directly or indirectly caused by or arising from or in consequence of or contributed to by :-

- a) Nuclear weapons material
- b) Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel solely for the purpose of this Exception 7(b) combustion shall include any self-sustaining process of nuclear fission

In any action suit or other proceeding where the Company allege that by reason of the provisions of Exclusion 6 above any loss destruction or damage is not covered by this insurance the burden of proving that such loss destruction or damage is covered shall be upon the Insured.

Conditions

1. Alteration

This Policy ceases to attach under the following circumstances as regards the property affected unless the Insured, before the occurrence of any Loss or Damage, obtains the sanction of the Company signified by endorsement upon the insurance certificate by or on behalf of the Company

- a. If nature of the occupation of or other circumstances affecting the Property Covered be changed in such a way as to increase the risk of loss or damage
- b. If the interest in the Property Insured passes from the Insured otherwise than by will or operation of law

2. Safeguards And Maintenance

The Customer shall at all times and as far as is reasonably practicable take steps to safeguard the Property Covered and maintain it in a proper state of repair. The Customer shall also take steps to enforce the observance of all statutory provisions Promoter's/Developer's recommendations and other regulations relating to the safety use and inspection of the Property Covered.

3. Company's Rights After A Loss

On the happening of DAMAGE in respect of which a claim is made the Company and any person authorised by the Company

may without hereby incurring any liability or diminishing any of the Company's rights under this Policy

- a) Enter, take or keep possession of the premises where such DAMAGE has occurred
- b) Take possession of or require to be delivered to the Company, any Property Insured and deal with such property for all reasonable purposes and in any reasonable manner.

No property may be abandoned to the Company whether it is taken possession of by the Company or not.

4. Reinstatement

If the Company elect or become bound to reinstate or replace any property the Insured shall at his own expenses produce and give to the Company all such plans documents books and information as the Company may reasonably require. The Company shall not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the Sum Insured thereon

5. Subrogation

The Insured shall at the expense of the Company, do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon its paying for or making good any loss destruction or damage under this insurance certificate, whether such acts and things shall be or become necessary or required before or after their indemnification by the Company

6. Contribution

If at the time of any loss destruction or damage happening to any Property Covered there be any other subsisting insurance certificate whether effected by the Insured or by any other person or persons covering the same property the Company shall not be liable to pay or contribute more than their rateable proportion of such loss destruction or damage

7. Average

Each item Insured is declared to be separately subject to the following condition of Average namely.

If the sum representing 85% of the value of the Property Covered shall at the time of any loss destruction or damage be of greater value than the Sum Insured thereon then the Policy holder shall be considered as being his own Insurer for the difference and shall bear a rateable proportion of the loss accordingly.

8. Architect's, Surveyor's, Consultants & Legal Fees

Insurance Policy extends to include Architects', Surveyors', Consulting Engineers', Consultants' and legal or other fees for the preparation of estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in the reinstatement of the property insured consequent upon its destruction or damage but preparing any claim, it being understood that the amount payable for such fees shall not exceed those authorized under the scale of various institutions and/or bodies regulating such charges and that the liability for such destruction or damage shall not exceed in the aggregate the sum insured by each item and in respect of fees 10% of the actual claim amount.

9. Debris Removal And Clean-Up

This insurance Policy extends to include costs and expenses necessarily incurred by the insured subject to a maximum of 10% of the claim amount with the consent of the Company in:

- i) Removing Debris
- ii) Dismantling and/or demolishing
- iii) Shoring up or propping
- iv) Cleaning up

Of the property destroyed or damaged by an event hereby insured against.

The liability of the Company under this condition and under the insurance Policy shall in no case exceed 10% of the actual claim amount.

10. Fire Brigade Charges And Other Extinguishing Expenses

It is hereby declared and agreed that should the property herein insured be or threatened to be destroyed or damaged by a peril insured against, this insurance Policy shall cover:

- i) Fire brigade charges and other extinguishing expenses for which the insured may be assessed;
- ii) Loss of fire extinguishing materials expended.

11. Workmen

Workmen shall be allowed on the premises for the purpose of effecting repairs and minor structural alterations and also for general maintenance purposes and the like without prejudice to this insurance certificate.

12. Public Authorities

This Insurance Policy extends to include such additional cost of reinstatement of the destroyed or damaged property hereby Insured as may be incurred solely by reason of the necessity to comply with

the building or other regulations under or framed in pursuance of any act of Government or with Bye-laws of any municipal or local authority provided that:

- 1) The amount recoverable under this extension shall not include:
 - a) The cost incurred in complying with any of the aforesaid regulations or bye-laws.
 - In respect of destruction or damage occurring prior to the granting.
 - In respect of destruction or damage not insured by the insurance Policy.
 - Under which notice has been served upon the Insured prior to the happening of the destruction or damage.
 - In respect of undamaged property or undamaged portions of property, other than foundations (unless foundations are specifically excluded from the insurance certificate) of that portion of the property destroyed or damaged.
 - b) The additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations or bye laws not arisen.
 - c) The amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid regulations or bye-laws.
- 2) The work of reinstatement must be commenced and carried out with reasonable dispatch and may be carried out wholly or partially upon another site (if the aforesaid regulations or bye-laws so necessitate) subject to the liability of the Company under this condition

not being thereby increased.

- 3) If the liability of the Company under any item of the insurance certificate apart from this condition shall be reduced by the application of any of the terms and conditions of the insurance certificate then the liability of the Company under this condition (in respect of any such item) shall be reduced in like proportion.
- 4) The total amount recoverable under any item of the Insurance Policy shall not exceed the sum insured thereby.
- 5) All the conditions of the Policy except insofar as they may be hereby expressly varied shall apply as if they had been incorporated herein.

General Conditions

Notwithstanding anything contained herein to the contrary:

Adherence

Compulsory for all eligible Insured Persons

Definition

This Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule, specifications, endorsements, conditions or exclusions shall bear such meaning wherever it may appear.

Misdescription

If there be any material misdescription or omission or any misrepresentation as to any material fact to be known for estimating the risk or any omission to state such fact, the Company shall not be liable under this Policy and the Policy shall become null and void.

Alteration

If under any circumstances the insurance contract entered into is materially altered, without the written consent of the Company, the Policy shall become null and void.

Forfeiture

If any Claim made pursuant to this Policy is in any respect fraudulent or if any fraudulent means or devices or trick devices or other false pretence are used by the Insured Person or any one acting on his behalf to obtain any benefit under this Policy or if the Claim be occasioned by the wilful act or with the connivance of the Insured Person all benefits under this Policy shall be forfeited in respect of that particular Insured Person.

Termination Of Benefits

The benefits under this Policy in respect of the Insured Person shall terminate upon the happening of any one or more of the following:

- Closure of the loan account with the Bank by the Insured Person;
- Payment of the benefits under the Policy; or
- Cancellation of the benefits under this Policy by the Bank at any time in accordance with the terms and conditions of this Policy.

Declaration

Declaration containing the following information would be provided by the Bank within 15 days from the end of each month

- Type
- S. No.
- Loan A/c. No.
- Name of Borrower(S)
- Date of birth
- Gender
- Occupation of Borrower
- Single Borrower / Joint Borrower
- Initial Amount
- Initial Date of Disbursal
- Address
- Insurance Amount / Market Value
- Issue Date
- Expiry Date
- No. of Days
- Basis for Premium Calculation
- Gross Premium AED
- OIC Share AED
- HBZ Share AED

Premium

Based on the Declaration the Sum Insured is calculated and the agreed Premium rate will be applied on the Sum Insured. Annual Premium collected should be paid to the Company on monthly basis together with the Insured information.

Cancellation Of Contract

It is hereby noted and agreed that either Party may cancel this Agreement on the anniversary date by giving thirty (30) days written notice of cancellation. In the event of cancellation of the contract by the Bank or the Company the Premium charged shall be made on the basis of the monthly Declarations up to the month of cancellation. On such cancellation, cover on the in-force portfolio ceases immediately.

Run Off

In case of cancellation, cover on the in-force portfolio ceases immediately. However, claims incurred during the currency of the policy shall be reported up to 6 months from the date of cancellation.

Time Limitation

If a claim be made and rejected and an action or suit be not commenced within six months after such rejection or (in case of an arbitration taking place as per provisions of this Policy) within six months after the Arbitrator shall have made his award all benefit under this Policy shall be forfeited.

Governing Law And Jurisdiction

This Policy shall be governed by and construed in accordance with the laws of United Arab Emirates. Both Parties agree and submit to the exclusive jurisdiction of the Courts of the United Arab Emirates.

Territorial Limits

Various locations within United Arab Emirates

Observance Of Conditions

The due observance and fulfilment of the terms, conditions and endorsements of this Policy by the Bank, as referenced in this Agreement, in so far as they relate to anything to be done or complied with by the Bank shall be conditions precedent to any liability of the Company to make payment under this Policy.

Sanctions

The Company shall not provide cover nor shall it be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Company to any sanction, prohibition or restriction under the United Nations resolutions or the trade or economic sanctions, laws regulations of the European Union, United Kingdom, United States of America, United Arab Emirates and all other jurisdictions where the Company transacts its business.

ANTI-MONEY LAUNDERING AND COMBATING TERRORIST FINANCING

The Company is in compliance with Anti-Money Laundering & Combating Terrorist Financing laws (UAE Federal Law No. 4, 2002 - Criminalization of Money Laundering, UAE Federal Law No. 1, 2004 - combating Terrorism Offences, Federal Decree No. 20 of 2018 on Anti-Money Laundering & Combating the Financing of Terrorism & Illegal Organizations and Insurance Authority Decision No.10 of 2019 - Anti-Money Laundering & Combating the Financing of Terrorism & Illegal Organizations.

Claims Procedure

Contact our Claims department on **+971 4 233 7463/464**, Fax: **+971 4 233 7765**, UAE toll free number **800 4746** or email us at nmcoic@omaninsurance.ae.

Upon happening of an event giving rise to a claim under this Policy, the Borrower /Borrower's Legal Representatives/Insured shall follow the following procedure:

1. Give immediate written notice to the Company but not later than thirty (30) days from the Date of Event
2. The Insured Person /Insured Person's Legal Representatives shall complete the standard claim form issued by the Company and produce at no cost to the Company with such evidence to substantiate the claim to the satisfaction of the Company as the Company may reasonably require; The Insured shall also give to the Company all such proofs and information with respect to the claim as may be reasonably required together with (if demanded) a statutory declaration of the truth of the claim and of any matters connected therewith. No claim under this Policy shall be payable unless the terms of this Condition have been complied with
3. The Borrower or the Borrower's legal personal representative or the Bank shall submit the following documents within 90 days from Date of Event:
 - Date of Loss
 - Nature of Loss
 - Brief description about the incident
 - thereto respectively having regard to their value at the time of the loss destruction or damage
 - Details of any other policy on any property hereby Bank.

- Contact details for Survey
- Relevant documents as required by the Surveyor needs to be provided by the Borrower/ Bank to the Company.

4. All papers as indicated above may be required to be produced as attested copies (other than those surrendered to the authorities) for verification before the final settlement of claim.

General Clauses

Automatic Reinstatement

In consideration of the insurance by this policy not being reduced by the amount of any loss, the Insured shall pay the appropriate extra premium on the amount of the loss from the date thereof to the date of the expiry of the period of insurance.

Architect, Surveyors, Consulting Engineers & other professional fees Clause

The insurance by this Policy is extended to cover Architects, Surveyors and Consulting Engineers Fees necessarily incurred in the re-instatement of the property insured following upon its destruction or damage by any peril hereby insured against (but not any fees for the preparation of a claim or estimate of loss).

The liability of the Insurers under this endorsement in no case shall exceed the limits specified in the schedule of the policy. Subject otherwise to the same terms, conditions and limitations of the said policy.

Alternate and Temporary Clause

In the event of Building being rendered uninhabitable by an Insured Peril,

the Company will indemnify the actual cost incurred against up to a maximum of AED 100/- per day per owner, subject to a Maximum Aggregate in Amount of AED 3,000/-.

72 Hours Clause

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon any loss of or damage to the property described in the schedule arising during any one period of 72 consecutive hours, caused by Storm, Tempest, Flood, Earthquake, Riot, Strike or Malicious damage shall be deemed as a single event and, therefore, to constitute one occurrence with regard to the sum insured and deductible(s) mentioned in the schedule. The insured shall select the time from which any such period shall commence but not two such selected periods shall overlap.

Boiler Explosion Extension Clause

This extension does not cover loss of or damage to any boiler or the contents thereof resulting from the explosion of such boiler and not being loss or damage by FIRE resulting from such explosion.

Claims Preparation Costs

This insurance extends to include the costs associated with the preparation of a claim under the policy up to a maximum amount specified in the schedule of the policy.

Cancellation Clause

This Policy may be cancelled by or on behalf of the Insurers or by the Insured at any time by providing 30 days' notice given in writing to the Insured/Insurer at his last known address, in which case a pro rata premium shall apply. Notice shall be deemed to be duly received in the course of post if sent by pre-paid letter post properly addressed.

Capital Additions Clause

Notwithstanding anything contained herein to the contrary it is understood that the insurance by this Policy extends to cover alterations additions improvements or refurbishing (but not appreciation in value in excess of the sums insured) to buildings and machinery being part of the property specified in the Schedule for an amount not exceeding twenty percent (20%) of the total sum insured it being understood that the Insured undertake to advise the Company within sixty (60 days) of any such alterations additions improvements or refurbishing and to pay the appropriate additional premium thereon.

Charges of Lock and Key

Notwithstanding any provision to the contrary within this insurance Policy or any endorsement thereto it is agreed that this insurance Policy Covers Cost of replacing the locks or lock mechanisms following loss by theft of keys to the locks of external doors of the premises for a maximum limit of 10% of the Total Sum Insured.

Drains Clause

The cover provided by this policy is extended to include expenses necessarily and reasonably incurred in clearing, cleaning and/or repairing drains, gutters, sewers and the like blocked or damaged as a result of the action of any of the perils insured by this policy. The liability of the Insurers under this endorsement in no case shall exceed the sublimit specified in the schedule of the policy

Debris Removal Clause subject to AED 150,000/-

It is hereby agreed that within the limit(s) of the Sum(s) Insured, this policy covers costs and

expenses necessarily incurred by the Insured with the consent of the of the company not exceeding the sum insured specified in the specification (per location) in respect of:

- a) Removing the Debris
- b) Dismantling or Demolishing
- c) Shoring up or propping

of the portion or portions of the property destroyed or damaged by any peril hereby insured against and to which such sum (s) insured respectively relate.

Note: (b) & (c) above stands deleted when neither building nor machinery are covered

Escalation clause

It is hereby declared and agreed that if during the period of insurance the value of the contract shall be in excess of the total estimated contract price, the sum insured shall be increased automatically by the amount of such excess value but not exceeding 10% of the estimated contract price as stated in the schedule and that a declaration of the actual total contract price shall be made to the insurers in accordance with the conditions of this policy.

Extra Charge Clause

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, and subject to the Insured having paid the agreed extra premium, this insurance shall be extended to cover extra charges, for overtime, night work, work on public holidays and express freight (excluding airfreight) up to 50% of normal charges.

Provide always that such extra charges are incurred in connection with any loss of or damage to the Insured items recoverable under this Policy.

If the Sum(s) insured of the damaged item(s) is/are less than the amount(s) required to be insured the amount payable under this endorsement for such extra charges shall be reduced in the same proportion.

Fire Brigade Charges Subject to AED 75,000/-

In the event of the Insured property being destroyed or damage by any peril hereby Insured against, the policy shall cover Fire Brigade Charges and other Extinguishing Expenses which the Insured may incur up to a limit specified in the schedule of the policy.

Impact Damage Clause

This insurance indemnifies all damage or loss in respect of Impact Damage (e.g. vehicles, watercraft, locomotives, aircraft, other aerial devices or articles dropped there from), which takes place in its entirety at a specific time and place during the period of insurance.

Lien Clause

Loss, if any, payable under this Policy shall be paid to Habib Bank AG Zurich. It is further understood and agreed that receipt of the claim amount by Habib Bank AG Zurich will be considered as a valid discharge

Mortgage Clause

"Loss, if any shall be payable to the Banks/Financial Institutions, as specified on Policy Schedule, on pari-pasu basis (herein after called Bank), nominated by the Insured as beneficiary to the extent of their rights and interests, and this insurance, as to the interest of the Bank only therein, shall not be invalidated by any unintentional act, or neglect of the Insured or the owner of the within described property nor by any

foreclosure or other proceedings or notice of sale relating to the property or by the occupation of the premises for purposes more hazardous than are permitted by the policy. Provided that, in case the Insured or owner shall neglect to pay any premium due under this policy, the Bank shall on demand pay the same. Provided also that the Bank shall notify this Company of any change of ownership or occupancy or increase of hazard which shall come to the knowledge of the said Bank, and unless permitted by the policy it shall be noted thereon and provided a demand is first made on the Insured and he fails to pay, the Bank shall on demand pay the premium for such increased hazard for the terms of the use thereof otherwise this policy shall be null and void".

It is further agreed that, whenever the Insurance company shall pay the Bank any sum in respect of loss or damage under this policy and shall claim that as to the Insured or Owner no liability therefore existed, the Insurance Company shall become legally subrogated to all the rights of the Bank to the extent of such payment but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Insured or owner or any other party or parties Insured hereunder or from any securities or funds available."

Miscellaneous Property Clause

It is hereby agreed that the term "Miscellaneous Property" is understood to include the following in the cover:-

1. Gates
2. Fences
3. Swimming Pools
4. Gazebos
5. Garage
6. Domestic Helper Cabin
7. Other structures within the premises

Malicious Damage

This insurance indemnifies all damage or loss in respect of Malicious Damage, which takes place in its entirety at a specific time and place during the period of insurance.

Natural Perils Clause

This insurance indemnifies all damage or loss in respect of Natural Perils (e.g. earthquake, storm, tempest, flood and hail), which takes place in its entirety at a specific time and place during the period of insurance.

Non-Resident Clause:

This insurance cover is extended to insured Borrowers that are Non-resident of U.A.E. and loan emanates from Habib Bank AG Zurich.

No Control Clause

This insurance shall not be prejudiced by any act or neglect of the owner of any premises if the Insured is not the owner thereof, or by any act or neglect of any occupant (other than the Insured) of any premises, when such act or neglect of the owner or occupant is not within the control of the Insured, or by failure of the Insured to comply with any warranty or conditions contained in any form or endorsement attached to this policy with regard to any portion of the premises over which Insured has no control.

Public Authorities Clause

The insurance by this policy relating to building extends to include such additional cost of reinstatement of the destroyed or damaged property thereby insured as may be incurred solely by reason of the necessity to comply with building or other regulations under or framed in pursuance of any act of parliament or with bye-laws of any municipal or local authority provided that:

- 1) The amount recoverable under this extension shall not include:
 - a) The cost incurred in complying with any of the aforesaid regulations or bye-laws: -
 - i) In respect of destruction or damage occurring prior to the granting of this extension.
 - ii) In respect of destruction or damage uninsured by the policy.
 - iii) Under which notice has been served upon the insured prior to the happening of the destruction or damage.
 - iv) In respect of undamaged property or undamaged portions of property.
 - b) The additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new, had not the necessity to comply with any of the aforesaid regulations or bye-laws arisen.
 - c) The amount of any rate tax duty development or other charge or assessment arising out of capital appreciation, which may be, payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid regulations or bye-laws.
- 2) The work of reinstatement must be commenced and carried out with reasonable despatch and in any case must be completed within twelve months after the destruction or damage or within such further time as the insurers may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid regulations or bye-laws so necessitate) subject to the liability of the insurers under

this extensions not being thereby increased.

3) If the liability of the insurers under (any item of) the policy apart from this extension shall be reduced by the application of any of the terms and conditions of the policy then the liability of the insurers under this extension (in respect of any such item) shall be reduced in like proportion.

4) The total amount recoverable under any item of the policy shall not exceed the sum insured thereby .

5) All the conditions of the policy except in so far as they may be hereby expressly varied shall apply as if they had been incorporated therein.

Reinstatement Value Clause Incorporating 85% Condition of Average (Applicable in respect of Building only)

In the event of the property insured under the above policy being destroyed or damaged the basis upon which the amount payable under the policy is to be calculated, shall be the cost of replacing or re-instating on the same site property of the same kind or type but not superior to or more extensive than the insured property when new, subject to the following special provisions and subject to the following conditions of the policy except insofar the same may be varied hereby.

Strike, Riot, Civil Commotions Clause

This insurance indemnifies all damage or loss in respect of Strike, Riot and Civil Commotion, which takes place in its entirety at a specific time and place during the period of insurance.

Sue and Labour Clause

In case of loss or damage or imminent loss or damage hereunder, it shall be lawful and necessary for the insured, his, its or their factors, servants and assigns to sue, labour and travel for, in and about the defense, safeguard and recovery of the insured property , or any part thereof without prejudice of this insurance, not shall the act of the insured or the underwriters in recovering, saving and / or preserving the insured property in case of disaster be considered a waiver or an acceptance of abandonment.

The expense so incurred shall be borne by the insurer, up to a limit as stated in the policy Schedule.

Subsidence and Landslide Clause

This insurance will not indemnify damage or loss in respect of Subsidence and Landslide, which takes place in its entirety at a specific time and place during the period of insurance.

Workmen's Clause

It is hereby agreed that workmen are allowed on the premises for the purpose of effecting repairs and minor structural and other alternations and also for general maintenance purpose and the like without prejudice to this insurance.

Eligibility Conditions

1. The Insured Person / Entities must meet the eligibility criteria stipulated by the Bank for issuance of a mortgage loan.
2. The maximum amount sanctioned by the Bank to the Borrower should not exceed

AED 25,000,000/-. Individual properties and Credit facilities valued over this limit will need to be referred to OIC underwriters for detailed evaluation and assessment including survey.

3. Residential Properties, Office Premises and Credit Facilities for which purchase loan was disbursed to the borrower by the Insured Bank against All Risks cover excluding Sabotage Terrorism and Political risks of any kind. OIC Property Shield Terms and Conditions apply and the following occupancies are strictly excluded:
 - a. Fireworks, factories, Hotels, Hospitals, Pharmacies and warehouses and like.
 - b. Explosives and matches, factories and warehouses and like.
 - c. Briquetting, Charcoal, Cotton Wool, Wood Wool, Rag factories.
 - d. Paints, Thinners and inflammable chemicals factories and / or such warehousing/storage facilities.
 - e. Carton and Packing Materials Factories
 - f. Textile mills (Cotton batting, spinning and storage).
 - g. Petrol Storage, tank farms storing petrol other than petrol stations.
 - h. Underground mines, caverns, tunnels and any property contained therein.
 - i. Timber & Plywood, Chipboard manufacturing and storage
 - j. Foam or Foam Plastics Manufacturing Furniture Manufacturing including
 - k. Upholstery Works

The Borrower should be an Entity based in UAE, UAE National, an expatriate resident in UAE or Non-Resident of UAE at policy inception.

VAT

A. Premium Payments

For avoidance of doubt, all premium amounts mentioned herein are exclusive of Value added tax (VAT). VAT and any other taxes currently applicable or which will be applicable in connection with this insurance policy shall solely be borne by the Insured/Policyholder.

The Insured/Policyholder hereby agrees to pay to the Insurer the applicable VAT/any other taxes paid by the Insurer, on the Insured/Policyholder's behalf, within 15 working days of receiving the invoice failing which the Insured/Policyholder shall be considered to be in material breach of the Policy's terms and conditions and, the Insurer shall be within its right to invoke legal remedies available to the Insurer including to terminate the policy and/or offsetting such VAT or other tax amounts from any other amount which the Insured/Policyholder is to receive from the Insurer without the need to obtain any further consent from the insured/policyholder and/or any court judgment/order. The Insured hereby unconditionally accepts to the same.

In the event that VAT/any other tax treatment as assessed by relevant tax authorities is different from that assigned by the Insurer on our tax invoice/invoice to you and/or the invoice generated/computed by the Insurer is incorrect, the Insured/Policyholder hereby agrees to pay immediately and on demand the differential balance of any VAT/tax to the Insurer of the European Union, United Kingdom, United States of America, United Arab Emirates and / or all other jurisdictions where the Company transacts its business.

B. Claim settlements - where OIC agree to pay the policyholder

When Oman Insurance Company ("OIC" or "we") pays a claim, your VAT registration status will determine the amount we pay you.

When you are:

1. Not registered for VAT, the amount we pay, will be the sum insured/limit of indemnity or any other limits of insurance cover, including VAT;
2. Registered for VAT, the amount we will pay will be the sum insured/limit of indemnity or any other limits of insurance cover and where you are liable to pay an amount of VAT in respect of an acquisition relevant to your claim, we will pay the VAT amount. However we will reduce the VAT amount we pay for by the amount of any input tax credits to which you are or would be entitled to if you had made the relevant acquisition. In such instances the input tax credit would be claimable by you upon filing of your VAT return.

All policyholders making a claim with OIC must declare their VAT registration status.

Any VAT liability arising from your incorrect declaration is and will be payable by you (the policyholder).

Where the settlement amount of your claim is less than the sum insured/limit of indemnity or any other limits of insurance cover, we will only pay an amount of VAT (less any entitlement to an input tax credit) applicable to the settlement amount.

Contact Information

For any queries on coverage, benefits or claims procedure please contact call center of Oman Insurance Company (P.S.C) at 800 4746 (toll free within UAE), contact us via email on

Personallinesops@omaninsurance.ae

Complaints

Tell us what you think of Oman Insurance Company (P.S.C.), we are always happy to hear your comments. If you have any feedback or complaints, please contact us through our call center on 800-4746 (8 AM to 8 PM – Monday to Friday and 8 AM to 5 PM - Saturday), or by visiting our website www.omaninsurance.ae, alternatively you can email us on

complaints@omaninsurance.ae

A full circle of insurance products keeps you covered at all angles.



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