

INSURANCE/TAKAFUL COVERAGE TERMS & CONDITIONS

The Management Company has arranged Life Insurance coverage / Life Takaful coverage for the investors as stated in the Offering Documents of the funds. The cost of premium is to be borne by the investor. Such premium cost is to be deducted from the unit holder's investment on a monthly basis and deposited with the Insurance Company / Takaful Operator by the Management Company as per the terms and conditions of the Insurance / Takaful coverage defined in the Insurance / Takaful policy document signed between the Insurance Company / Takaful Operator and Management Company.

Investors, who have attained the minimum age of 18 years and are below the age of 65 years, are eligible for Takaful subject to maintaining a cumulative minimum investment balance.

Acquiring Insurance / Takaful Coverage is an option to the investor that he may or may not exercise.

The Insurance / Takaful policy does not cover any loss or expense caused to the investors by or resulting from the following:

- a) Suicide; or
- b) Self-destruction or self-inflicted injury, while sane or insane, or any attempt there at; or
- c) Complications arising from an attempt of murder, homicide, manslaughter, assault, assassination, terrorism, slaying or any malicious or criminal act, whether intentional or unintentional, premeditated or spontaneous, random or targeted, resulting in the death of the Investor.
- d) Over-speeding, racing on the ground, water or air, or engaging in any hazardous past time or sport; or
- e) War, declared or undeclared, or any act of war or insurrection, or as a result of a strike, riot, civil commotion or service in any military, naval or air force, or performing police duty as a borrower of any military or naval organization; or
- f) While under the influence of or as a result of alcohol, drugs (other than on medical advice), or other intoxicants; or
- g) The commission or attempted commission of an act which would subject the person to civil or criminal penalties, or the contravention of any law; or
- h) Failing to reasonably seek or follow medical advice.
- i) Service, travel or flight in any kind of aircraft or aerial vehicle 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; or
- j) Pregnancy, miscarriage, childbirth or any non-malignant disease occurring in or in connection with the female reproductive organs; or
- k) Mental or psychosomatic disorder; or
- l) Any medical condition associated with the Human Immune Deficiency Virus (HIV) or its mutations.
- m) Enmity or animosity of any kind; or
- n) Any pre-existing condition as defined in the policy's general provision for which treatment or medication or advice or diagnosis has been sought or received or was foreseeable prior to the commencement of insurance for the employee concerned or;
- o) Which originated or was known by the policy holder or the employee, to exist prior to the commencement of insurance for the Employee whether or not treatment, or medication, or advice or diagnosis was sought or received.

Current level of Insurance / takaful coverage is as follows:

- a) Lower of net Investment Value or Rs. 50 lacs.
- b) The Insurance / Takaful cost is 0.015% per month of the sum covered. The Insurance Company / Takaful Operator may change the premium rates in the future. New premium rates will be applicable automatically.
- c) NBP Funds will have the option to switch the Insurance / Takaful Company with, the objective of optimizing the premium rates and / or service levels.

Other Instructions

Investors covered under this Insurance/Takaful plan will be governed by the following additional conditions of the Takaful Policy:

1. The takaful cover will be valid as long as the investor remains invested with a minimum balance of Rs. 95,000 and will cease the day the balance falls below that amount.
2. The investors shall confirm the Nominee/Guardian details in writing.
3. In case of Joint Account only Principal Account holder (as defined in the constitutive documents of NBP Funds) will be covered.
4. An Insured cannot be enrolled simultaneously for more than one Takaful Cover under the Policy.
5. The takaful coverage will not be valid if:
 - (a) The Master Policy is cancelled.
 - (b) The person covered reaches his/ her 65 birthday.
 - (c) The person no longer meets the eligibility criteria of the Takaful.
 - (d) The Individual covered is engaged in or takes part in any naval, military or air-force activities.
6. If this Takaful Policy terminates due to non-renewal at anniversary (after completion of each year), or due to decisions made by the Participant NBP Funds or the Takaful Operator. In such cases, a 15-day notice shall be provided to the Individuals covered under the Policy prior to termination of coverage. A notice for termination will be published in two widely circulated newspapers one English and one Urdu.