

INVOLUNTARY LOSS OF EMPLOYMENT

DEFINITIONS

ILOE means Involuntary Loss of Employment

Involuntary Loss of Employment means unemployment of the covered member arising out of the unilateral decision of the employer to terminate his/her employment contract without citing any reason or for reasons other than those mentioned under Exclusions.

Beneficiary means either the **Covered Member** or the **Master Certificate Holder** who receives the benefit amount under the Involuntary Loss of Employment Cover. Name of **Beneficiary** must be mentioned on the schedule of the Certificate.

Covered Member means an individual who is insured individually or as part of a group scheme, who is below the age of 59 years on the **Expiry Date**. **Covered member** must satisfy other terms and conditions of the Certificate to be eligible to claim under this Certificate.

Master Certificate Holder is the entity which takes out the Takaful Certificate on behalf of its members, customers or employees. Unless otherwise agreed, the contributions and claims settlement are between the Master Certificate Holder and the Takaful Company.

Commencement Date means the date the **Covered Member** is enrolled for this Certificate or the date of inception of this Certificate, whichever is later.

Employment Date means the inception date of employment as mentioned in the latest employment contract signed by both parties and based upon which the current employment visa and/or residence permit has been issued.

Actual Date of Unemployment means the date immediately after the end of the statutory notice period **or**; the notice period mentioned in the contract **or**; the notice period mentioned in the termination letter, whichever falls or occurs last.

Date of Event means the date of the notice of termination served to the covered member after the Commencement Date and during the Certificate period.

Re-Employment means accepting and/or starting work for a new employer or the same employer under a new employment contract during the period when ILOE benefit is being paid.

Fixed Term Contract means any Employment Contract which is for the duration of less than 2 years.

Maximum Number of Instalments means six (6) **Monthly Instalments**

Claims Administrator LEFTFIELD ASSURANCE EXTENDED WARRANTY MANAGEMENT LLC are exclusive supplier of the administration/management software in collaboration with BCWL INSURANCE CONSULTANCY, UNITED ARAB EMIRATES (UAE)

Claim Limit means the maximum amount that can be claimed in total during the **Period of Cover**, not exceeding AED 30,000.

Deductible and Excess the payment of claim shall be deferred by 30 days (equal to statutory notice period to be served by the employer) or actual notice period as per the employment contract – whichever is higher

Period of Cover Maximum 36 months from inception date

Economic Recession means a period of temporary economic [decline](#) during which trade and industrial activities of the covered country are reduced, generally identified by a [fall](#) in [GDP](#) for two [successive](#) quarters.

Collective Redundancy is the termination of labour contracts based on economic, technical, organizational or productivity reasons, when the termination of such contracts affects the number of

workers during the term and according to the definitions and other requirements indicated by the Ministry of Labour at in force with respect to "Collective Redundancy".

In case there is no legislation in this respect, "Collective Redundancy" refers to dismissals:

1. In Companies of up to 100 employees, redundancies that represent more than 20% of the Company's staff.
2. In Companies from 101-200 employees, redundancies that represent more than 15% of the Company's staff
3. In Companies from 201-300 employees, redundancies that represent more than 10% of the Company's staff
4. In Companies with more than 300 employees, redundancies that represent more than 30 employees of the Company's staff.

BENEFIT

If within the **Period of Cover** You become **Unemployed**, and continue to stay **Unemployed** for at least 30days, **We** shall cover **Your Monthly Instalments** directly to **Your** finance company for the duration that **You** are **Unemployed** up to the **Maximum Number of Instalments** or the **Claim Limit** or the **Outstanding Finance Amount**, whichever amount is lower

SCOPE OF COVER

If a **Covered Member** suffers an **Involuntary Loss of Employment** as defined in this Certificate, the Takaful Company will pay to the **Beneficiary** up to an amount and for the number of months as specified on the schedule of the Certificate subject to other terms and conditions of the Certificate.

Only **Involuntary Loss of Employment** arising in the covered countries as mentioned in the schedule of the Certificate and as per the respective contract of employment can be covered.

The payment of benefit to the **covered member** shall be calculated from the **Actual Date of Unemployment** and first payment shall be due on or after the **Actual Date of Unemployment**. (After the notice Period as expired)

Involuntary Loss of Employment Takaful is subject to a deferral of coverage period of 180 days accounted only once from the **Commencement Date**. A claim is automatically turned down if redundancy or dismissal is notified to the **Covered Member** within these 180 days.

The Takaful contract is subject to 30 days' notice of cancellation by either party.

The benefit payment terminates at the earliest of the following dates:

1. In case of Death/Disability of the **Covered Member**,
2. When the **Covered Member** resumes work (even if it is only a part-time work) or does not come back to claim for more than 90 days (in cases where monthly benefit is payable)
3. On the normal date of retirement or early retirement,
4. **Maximum Cover** Period (36months from inception date)
5. When the **Covered Member** reaches 59 years of age,
6. When the **Covered Member's** visa is cancelled, or he leaves the country.
7. When the **Covered Member** no longer claims the Social Security Benefit applicable for Nationals of the GCC Countries (e.g. Tanmia unemployment benefit applicable to UNITED ARAB EMIRATES (UAE) Nationals).

There must be at least 180 days of continuous employment after the term of a first claim for which benefits have been paid to re-qualify for a new one.

To report a claim, the **Covered Member** must meet the following conditions:

1. Being less than **59 years old** on the **Date of Event** and
2. 180 continuous days of permanent gainful contract of employment from the **Employment Date** of not less than **30** hours per week with the same employer prior to the **Date of Event** [self-employed people are not entitled to claim under this ILOE coverage] (*)

3. **Covered Member** must be under the employment of his/her employer and must be working for the same employer on a day to day basis as evidenced by the employment visa / residence permit. The residence permit must not restrict the right to work. **Covered Member** terminated from employment whilst under the sponsorship of spouses are not covered.
4. The payment of claim shall be deferred by 30 days (equal to statutory notice period to be served by the employer) or actual notice period as per the employment contract – whichever is higher.
5. Being unemployed because of either redundancy or dismissal subject to other terms and conditions of this Certificate and must have a letter from the employer to prove this
6. Last 6 months (prior to the **Date of Event**) salary must have been paid into his bank account through WPS System or any other means as required by law. Salary paid in cash is not considered as evidence of salary paid.
7. Only one claim can be made under this Certificate during the **Period of Cover**.

(*) the eligibility to ILOE depends on conditions that have to be met **on the claim date**, irrespective of what the occupation of the **Covered Member** was when he applied for Takaful

EXCLUSIONS

1. Social legal phenomenon such as Emiratization, etc.
2. Mass layoffs due to **Economic Recession** or **Collective Redundancy** or company non-performance due to its inability to pay its debts due to insolvency or liquidation proceedings are initiated against it.
3. Employees who have not been continuously employed with the same employer for a minimum of 180 days or employees who are on probation or Self-employed persons or under the sponsorship of spouse.
4. Employment on a **Fixed Term Contract** or limited contract of 2 years or less or part time or temporary employment. In addition, termination of 'employees outsourced to other companies' due to end of outsourcing contract; or termination by employer due to redundancy or closure of project at the outsourced company; or termination of employees who were recruited or allocated for a specific project and termination arising out of the completion, closure, abandonment or postponement of this project is excluded.
5. Resignation or leaving by Mutual Agreement or voluntary retirement or redundancy after voluntary breaks from employment in excess of normal holiday entitlement.
6. If it is caused as a result of **Covered Member's** Disability, Sickness or Accident or any other medical reasons (mental and/or physical);
7. Termination as per the provisions of Article 120 of the UNITED ARAB EMIRATES (UAE) labour law, applicable only if **Covered Member** is in UNITED ARAB EMIRATES (UAE);
8. Involuntary Loss of Employment which starts within 120 days of the **Commencement Date** for the individual covered member under the master Certificate issued to the **Master Certificate Holder**.
9. Where the Scheme Member was reasonably aware of pending unemployment on or before his joining the scheme. This will include joining the scheme after the merger or acquisition or take-over or sale has been proposed or announced whether internally in organization or publicly.
10. Where the unemployment is due to unsatisfactory performance or a normal seasonal part of the employment; **Or** the reason for termination being cancellation / closure / completion / abandonment / postponement of a specific contract or project between the employer and any client of the employer to which the claimant was assigned; **Or** due to non-renewal of employment contract by the government authorities (i.e. Labour Ministry, Immigration, etc.) or by the employer; **Or** last working day (including notice period) after termination being within 90 days from the expiry date of his employment visa or employment contract whichever is earlier
11. Where the **Covered Member** has neither been terminated nor become redundant but his/her salary or allowances is being withheld in part or in full for any reason; in addition, if the **Covered Member** is terminated with or without the mandatory notice period but salary and benefits not paid, no claim is payable until court confirms that it was an unfair dismissal and confirms the effective date of termination.

12. Unemployment due to any of the following: Misconduct; Refusal to accept orders from the superiors; Criminal activity; Dishonesty; fraud; **Covered Member** being under the influence of alcohol or drugs or being on unapproved or unauthorized leave
13. The period for which payment of salary or compensation from the employer is received instead of working notice subject to a minimum of statutory notice period as per the local labour law; In cases, where the covered member is terminated without being given notice, his last working day or the actual date of unemployment (for the purpose of settlement of this claim) shall be considered be the date being 31st day from the date of the termination.
14. Company failure or redundancy or termination of the individual **Covered Member** where a contributing cause was a natural catastrophic peril, war or warlike event; terrorism, epidemic / pandemic, rebellion, revolution, insurrection, military or usurp power, or confiscation or nationalization or requisition or destruction of or damage to property by or under the order the government or public or local authority, nuclear reaction, nuclear radiation or radioactive contamination
15. No cover in case of concealment or misrepresentation to obtain cover
16. Termination by employer where the claimant, his/her spouse, child, parents of self or spouse, brother or sister were a director or shareholder other than for companies listed on local stock exchange. Unemployment whilst being under the sponsorship of spouse is not covered.
17. Claims intimated after 90 days from the **Date of Event**.
18. Happens at a time when **Covered Member** is Working outside the UNITED ARAB EMIRATES (UAE) for more than 30 days in a row;
19. If **Covered Member's** employment is a result of the expiration of a fixed term which had less than 12 months to run at the start date of **Your Period of Cover**:

HOW TO MAKE A CLAIM AND DOCUMENTS REQUIRED IN THE EVENT OF AN ILOE CLAIM:

CLAIM PROCEDURES:

You need to adhere to the following conditions to have full protection of the **Certificate**. If **You** do not comply with them, **We** may at **Our** option cancel **Your Certificate**, refuse to cover any **Monthly Instalments**, or reduce the amount of the cover:

1. Written notice of the facts on which a claim is based must be given to Us in a claims form within 20 days of the date of an **Event** leading to **Your Unemployment**. If such notice shall not be given within such period or any extension agreed by **Us**, **We** may at **Our** option refuse to deal with **Your** claim:
2. A detailed claims procedure is given in the next section (How to Make a Claim). **You** must follow this procedure, failure to do so may result in **Us** not waiving **Your Monthly Instalments**
3. No benefit shall be given under this **Certificate** until **We** have received proof to **Our** satisfaction of the Unemployment, **Your** last day of service and whether the claim for unemployment is covered under this **Certificate**. Useful evidence may include a receipt or sighting of a cancelled employment visa obtained as a result of involuntary redundancy, or a notarized letter of redundancy where employment visa is not applicable

In case of claim, the following documents shall be required to support a claim.

All claims **MUST** be reported within 30 days of the **Event**. Should you need to claim, please report **YOUR** claim according to the following procedure:

Contact the Claims administration on telephone 00971 4 5667975 or email claims@leftfieldassurance.com:

Claims department is operational 9:00am to 5:00pm Sunday through to Thursday.

To initiate a claim, you must provide the following documentation in person to our claim's office.

1. System generated bank's finance statement showing transactions since the beginning of finance approval and current outstanding balance
2. Letter of Termination from the Employer which must be dated, stamped and written on a company letterhead. It must be signed by either the Company Head or the HR Head.

3. Service Certificate, **Your** employer is obliged to provide to you free of charge, providing the date **Your Employment** commenced service, the last day of service, the total service period, the nature of **Work You** carried out, **Your** last salary details and any allowances if applicable.
4. Copy of Certified Employment Contract (by Ministry of Labour) with bar code stating clearly the salary and the duration of the contract and other terms of employment. In case of Free Zones, Employment Agreement duly stamped and signed by the relevant Free Zone Authority is required.
5. Salary slips for last 6 months preceding the **Date of Event** together with supporting bank statements;
6. Proof of payment of Social Security Benefit for UNITED ARAB EMIRATES (UAE) Nationals (wherever applicable)
7. Copy of **Covered Member's** Passport with applicable Residence Visa page
8. An undertaking addressed to the Head of HR/CEO/MD/GM of his employer, authorizing the Takaful company to seek his employment and termination related information from his employer.
9. Entry / Exit (Kashf) report from the Immigration
10. New employment contract in the event of re-employment
11. Any other document as may be reasonably required.

In addition, all claimants must present themselves personally to the Takaful company or the Third-Party Administrator with original passport or other documents (as may be required) for verification of current residency or employment status.

Data Protection Clause

Information about your Certificate may be shared between the following, Reinsured, Reinsurer administrator for underwriting and administration purposes.

You should understand that the information you provide will be used by our representatives, the administrator and industry governing bodies and regulators to process your ILOE Certificate, handle claims and prevent fraud. This may involve transferring information to other countries (some of which may have limited, or no data protection laws). We have taken steps to ensure your information is held securely.

Your information may be used by the administrator for marketing and research purposes or inform you from time to time about new products or services. If you do not to receive marketing information please write to the administrator, you have the right to access your personal records.

All other terms and conditions remain unchanged.