



PRODUCT DISCLOSURE SHEET

(Read this Product Disclosure Sheet before you decide to participate in the “IKHLAS Mortgage Reducing Term Takaful Lembaga Pinjaman Perumahan Sektor Awam”. Be sure to also read the general terms and conditions.)

TAKAFUL IKHLAS FAMILY BERHAD
(Formerly known as Takaful Ikhlas Berhad)

(Licensed under Islamic Financial Services Act 2013 and regulated by Bank Negara Malaysia)

IKHLAS MORTGAGE REDUCING TERM TAKAFUL LEMBAGA PINJAMAN PERUMAHAN SEKTOR AWAM

Date: 01/01/2019

1) What is this product about?

This product is designed to provide coverage to indemnify the Prevailing Sum Covered to the Takaful Participant in the event of Death or Total and Permanent Disability (TPD) or diagnosed with Critical Disease that lead to medically boarded out of the Person Covered.

Immediate Death Expense will be paid on top of the Death Sum Covered while Medical Expenses for TPD will be payable on top of the TPD Sum Covered.

2) What are the Shariah concepts applicable?

- **Tabarru’** – shall mean donation for the purpose of solidarity and cooperation among the Takaful Participants and to be used to help Takaful Participants in times of misfortune. In the context of the Company, Tabarru’ will be allocated into the Risk Fund.
- **Wakalah** – refers to a contract where a party, as principal (*muwakkil*) authorizes another party as his agent (*wakil*) to perform a particular task on matters that may be delegated with or without imposition of a fee. In the context of the Company, we are appointed as an agent (*wakil*) to carry out the Takaful Business and a Wakalah a fee (*Ujrah*) to be paid to the Company.

Note: “the Company” refers to Takaful Ikhlas Family Berhad.

3) What are the covers/ benefits provided?

i) Basic Benefits

| Benefits | Description |
|---------------|--|
| Death Benefit | In the event of death to the Person Covered, the Prevailing Sum Covered will be payable to the Master Takaful Participant in one lump sum. |

ii) Supplementary Benefits

| Benefits | Description |
|--|--|
| Total and Permanent Disability (TPD) Benefit | In the event of TPD to the Person Covered, the Sum Covered will be payable to the Master Takaful Participant in one lump sum. |
| Critical Disease that lead to Medically Boarded Out (CD) Benefit | In the event of the Person Covered is diagnosed with Critical Illness that lead to medically boarded out, the Sum Covered will be payable to the Master Takaful Participant in one lump sum. |
| Immediate Death Expense (IDE) Benefit | In the event of the Person Covered’s death, Immediate Death Expense will be payable to the proper claimant of the Person Covered. |
| Medical Expenses for TPD (ME) Benefit | In the event of TPD of the Person Covered, Medical Expenses will be payable to the Person Covered. |

Note:

1. TPD Benefit is covered up to age 70 years old.

2. CD Benefit is covered up to age 60 years old.

iii) Other Benefits

| Benefits | Description |
|-----------|--|
| Surrender | Upon surrender of the Individual Takaful Certificate, a proportion of your Takaful Contribution will be payable. <ul style="list-style-type: none"> If the Takaful Certificate is surrendered within one year from the Commencement Date due to technical reasons, full Takaful Contribution amount will be refunded. Otherwise, surrender value and unearned Wakalah after deduction of surrender fee of RM100 will be payable. |
| Maturity | Upon the maturity of the Individual Takaful Certificate, no value will be payable. |

Please read the Individual Takaful Certificate for details of the Takaful Benefits.

4) How much Takaful Contribution do I have to pay?

The total Takaful Contribution that you have to pay varies, depending on the amount of financing arranged. In addition, there are also other factors determining the amount of Takaful Contribution, such as age, occupation type and previous medical history. For example:

- Gender : Male
- Entry Age : 25 years old
- Financing Amount* : RM 210,000.00
- Profit Rate : 4.00% p.a
- Financing Term : 36 years (inclusive of deferment period)
- Coverage Term : 36 years (inclusive of deferment period)
- Deferment Period : 1 year

Single Takaful Contribution : RM8,525

The Takaful Contribution above assumes that the proposed Person Covered has no medical/health impairments, occupational risks or habits that may require additional loading on the Takaful Contribution.

*Note: Financing Amount is inclusive of the following, if applicable:

- (i) Lawyer's fees
- (ii) Additional work
- (iii) Parking Lot

5) What are the fees and charges that I have to pay?

| Fees | Amount |
|-------------------|-----------------------------|
| Wakalah Fee | 40% of Takaful Contribution |
| Stamp Duty | RM10.00 |
| Surrender Charge* | RM100.00 |

*Note: Any applicable taxes, levies or charges imposed by the relevant authorities in Malaysia will be charged on the Takaful Contribution/ fees / charges at the prevailing rate.

6) What are some of the key terms and conditions that I should be aware of?

- a) Importance of disclosure – you must disclose all material facts such as your age, occupation and health condition correctly. The Company has the right to repudiate liability in the event that you failed to disclose relevant information that would affect the decision to accept or reject the risk, and on the terms to be applied to you.

- b) Cooling-Off Period (Right of Cancellation) - Within fifteen (15) days' from the date of receipt of the Individual Takaful Certificate, Individual Takaful Certificate Holder may return his Individual Takaful Certificate to the Company and the Company shall cancel it immediately upon receipt and refund the Takaful Contribution less any medical expenses incurred by the Company. Once an Individual Takaful Certificate is returned to the Company and cancelled by the Company, it shall be deemed not effective from the date of issue.
- c) It is important for you to receive receipts and keep them as proof of payment of Takaful Contributions.
- d) If you do not receive the Individual Takaful Certificate after fourteen (14) days from the date of participation, please contact us.
- e) Notification of claim must be given in writing to the Company within thirty (30) days after occurrence of any claim. The Company, upon receipt of notice of claim, will furnish to the claimant appropriate forms for filing proof of claim and shall notify the claimant of any other requirements. This shall not preclude the Company from enquiring further documentation in respect of the loss as deemed fit by the Company. All such information and evidence must be furnished to the Company within ninety (90) days from the date of the covered event(s).

Note: This list is non-exhaustive. Please refer to the Individual Takaful Certificate for the terms and conditions under this Individual Takaful Certificate.

7) What are the major exclusions under the Individual Takaful Certificate?

a. Exclusions on Death

No benefit shall be payable under this Individual Takaful Certificate should the Person Covered dies directly or indirectly by any of the following events:

- i. Commit suicide, whether sane or insane; or
- ii. As a result of Acquired Immune Deficiency Syndrome (AIDS) or other sexually transmitted diseases; or
- iii. Pre-Existing Condition.

b. Exclusions on TPD/ CD/ ME

No TPD/CD/ME benefit shall be payable under this Individual Takaful Certificate should the Person Covered suffers the disability/ diseases directly or indirectly by any of the following events:

- i. Self-inflicted injuries or any attempt to it while sane or insane;
- ii. If the Person Covered is under the influence of alcohol, narcotics or drugs other than in accordance with the direction of a Physician;
- iii. Entering, operating or servicing, ascending or descending from or with any aerial device or conveyance except while the Person Covered is in an aircraft operated by a commercial passenger airline on a regular scheduled passenger trip over its established passenger route or when the Person Covered is a passenger of a fully licensed aircraft or helicopter services operating in areas not serviced by a regular scheduled passenger aircraft;
- iv. Service in the armed forces or participation in military or naval service or activities in any acts of war in time of declared or undeclared war or while under orders for war like operations or restoration of public order or terrorism;
- v. By war (declared or undeclared), invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection, military or usurped power, riot or civil commotion;
- vi. By or arising from any act of terrorism and any action taken in controlling, preventing, suppressing or any way relating to these activities. In the event the Company alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by the police, the Person Covered shall have the burden of proving that this exclusion does not apply. If any part of this exclusion is later found to be invalid or unenforceable in a Court of law or otherwise, the rest of the portions shall remain in effect;
- vii. From any criminal violation or attempted violation of the law or resistance to arrest;
- viii. Involvement in any dangerous sports or hobbies such as racing (other than on foot), glider flying, sailing or other hobbies which are comparably dangerous and risky unless sports risk contribution is paid;

- ix. Any illness or disease as a result of or in any way associated with:-
 - a) Acquired Immune Deficiency Syndrome (AIDS) or any syndrome or condition of a similar kind however it may be named which is diagnosed by a licensed medical practitioner, doctor or surgeon;
 - b) The presence of the Human Immunodeficiency Virus (HIV) as revealed by a positive HIV antibody or HIV virus test.
- x. Any action caused or an injury inflicted by any person deriving benefit from this takaful coverage or by any person conspiring with any person deriving benefit from this takaful coverage;
- xi. Any illness or disease arising from or suffered as a result of the above;
- xii. Pre-Existing Condition and/or related or evocative conditions except those which have been fully disclosed to, and accepted in writing by the Company prior to the inception of the coverage. Self-inflicted injury or any attempt while sane or insane.

Note: This list is non-exhaustive. Please refer to the Individual Takaful Certificate for full list of exclusions under this Individual Takaful Certificate.

8) Can I cancel my Individual Takaful Certificate?

You may cancel the Individual Takaful Certificate by giving a written notice to the Takaful Operator. Upon cancellation, you shall receive the Surrender Benefit, equivalent to Unearned Takaful Contribution less Surrender Charge.

9) What do I need to do if there are changes to my contact details?

It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner.

10) Where can I get further information?

Should you require additional information on Family Takaful, please refer to *insuranceinfo* booklet on 'Family Takaful'. You can obtain a copy from our Takaful representative or visit www.insuranceinfo.com.my

If you have any enquiries, please contact us at:

Takaful Ikhlas Family Berhad
(Formerly known as Takaful Ikhlas Berhad)
Putrajaya Branch,
No. 12, Jalan Diplomatik,
Presint 15,
Pusat Pentadbiran Kerajaan Persekutuan,
62592 Putrajaya.

Tel: +603-8890 3100

Fax: +603-8890 5100

Website : www.takaful-ikhlas.com.my

E-mail: ikhlascare@takaful-ikhlas.com.my

11) Other similar types of familyTakaful cover available.

IKHLAS Group Credit Term Takaful



IMPORTANT NOTE:

YOU SHOULD SATISFY YOURSELF THAT THIS INDIVIDUAL TAKAFUL CERTIFICATE WILL BEST SERVE YOUR NEEDS. YOU SHOULD READ AND UNDERSTAND THE INDIVIDUAL TAKAFUL CERTIFICATE AND DISCUSS WITH THE REPRESENTATIVE OR CONTACT THE TAKAFUL OPERATOR DIRECTLY FOR MORE INFORMATION.

PURSUANT TO PARAGRAPH 5 OF SCHEDULE 9 OF THE ISLAMIC FINANCIAL SERVICES ACT 2013, IF YOU ARE APPLYING FOR THIS TAKAFUL WHOLLY FOR PURPOSES UNRELATED TO YOUR TRADE, BUSINESS OR PROFESSION, YOU HAVE A DUTY TO TAKE REASONABLE CARE NOT TO MAKE ANY MISREPRESENTATION IN ANSWERING THE QUESTIONS IN THE PROPOSAL FORM (OR WHEN YOU APPLY FOR THIS TAKAFUL). YOU MUST ANSWER THE QUESTIONS FULLY AND ACCURATELY.

FAILURE TO TAKE REASONABLE CARE IN ANSWERING THE QUESTIONS MAY RESULT IN VOIDANCE OF YOUR CONTRACT OF TAKAFUL, REFUSAL OR REDUCTION OF YOUR CLAIM(S), CHANGE OF THE TERMS OR TERMINATION OF YOUR CONTRACT OF TAKAFUL.

THE ABOVE DUTY OF DISCLOSURE SHALL CONTINUE UNTIL THE TIME YOUR CONTRACT OF TAKAFUL IS ENTERED INTO, VARIED OR RENEWED WITH US.

IN ADDITION TO ANSWERING THE QUESTIONS IN THE PROPOSAL FORM (OR WHEN YOU APPLY FOR THIS TAKAFUL), YOU ARE REQUIRED TO DISCLOSE ANY OTHER MATTER THAT YOU KNOW TO BE RELEVANT TO OUR DECISION IN ACCEPTING THE RISKS AND DETERMINING THE RATES AND TERMS TO BE APPLIED.

YOU ALSO HAVE A DUTY TO TELL US IMMEDIATELY IF AT ANY TIME AFTER YOUR CONTRACT OF TAKAFUL HAS BEEN ENTERED INTO, VARIED OR RENEWED WITH US ANY OF THE INFORMATION PROVIDED IN THE PROPOSAL FORM (OR WHEN YOU APPLIED FOR THIS TAKAFUL) IS INACCURATE OR HAS CHANGED.

The information provided in this Product Disclosure Sheet is valid as at: 01/01/2019