TAKAFUL IKHLAS GENERAL BERHAD
201701019705 (1233870-A)

5th Floor, Bangunan Malaysian Re, No. 17, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur
T: +603-2723 9696 **F:** +603-2723 9998 **Website:** www.takaful-ikhlas.com.my
(Licensed under Islamic Financial Services Act 2013 and regulated by Bank Negara Malaysia)

IKHLAS MOTORCYCLE TAKAFUL CERTIFICATE

SALAM SEJAHTERA AND THANK YOU

For choosing Takaful IKHLAS as your *IKHLAS* Motorcycle Takaful provider.

EXPLANATORY NOTES

How to read this document
Please note that your IKHLAS Motorcycle Takaful Certificate only starts from page 5 onwards. To help you read and understand your certificate better we provide some explanatory notes together with comments and examples (written in italic). These are not meant to be part of your certificate and should not be used to interpret your Takaful contract in the event of any dispute.

Words in bold
You will notice that some words in the certificate are printed in ***bold*** *letters. This is because they have been given specific meaning in your IKHLAS* Motorcycle Takaful Certificate. *Please refer to Section F on pages 17 to 18 for the meaning of these words.*

What makes up your Takaful contract?
Your Takaful contract with us is made up of the following:

- *Takaful certificate in pages 5 to 24 (excluding the italic texts);*
- *the information you provided us when you applied for this Takaful;*
- *the Schedule;*
- *the Endorsements attached to the certificate; and*
- *the Certificate of Takaful (CT).*

All these must be read together as they form your Takaful contract.

Duty of Disclosure

A. Consumer Takaful Contract

Where you have applied for this Takaful wholly for purposes unrelated to your trade, business or profession, you had a duty to take reasonable care not to make a misrepresentation in answering the questions in the Proposal Form (or when you applied for this Takaful) i.e. you should have answered the questions fully and accurately. Failure to have taken reasonable care in answering the questions may result in avoidance of your contract of Takaful, refusal or reduction of your claim(s), change of terms or termination of your contract of Takaful in accordance with Schedule 9 of the Islamic Financial Services Act 2013. You were also required to disclose any other matter that you knew 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 given in the Proposal Form (or when you applied for this Takaful) is inaccurate or has changed.

B. Non-Consumer Takaful Contract

Where you have applied for this Takaful for purposes related to your trade, business or profession, you had a duty to disclose any matter that you know to be relevant to our decision in accepting the risks and determining the rates and terms to be applied, and any matter a reasonable person in the circumstances could be expected to know to be relevant, otherwise it may result in avoidance of your contract of Takaful, refusal or reduction of your claim(s), change of term(s) or termination of your contract of Takaful.

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 given in the Proposal Form (or when you applied for this Takaful) is inaccurate or has changed.

If you misrepresented any facts to us before the certificate is entered into, examples of the actions that may be taken by us against you include the following:

- *declare your certificate void from inception (which means treating it as invalid), and we may not return any contribution;*
- *cancel this certificate and return any contribution less our cancellation charge or recover any unpaid contribution;*
- *recover any shortfall in contribution;*
- *not pay any claim that has been or will be made under the certificate; or*
- *be entitled to recover from you the total amount of any claim already paid under the certificate or any claim we have to pay because of any relevant road traffic legislation, plus any recovery cost.*

Notification of PIDM's Protection

The benefits payable under eligible Takaful Certificate are protected by PIDM up to limits. Please refer to PIDM's TIPS Brochure or contact Takaful Ikhlas General Berhad or PIDM (visit www.pidm.gov.my).

ATTACHING TO AND FORMING PART OF TAKAFUL CERTIFICATE NO:

What is covered?
Your Takaful does not cover you against everything that can happen to your motorcycle. Check out the Schedule that we issued to you to know the type of cover you participated. The main types of cover are:

Page	*Basic Cover:*	*Comprehensive*	*Third Party, Fire and Theft*	*Third Party Only*
6 to 8	Section A: Loss or Damage to Your Own Motorcycle			
6	1. a. What is Covered (under this section)			
	(i) accidental collision or overturning	✓	X	X
	(ii) collision or overturning caused by mechanical breakdown	✓	X	X
	(iii) collision or overturning caused by wear and tear	✓	X	X
	(iv) impact damage caused by falling objects subject to certain exclusions	✓	X	X
	(v) fire, explosion or lightning	✓	✓	X
	(vi) burglary, housebreaking or theft	✓	✓	X
	(vii) malicious act	✓	X	X
	(viii) while in transit (limited cover)	✓	X	X
6	1.b. What is not Covered (under this section)	✓	✓	X
7	2. Basis of Settlement (how we will settle your claim)	✓	✓	X
8	3. Towing Costs (to a repairer or safe place)	✓	✓	X
9 to 10	Section B: Liability to Third Parties			
9	1. a. What is Covered (by this section)	✓	✓	✓
9 to 10	1. b. What is Not Covered (by this section)	✓	✓	✓
9	2. Limits of Our Liability (the maximum that we pay)	✓	✓	✓
9	3. Cover for Legal Personal Representatives (if you are dead)	✓	✓	✓
10	4. Maximum Legal Costs (if approved)	✓	✓	✓
10	5. Rights of Recovery	✓	✓	✓
11	Section C: No Claim Discount	✓	✓	✓
12 to 13	Section D: General Exceptions (what is not covered by the certificate)	✓	✓	✓
14 to 16	Section E: Conditions (terms that you must comply with)	✓	✓	✓
17 to 18	Section F: Definitions (explains the words in bold)	✓	✓	✓
19 to 23	Section G: Endorsements (additional terms that we may impose on you or additional covers if you have paid additional contribution)	Optional	Optional	Optional
24	Important Notice	✓	✓	✓

Key: *✓= applicable* *X = not applicable*

What this certificate does not cover?
These are referred to as 'Exceptions' in your certificate and there are three sections where you can find them:

- *Section A1b – see 'What is Not Covered' (page 6): applicable to Comprehensive certificate only.*
- *Section B1b – see 'What is Not Covered' (pages 9 and 10): applicable to Comprehensive, Third Party, Fire & Theft and Third Party Only certificates.*
- *Section D – see 'General Exceptions' (pages 12 to 13): applicable to Comprehensive, Third Party, Fire & Theft and Third Party Only certificates.*

ATTACHING TO AND FORMING PART OF TAKAFUL CERTIFICATE NO:

There are generally three reasons why we put these exceptions in your basic IKHLAS Motorcycle Takaful Certificate*:*

1. *Cover is not provided for the exceptions. You have to pay additional contribution if you want to cover any of these exceptions. Some examples of the exceptions which are not covered by your basic IKHLAS* Motorcycle Takaful Certificate *but which can be covered if you pay additional contribution are:*
   - *flood, storm {see Section A1b – 'What is not Covered'' (page 6)};*
   - *strike, riot, civil commotion {see Section D – 'General Exception 8b' (page 12)}; and*
   - *use outside Malaysia, Singapore or Brunei {see Section D – 'General Exception 6' (page 12)}.*

2. *There are other risks which are not covered by the basic IKHLAS Motorcycle Takaful Certificate or by any of its extensions. We would have to issue a different certificate if you want these types of cover. For example, carriage of goods are not covered by your IKHLAS Motorcycle Takaful Certificate but can be covered under IKHLAS Commercial Vehicle Takaful Certificate.*

3. *We cannot and do not cover certain risks at all. Some examples of these can be seen in Section D – 'General Exceptions' (pages 12 to 13) such as:*
   - *war, nuclear fission or fusion;*
   - *risks that are against government/public policy or against the law; and*
   - *drunk riding.*

Your Motorcycle Certificate type is categorised by its permitted use – Make sure that you have bought the correct certificate type for your motorcycle or you may have no cover.
Each type of Motorcycle Certificate covers a specific usage of the vehicle. If you have bought the wrong Motorcycle Certificate type, you may find that you actually have no Takaful cover at all. The type of Motorcycle Certificate is stated in the Certificate of Takaful under the heading 'Limitations as to Use'. Users for whom you have bought cover are named under the heading 'Persons or Classes of Persons Entitled to Ride'.

The following are standard types of Motorcycle Certificates:

i. *Private Use*
ii. *Commercial Use*
iii. *Motorcycle Trade*
iv. *Motorcycle Used for Hire*

A Motorcycle Certificate for Private Use covers you if your motorcycle is used for "social, domestic and pleasure purposes and for the certificate holder's business". The following are some examples of these personal situations for which your Takaful certificate will provide you cover:

- *to visit relatives and friends, go shopping etc.;*
- *giving lifts where no fee will be charged or paid; and*
- *limited work or business related transport such as getting to and from work and for attending business meetings.*

A Motorcycle Certificate for Commercial Use must be bought if the motorcycle is meant or intended to ferry any goods in connection with any trade or business.

A Motorcycle Certificate for Trade Plate Use is intended for:

- *motorcycle retail trade (showroom display and/or for test-ride,etc.); and*
- *repair trade (towing/repair/test-ride,etc.).*

A Motorcycle Used for Hire is intended for motorcycles which are in the business of being rented or hired out for use (see Very Important Note below).

***VERY IMPORTANT NOTE**: Unless your Certificate is specifically extended for this purpose, you will have no Takaful cover if you use your motorcycle in the following manner:*

- *to practise for or to take part in any race, rally, pacemaking, reliability trial or speed test;*
- *use on any racetrack; and*
- *for rental, hire and reward.*

Who can ride your motorcycle?

- *This depends on whether you have participated the 'Single Rider' or the 'All-Riders' cover. The 'Single Rider' only covers one rider who is named in the certificate. The person named is usually the owner of the motorcycle. The problem with the 'Single Rider' cover is that the certificate will not cover if an accident happens while the motorcycle is being used by someone other than the participant named rider. As such, most customers prefer the 'All-Riders' cover as lending motorcycles to friends and relatives is quite commonly practised in Malaysia.*

- *With the 'All-Riders' cover practically anyone can ride your motorcycle as long as the rider:*
  - *has a valid licence of the relevant class to ride and is not disqualified to ride by law or for some other reason {(see exclusion on Unlicensed Riders in Section D – 'General Exception 1' (page 12)};*
  - *has your permission to ride (see definition of Authorized Rider in page 17); and*
  - *complies with all the terms and conditions of this certificate.*

- *Note that for either cover, if you or your authorized rider is not qualified to ride or breach any of the terms and conditions, your claim may be rejected. If we are compelled by law to pay, we can recover any sum(s) paid and any expenses incurred from you or your authorized rider.*

In which territory is your motorcycle covered?
This Takaful you have participated only covers you in Malaysia, Singapore and Brunei in accordance to the laws of Malaysia. Additionally, note that if you intend to ride your motorcycle into Singapore, you are required by Singapore's law to have cover against Legal Liability to Pillion (LLP). Since LLP is not covered by the basic IKHLAS Motorcycle Takaful Certificate*, you will need to participate Endorsement 108 (see page 21), which provides a limited cover for your liability for death or bodily injury of pillion.*

ATTACHING TO AND FORMING PART OF TAKAFUL CERTIFICATE NO:

When is your cover effective?
This Takaful is effective from the time of participation of the Takaful contract or at the agreed time of commencement, until the expiry date. The period of Takaful will be printed in the Certificate Schedule and related documents. If there is any change to these dates, it will be officially shown in an Endorsement issued by us.

How much should you cover your motorcycle for under a Comprehensive or Third Party, Fire and Theft Certificate?
To be safe, you should cover your motorcycle at its current market value (see definition in page 17). In simple terms, this is the current cost to replace your motorcycle with another motorcycle of the same make, model, age and general condition. The amount that you choose to cover is called the sum covered. Please note that you could be penalised if your motorcycle is under-covered (see Section A2e 'Under-Coverage' in page 7).

*For example, if the market value of your motorcycle is RM10,000 but you only covered it for RM8,000 then you could be penalised for under-coverage. Assuming the loss is assessed at **RM3,000**, instead of we paying the full amount, you could be made to bear a portion of the loss in proportion to the under-coverage as follows:*

Sum Covered			*RM8,000*	
----------	*x Loss*	*=*	*----------*	*x RM3,000 =* ***RM2,400***
Market Value			*RM10,000*	

*Therefore we will pay **RM2,400** while the balance of **RM600 will be borne by you**.*

You would be penalised as shown above if the market value of your motorcycle exceeds the sum covered by 10%. On the other hand, it would be inappropriate to over-cover as your Takaful operator would only pay your claim based on the market value. One way to protect yourself from being under-covered or over-covered is to opt for the sum covered determined by a market valuation system approved by Your Takaful Operator.

What is No Claim Discount ("NCD")?
This is a form of contribution discount for not having made a claim during the preceding period of your Takaful (provided the period of Takaful exceeds one year). The scale of NCD applied is specifically mentioned in the certificate.

The applicable NCD can be checked with us or the Central NCD Database ("CND") at https://www.mycarinfo.com.my/ncdcheck/online before the participation of your IKHLAS Motorcycle Takaful Certificate.

What is an Excess?
This is the first amount that you have to bear yourself for each and every claim that we approve, even if the incident is not your fault. However, please note that the excess does not apply to loss or damage caused by fire, explosion, lightning, burglary, housebreaking, theft, third party property damage or bodily injury claims. Please check your Certificate Schedule to find out the amount that you are liable to pay. This is referred to as Compulsory Excess (see page 8) in your certificate.

*As an example, if we assess the claim payable to be **RM3,000** but your certificate carries an excess of RM200, you will have to bear the first **RM200** yourself and the balance of **RM2,800** will be paid.*

***Do's and Don'ts** – after you have had an accident or theft*

- ***Do:***
  - *Call **Accident Assist Call Centre (AACC) 24 hours** nationwide Takaful road accident Helpline number **1-300-22-1188** or **15-500** for immediate road assistance or tow service in the event of a road accident, or to make an enquiry on claims procedure;*
  - *inform us as soon as possible about any incident which may give rise to a claim;*
  - *report all accidents to the police within 24 hours as required by law;*
  - *submit immediately to us all letters, claims, writs and summons which you have received from third parties as a result of the incident;*
  - *remove your motorcycle to your Takaful operator's approved panel repairer for repairs; and*
  - *fully fill up the relevant sections of your claim form – do not put "refer to police report".*

- ***Don't:***
  - *negotiate, admit or repudiate any claim without our consent (see Condition 2 in page 14); and*
  - *authorize repair without our consent (see Condition 2f in page 14).*

Condition 2 of your certificate (see page 14 and 15) spells out the do's and the don'ts after an accident or theft in more detail.

ATTACHING TO AND FORMING PART OF TAKAFUL CERTIFICATE NO:

IKHLAS MOTORCYCLE TAKAFUL CERTIFICATE

The Takaful Agreement

A. Where **Your Motorcycle** is used for any purpose that is not related to **Your** trade, business or profession, the following applies:

Consumer Takaful Contract

This **Certificate** is issued pursuant to:

- the payment of contribution as specified in the **Takaful** Schedule to the Risk Fund (RF) under the principle of **tabarru'** to help other participants in the event as defined in this certificate;
- the answers given in **Your** Proposal Form (or when **You** applied for this Takaful); and

any other disclosures made by **You** between the time of submission of **Your** Proposal Form (or when **You** applied for this Takaful) and the time this contract is entered into. The answers and any other disclosures given by **You** shall form part of this contract of Takaful between **You** and **Us**. However, in the event of any pre-contractual misrepresentation made in relation to **Your** answers or in any disclosures given by **You**, only the remedies in Schedule 9 of the Islamic Financial Services Act 2013 will apply.

It is our responsibility to manage the RF on behalf of the participants under the principle of **Wakalah**. In the event of insufficient balance in Risk Fund (RF) to pay your Takaful Benefits during the period of Takaful, **We** will make good the balance in the RF under the principle of **Qard** (loan) provided that the insufficiency is not due to Our negligence. If the insufficiency is due to **Our** negligence, **We** will make the outright transfer for the insufficiency under the principle of Hibah (gift). **You** further agree that your future surplus arising from RF during your Takaful period can be used to pay for outstanding **Qard** in RF (if any) to **Us**.

This **Certificate** reflects the terms and conditions of the contract of Takaful as agreed between **You**, **Us** and participants of the RF.

B. Where **Your Motorcycle** is used for purposes related to **Your** trade, business or profession, the following applies:

Non-Consumer Takaful Contract

This **Certificate** is issued pursuant to the payment of contribution as specified in the **Takaful** Schedule to the Risk Fund ("RF") under the principle of **tabarru'** to help participants of RF and our responsibility to manage the RF on behalf of the Participants under the principle of **Wakalah** and pursuant to the answers given in **Your** Proposal Form (or when **You** applied for this Takaful) and any other disclosures made by **You** between the time of submission of **Your** Proposal Form (or when **You** applied for this Takaful) and the time this contract is entered into. The answers and any other disclosures given by **You** shall form part of this contract of Takaful between **You** and **Us**. In the event of any pre-contractual misrepresentation made in relation to **Your** answers or in any disclosures made by **You**, it may result in avoidance of **Your** contract of Takaful, refusal or reduction of **Your** claim(s), change of terms or termination of **Your** contract of Takaful.

It is our responsibility to manage the RF on behalf of the participants under the principle of **Wakalah**. In the event of insufficient balance in Risk Fund (RF) to pay your Takaful Benefits during the period of Takaful, **We** will make good the balance in the RF under the principle of **Qard** (loan) provided that the insufficiency is not due to Our negligence. If the insufficiency is due to **Our** negligence, **We** will make the outright transfer for the insufficiency under the principle of Hibah (gift). **You** further agree that your future surplus arising from RF during your Takaful period can be used to pay for outstanding **Qard** in RF (if any) to **Us**.

This **Certificate** reflects the terms and conditions of the contract of Takaful as agreed between **You**, **Us** and participants of the RF.

C. **Contribution Allocation**

Takaful Contribution allocated **You** as shown in the **Schedule** shall be placed in the Ta'awuni Account Pool (TAP) at inception to pay **Wakalah** Fee to Shareholders' Fund and **Tabarru'** to Risk Fund. The Company will manage the TAP according to the **Wakalah** principle as defined by **Us** and in accordance with the Shariah principles

We will charge up to 30% of the Takaful Contribution as an upfront **Wakalah** fee and the balance shall be allocated into the Risk Fund at inception for Tabarru' charges and be used to help all Takaful Participants in time of misfortune.

Should you have any inquiries on the actual Wakalah fee charged, please contact the Company (Tel: 03-2723 9696 @ e-mail: ikhlascare@takaful-ikhlas.com.my), for details.

D. **Surplus**

We will entitle for Surplus Performance Incentive (SPI) of 50% of the gross distributable surplus. However, **We** may at **Our** discretion and where appropriate charge the SPI for less than 50% of the gross distributable surplus.

Any net distributable surplus arising (after deducting the SPI) from the Risk Fund will be allocated in full (100%) to the Participant. Upon Takaful Certificate expiry, if the amount due to Takaful Participants is less than RM10, the amount shall either be retained in the Risk Fund or donated to charity on behalf of the Takaful participants as an act of good deed. The threshold, method and time of settlement of the surplus distribution shall be defined in the Surplus Management Policy. The threshold is not applicable if the Takaful Participants provided their banking information to the Company.

Any deficit in the Risk Fund would be met through an interest free loan (**Qard**) from the Shareholders' Fund. Such loan would be a first charge against the future surplus arising from the Risk Fund. If there is a deficit in the Risk Fund due to **Our** negligence, then it is **Our** responsibility to ensure that the fund is stable through outright transfer method and not deemed as an advance through the **Qard**.

E. **Tax**

Any contributions, fees and/or monies payable under this Takaful Certificate are subject to any taxes, levies, or charges imposed by the relevant authorities in Malaysia unless otherwise stated.

Section A: Loss or Damage to Your Own Motorcycle

*This section spells out the coverage under Section A and is only applicable if **You** have Comprehensive cover.*

1a: What Is Covered

You will be indemnified if **Your Motorcycle** is lost or damaged during the **Period of Takaful** arising from the following **Incidents**:

(i) accidental collision or overturning;
(ii) collision or overturning caused by mechanical breakdown;
(iii) collision or overturning caused by wear and tear;
(iv) impact damage caused by falling objects provided no convulsions of nature is involved;
(v) fire, explosion or lightning;
(vi) burglary, housebreaking or theft;
(vii) malicious act; or
(viii) while in transit i.e. being carried from one place to another (including during loading and unloading) of **Your Motorcycle** by:
   a. **Road**;
   b. rail;
   c. inland waterway i.e. across a river or canal etc.; or
   d. across the sea by ferry or ship or any sea faring vessels etc. between the island of Penang and the mainland only.

*For an additional contribution, **Your Certificate** can be extended to cover for ferry transit between Sabah and Labuan (**Endorsement 109**).*

1b: What Is Not Covered

The events We do not cover are the exceptions listed below. These exceptions are specific to Section A and are in addition to exceptions listed in Section D and the applicable Endorsements.

We will not pay for the following losses:

(i) Consequential Losses
Any direct or indirect losses of any kind that may arise as a consequence of any **Incident** other than that provided for in Section A2.

(ii) Loss of Use
Any expense or financial loss that **You** may incur because **You** cannot use **Your Motorcycle** e.g. cost of hiring replacement motorcycle, travelling expenses etc.

(iii) Depreciation
The loss of value of **Your Motorcycle** due to the damage sustained or the time taken to repair the **Motorcycle**, and/or for any loss or damage that results over a prolonged period of time due to wear and tear, rust and corrosion.

(iv) Theft of Accessories
Loss or damage to accessories (or any part thereof) caused by theft unless **Your Motorcycle** is stolen at the same time.

(v) Breakdown or Malfunction of Parts
Any mechanical, electrical or electronic breakdown, equipment or computer malfunction, or any other failure or breakdown to **Your Motorcycle**.

(vi) Damage to Tyre(s)
Any damage to the tyre(s) of **Your Motorcycle** unless other parts of **Your Motorcycle** are also damaged at the same time.

(vii) Convulsions of Nature
Any loss or damage to **Your Motorcycle** caused by flood, typhoon, hurricane, storm, tempest, volcanic eruption, earthquake, landslide, landslip, subsidence or sinking of the soil/earth or other convulsions of nature.

(viii) Excess
The amount of **Excess** stated in the **Schedule**. This is the first amount that **You** have to bear in respect of each and every claim under the **Certificate**.

(ix) Loss of Electronic Data
Loss of electronic data and any consequences arising from it, directly or indirectly caused by or in connection with a computer virus. This includes loss of use, reduced functionality, or any other associated loss or expense in connection with the electronic data.

(x) Cheating or Criminal Breach of Trust
Any loss or damage, including theft, caused by or attributed to the act of **Cheating** or **Criminal Breach of Trust** by any person.

2: Basis of Settlement

*This section explains how **We** will settle **Your** claim once **We** accept that it is payable under Section A. If **Your Motorcycle** is damaged as a result of any **Incident**, **We** have the option of doing the following:*

a. If Your Motorcycle is Repairable

If in **Our** opinion **Your Motorcycle** is economical to repair, **We** have the option to:

- arrange for **Your Motorcycle** to be repaired at **Our Approved Repairer** and pay the cost of repairing **Your Motorcycle** to the condition which is as near as possible to the condition that it was in before the loss happened;
- pay **You** in cash the amount **We** estimate it would cost to repair **Your Motorcycle**; or
- reinstate or replace **Your Motorcycle** with one of the same make, model, age and general condition.

b. If Your Motorcycle is not Repairable

If in **Our** opinion, the damage to **Your Motorcycle** is so great that it would not be safe or economical to repair, **We** will declare **Your Motorcycle** "Beyond Economic Repair" ("BER") and **You** will be paid up to the maximum amount as stated in (d) below or offer **You** a settlement sum equivalent to the **Market Value**. We may also opt to replace **Your Motorcycle** with one of the same make, model, age and general condition. If **W**e take any of these actions, this **Certificate** shall be automatically terminated once **We** make payment.

> *In cases where the valuation of the franchise-holder vary from **Market Value** by more than 10%, **We** would also have the option to offer a settlement value which is equal to the cost of acquiring a replacement motorcycle of the same make, model and age of the **Motorcycle** at the time of loss. It is **Our** option to offer **You** a replacement of the **Motorcycle**, should **You** not agree with the offer.*

c. Replacement Parts

If the spare parts or **Accessories** required to repair **Your Motorcycle** are not available in Malaysia, or if **We** choose to pay for the loss or damage in cash, **We** will settle **Your** claim on the following basis:

- the last known parts price list issued in Malaysia by the manufacturer or their agent. If the price list in Malaysia does not exist, **We** will use the price at the manufacturer's production plant and include reasonable cost of transportation to Malaysia (but not cost of air freight); and
- the reasonable labour cost of fitting such spare parts or **Accessories** in Malaysia.

d. The Maximum Amount will Be Paid To You

If **Your Motorcycle** is BER or stolen and not recovered, the amount payable under the **Certificate** will be the **Market Value** at the time of the loss or the **Sum Covered** as shown in the **Schedule**, whichever sum is the lesser. Upon **Our** payment of the said amount, this **Certificate** shall be automatically terminated. The **Market Value** is to be determined according to clauses 13 and 14 of Section F.

e. Under-Coverage

If the **Sum Covered** of **Your Motorcycle** is less than the **Market Value** at the time of the loss, **We** will only pay part of the loss in proportion to the difference between the **Market Value** and the **Sum Covered** as shown in the formula below:

$$\frac{\textbf{Sum Covered}}{\textbf{Market Value}} \times \text{Assessed Loss}$$

The balance has to be borne by **You**. However, this will only apply if the under-covered amount is more than 10% of the **Market Value**.

f. Betterment

If new original parts are used to repair **Your Motorcycle** and as a result of which **Your Motorcycle** is in a better condition than it was before the damage, **You** would be required to contribute to its betterment, a proportion of the costs of such new original parts. **Your** contribution would be according to the following scale:

Age of Your Motorcycle (Years)	Maximum Rate of Betterment
less than 5	0
5	15%
6	20%
7	25%
8	30%
9	35%
10 and above	40%

The following basis shall be used in determining the **Age of Vehicles**:

Vehicle Categories	Basis in Determining Age of Vehicle
New vehicle	Registration Date
Local second-hand/used vehicle	Original Registration Date
Imported second-hand/used vehicle	Date of Manufacture

g. ***Compulsory Excess*** *(please see page 4 for explanation)*
In addition to the **Excess** shown in the **Schedule, We** have the right to deduct the **Excess** from the amount that **We** would have to pay for each and every claim under Section A arising out of one **Incident**.

This **Excess** does not apply if the loss or damage is caused by fire, explosion, lightning, burglary, housebreaking, theft, third party property damage or bodily injury claims.

3: Towing Costs

If **Your Motorcycle** cannot be ridden as a result of any damage to it that is covered by this **Certificate**, an amount up to a maximum of RM 50 will be paid for the necessary and reasonable costs to remove **Your Motorcycle** to the nearest **Approved Repairer** or to a safe place of storage while awaiting repair or disposal.

Section B: Liability to Third Parties

This section explains what is covered and not covered under Section B.

1a: What is Covered?

You and/or **Your Authorized Rider** will be indemnified for the amount which **You** and/or **Your Authorized Rider** are legally liable to pay any third party (including third party's costs and expenses) for:

(i) death or bodily injury to any person except those specifically excluded under this **Certificate**; and/or

(ii) damage to property except those specifically excluded under this **Certificate**

as a result of an **Incident** arising out of the use of **Your Motorcycle** on a **Road**. This cover is extended to **Your Authorized Rider** provided **Your Authorized Rider** also complies with all the terms and conditions of this **Certificate**.

2: Limits of Our Liability

The following will be paid for any one claim, or series of claims arising from one **Incident**, in any one **Period of Takaful**:

(i) unlimited amount for death or bodily injury to third party; and/or
(ii) up to a maximum of RM3 million for third party property damage.

3: Cover for Legal Personal Representatives

Following the death of any person covered under this **Certificate**, that person's legal representatives will be indemnified for liability covered under this Section, provided such legal representatives comply with all the terms and conditions of the **Certificate**.

1b: What is Not Covered?

These exceptions are specific to Section B and are in addition to the Exceptions stated in Section D of this **Certificate** and any other applicable **Endorsements**.
We will not pay for:

(i) death or bodily injury to any **Pillion** being carried for hire or reward;

(ii) death or bodily injury to any person where such death or injury arises out of and in the course of the employment of such person by **You** or by **Your Authorized Rider**;

*Under the Road Transport Act 1987, this **Certificate** shall not be required to cover, except in the case of a motor vehicle in which passengers are carried for hire or reward or by reason of or in pursuance of a contract of employment, liability in respect of death of or bodily injury to persons being carried in or upon or entering or getting onto or alighting from the motor vehicle at the time of the occurrence of the event out of which the claims arise.*

***In the course of employment** – Any person who is injured/dies (whether as **Pillion** or otherwise) while on the job and is on the said **Motorcycle** as part of his/her employment e.g. mechanic.*

(iii) damage to property belonging to or in the custody of or control of or held in trust by **You** or **Your Authorized Rider** and/or any member of **Your** or **Your Authorized Rider's Household**;

(iv) liability to any person being carried upon or getting onto or alighting from Your Motorcycle unless he/she is required to be carried on Your Motorcycle by reason of or in pursuance of his/her contract of employment with You or Your Authorized Rider and/or his/her employer;

4: Maximum Legal Costs

If **You** or **Your Authorized Rider** is charged for reckless and dangerous riding or careless or inconsiderate riding under the Road Transport Act 1987 or any other offence related to the said **Incident**, legal cost incurred will be paid up to a maximum of RM 2,000 to defend **You** or **Your Authorized Rider** provided always that such costs are incurred in Malaysia, the Republic of Singapore or Negara Brunei Darussalam, and provided that **Our** prior written consent had been secured.

Only legal cost will be paid and any penalty imposed on **You** or **Your Authorized Rider** will not be paid.

5: Rights of Recovery

We have a right to refuse to pay **You** any indemnity or **Your Authorized Rider** if either of **You** commit a breach of any **Certificate** conditions or where the claim falls outside the scope of cover provided by **Us** under this **Certificate**. However, if **We** are legally required to pay any judgment sum in respect of a claim under Section B of this **Certificate** because of laws in force in Malaysia, Republic of Singapore or Negara Brunei Darussalam, which **We** would otherwise not have to pay, **We** have the right to ask **You** or **Your Authorized Rider** to repay to **Us** the amount of that payment and any costs **We** have incurred in connection with the claim.

1b: What is Not Covered?

In pursuance of the contract of employment *– The* ***Pillion*** *is required to be carried to a destination in order to carry out the job as spelt out in his/her contract of employment.*

Liability to Pillion *other than:*
a. ***Pillion*** *carried for hire or reward;*
b. employees in the course of employment; or
c. ***Your*** *or* ***Your Authorized Rider's Household*** *member unless he/she is required to be carried on* ***Your Motorcycle*** *by reason of or in pursuance to a contract of employment;*
may be covered separately for additional contribution under ***Endorsement 108****. If* ***You*** *have covered such liability,* ***You*** *will need to refer to the full text of* ***Endorsement 108: Legal Liability to Pillion*** *as to what this* ***Endorsement*** *covers or excludes and the applicable conditions.*

(v) liability caused by a **Pillion** travelling on or alighting from **Your Motorcycle**;

(vi) any claims brought against **You** by any rider of **Your Motorcycle**, whether authorized or not;

(vii) death or bodily injury to any person or damage to property caused or arising outside the limits of any carriageway or thoroughfare in connection with the loading onto and unloading from **Your Motorcycle**;

(viii) any claims brought against any person in any country in courts outside Malaysia, the Republic of Singapore or Negara Brunei Darussalam; and/or

(ix) all legal costs and expenses which are not incurred in or recoverable in Malaysia, the Republic of Singapore and Negara Brunei Darussalam.

Section C: No Claim Discount (NCD)

This section spells out the reward system known as the "No Claim Discount".

1. No Claim Discount (NCD)

If **You** have covered **Your Motorcycle** for a continuous period of 12 months and **You** or anyone else did not make any claim under this **Certificate** during that time, a NCD will be applied at each renewal. The applicable NCD will increase with each renewal if **You** continue to have claim free years as follows:

Claim Free Year of Takaful	NCD Entitlement
After 1 continuous claim free year	15%
After 2 continuous claim free years	20%
After 3 continuous claim free years and beyond	25%

2. One Claim and Your NCD is Down to Zero

If **You** or anybody else meet with an **Incident** which will give rise to a claim on this **Certificate**, the NCD entitlement that **You** have accumulated would drop to zero at the next renewal and **Your** NCD will start all over again. If a claim is received after the NCD has been applied, **We** shall be entitled to recover the NCD given from **You**.

3. Exception to this Rule

Your NCD will not be affected even if a claim is made if:

- **We** are of the opinion that **You** are not at fault for causing the loss;
- the offending vehicle is identifiable and is not a vehicle used for carriage of passengers for hire or reward (for example taxis, hire cars, public buses, stage buses, school buses and factory buses for hire);
- the offending vehicle is covered by a Malaysian licensed Takaful operator; and
- there is no death or personal injury claim involved.

4. Your NCD is not Transferable

The NCD is personal to **You** which means that if **You** were to sell **Your Motorcycle** and **We** agree to transfer this **Certificate** to the new owner, **Your** NCD cannot be transferred for the benefit of the new owner.

5. Non-utilization of NCD

For every year that the NCD is not utilized by **You**, the NCD accumulated and applicable for this **Certificate** will be reversed in accordance with the scale set out in the table in clause C1 above.

Section D: General Exceptions - these apply to the whole Certificate

*This section lists down circumstances under which this **Certificate** does not provide cover at the time of happening of the **Incident**. This is in addition to those already listed in Sections A1b (see page 6) and B1b (see pages 9 and 10).*

1. Unlicensed Riders

There is no cover under this **Certificate** if **You** or **Your Authorized Rider** do not have a valid licence to ride **Your Motorcycle**. This will not apply if **You** or **Your Authorized Rider** have an expired licence but are not disqualified from holding or obtaining such licence under any existing laws, by-laws and regulations.

2. Alcohol, Drugs and Other Intoxicating Substances

There is no cover under this **Certificate** if **You** or **Your Authorized Rider** is under the influence of alcohol or intoxicating liquor, narcotics, dangerous drugs or any other deleterious drugs or intoxicating substance to such an extent that **You** or **Your Authorized Rider** are incapable of having proper control of **Your Motorcycle**.

> ***You** or **Your Authorized Rider** shall be deemed as incapable of having proper control of **Your Motorcycle** if after a toxicology or equivalent test, it is shown that the alcohol level in the breath, blood or urine of **You** or **Your Authorized Rider** is higher than the prescribed limit pursuant to Section 45G(1) of the Road Transport Act 1987 of 80mg of alcohol in 100ml of blood (or equivalent in respect of breath or urine) or other equivalent legislation that is in force at the material time.*

3. Fraud and Exaggerated Claims

If any claim is in any part fraudulent or exaggerated, or if **You** or anyone acting on **Your** behalf, uses fraudulent means to get any benefit under this **Certificate**, the entire claim will not be paid or payable. If **We** are required to make payment of any such claim to a third party, **We** shall be entitled to recover the sum paid and any costs incurred from **You**.

4. Unlawful Purpose

There is no cover under this **Certificate** if **You** or **Your Authorized Rider** use **Your Motorcycle** for an unlawful purpose or to attempt an unlawful purpose i.e. in violation of the criminal law or a recognized law of the country where **Your Motorcycle** was being used.

5. Use for Racing etc.

There is no cover under this **Certificate** if **You** use or **You** allow **Your Authorized Rider** to use **Your Motorcycle**:

a. to practise for or to take part in any motor sport, competition (other than treasure hunt), rally, pacemaking, reliability trial or speed test; or
b. on any racetrack.

> *For an additional contribution, **Your Certificate** can be extended to cover the use of **Your Motorcycle** for reliability trial or competition if **You** obtain the prescribed extension cover {**Endorsement 24(c) or 24(d)**}.*

6. Use Outside Malaysia

Unless **We** provide otherwise, this Takaful does not cover **You** in respect of claims arising whilst **Your Motorcycle** was being used or ridden outside Malaysia, the Republic of Singapore and Negara Brunei Darussalam. In Malaysia, **Our** liability under this **Certificate** is governed by the Road Transport Act 1987 and the terms and conditions of this **Certificate**, and **Our** liability outside Malaysia is governed by the terms and conditions of this **Certificate** only.

> *For an additional contribution, **Your Certificate** can be extended to cover the use of **Your Motorcycle** in Thailand or Kalimantan only if **You** participate the prescribed extension cover (**Endorsements 101** and **102**).*

7. Failure to take Precaution

Additional damages will not be paid if after an **incident** or breakdown **You**:

a. left **Your Motorcycle** unattended or failed to take proper precaution to prevent further loss or damage; or
b. continue to ride **Your Motorcycle** in an unroadworthy condition before any repair is done.

Claims that arise will not be paid if, when using **Your Motorcycle**, **You** do not take reasonable precaution to keep **Your Motorcycle** secured. This includes but is not limited to leaving **Your Motorcycle** unattended with ignition key left in or on **Your Motorcycle**.

8. War Risk

There is no cover under this **Certificate** for any loss or liability (including any costs of defending any action) connected in any way directly or indirectly to:

a. war, invasion, acts of foreign enemies, hostilities or warlike operation (whether war is declared or not), civil war, **Act of Terrorism**, mutiny, rebellion or revolution; or
b. strike, riots or civil commotion assuming the proportion of or amounting to an uprising, insurrection or military or usurped power.

*For an additional contribution, **Your Certificate** can be extended to cover strikes, riots and civil commotion (**Endorsement 25**).*

9. Nuclear Risk

There is no cover under this **Certificate** for any accident, loss or damage to any property or any loss or liability arising therefrom (including consequential losses and costs of defending any actions) connected in any way with operations using the nuclear fission or fusion process, or handling of radioactive material. This includes, but is not limited to:

a. the use of nuclear reactors such as atomic piles, particle accelerators or generators and similar devices;
b. the use, handling or transportation of radioactive material in relation to any **Act of Terrorism**;
c. the use, handling or transportation of any weapon or explosive device employing nuclear fission or fusion; or
d. the use, handling or transportation of radioactive material.

10. Convulsions of Nature

There is no cover (unless specifically participated) for any loss, damage or liability caused by flood, typhoon, hurricane, storm, tempest, volcanic eruption, earthquake, landslide, landslip, subsidence or sinking of the soil/earth or other convulsions of nature.

*For an additional contribution, **Your Certificate** can be extended to cover flood, typhoon, hurricane, storm, tempest, volcanic eruption, earthquake, landslide, landslip, subsidence etc. (**Endorsement 57**).*

11. Contractual Liability

Any liability that arises by virtue of an agreement will not be paid by virtue of agreement but for which **We** would not have been liable in the absence of such agreement.

12. Unauthorized Rider

Any **Incident**, loss, damage or liability caused, sustained or incurred whilst **Your Motorcycle** will not be paid, in respect of which indemnity is provided by this **Certificate**, is being ridden by any person other than an **Authorized Rider** or person riding on **Your** order or with **Your** permission.

Section E: Conditions - These apply to the whole Certificate

*This section spells out the terms and conditions that **You** must observe to ensure this Takaful remains effective. Basically these conditions are of three types:*

- *What **You** must do*
- *What **You** must not do*
- *What **We** can do*

Conditions Precedent to Certificate Liability
The following conditions are conditions precedent to **Our** liability to pay **You** any indemnity under this **Certificate** and have to be observed by **You** strictly. **We** can repudiate this **Certificate** and/or will not pay claims under the **Certificate** if **You** breach any of the relevant conditions. These conditions also apply to **Your Authorized Rider** and any legal representative who seek indemnity under this **Certificate**.

1. Duty of Disclosure
The duty of disclosure is different for a Consumer Takaful Contract and for a Non-Consumer Takaful Contract. They are separately outlined below:

A. Consumer Takaful Contract

Where **You** have applied for this Takaful wholly for purposes unrelated to **Your** trade, business or profession, **You** had a duty to take reasonable care not to make a misrepresentation in answering the questions in the Proposal Form (or when **You** applied for this Takaful) i.e. **You** should have answered the questions fully and accurately. Failure to have taken reasonable care in answering the questions may result in avoidance of **Your** contract of Takaful, refusal or reduction of **Your** claim(s), change of terms or termination of **Your** contract of Takaful in accordance with Schedule 9 of the Islamic Financial Services Act 2013. **You** were also required to disclose any other matter that **You** knew 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 given in the Proposal Form (or when **You** applied for this Takaful) is inaccurate or has changed.

B. Non-Consumer Takaful Contract

Where **You** have applied for this Takaful for purposes related to **Your** trade, business or profession, **You** had a duty to disclose any matter that **You** know to be relevant to **Our** decision in accepting the risks and determining the rates and terms to be applied, and any matter a reasonable person in the circumstances could be expected to know to be relevant, otherwise it may result in avoidance of **Your** contract of Takaful, refusal or reduction of **Your** claim(s), change of terms or termination of **Your** contract of Takaful.

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 given in the Proposal Form (or when **You** applied for this Takaful) is inaccurate or has changed.

2. Accidents and Claims Procedures
If **Your Motorcycle** is involved in any **Incident** that could lead to a claim under this **Certificate, You** must do the following:

a. Notify **Our** claims department of the **Incident** and get a Claim Form. **You** must notify **Us** of the **Incident** as soon as possible but in any event:

- Within seven (7) days if **You** are not physically disabled or hospitalized following the **Incident**; or
- Within thirty (30) days or as soon as practicable if **You** are physically disabled and hospitalized as a result of the **Incident**.

We may allow a longer notification period if **You** can provide specific proof and justification for the delay.

b. Report the **Incident** to the police as required by law and do all that is required to assist the police authorities to secure a conviction against the offender.

c. Complete the Claim Form in full and return it to **Us** within twenty-one (21) days from the date of **Your** notification as per (a) above. **You** are required to answer all the questions in detail in all applicable sections and provide **Us** with all the necessary documents to support **Your** claim. **We** will not be held responsible if there is any delay on **Your** part to submit the Claim Form duly completed together with all the necessary documents.

A longer claims submission period may be allowed by **Us** subject to specific proof and justification by **You** for the delay.

d. If there are any claims made against **You** by a third party, **You** must immediately notify **Us** of the same and **You** must send to **Us** any notification of claim, notice of impending prosecution or inquest, summons, writ or any letters from the solicitors of the third party as soon as **You** receive such documents, but in any event within fourteen (14) days from the date of receipt of any of the documents.

e. Send **Your Motorcycle** to any of **Our Approved Repairer** so that **We** can inspect **Your Motorcycle** before **We** give approval to proceed with repairs or take reasonable action to safeguard **Your Motorcycle** from further loss or damage. **We** can refuse to pay any claim under Section A of this **Certificate** if **You** breach this condition.

f. **You** must obtain **Our** consent in writing before **You** repair **Your Motorcycle** or incur any expenses in connection with a claim under this **Certificate**.

You must not do any of the following:

- Admit any responsibility for any **Incident**; or
- Negotiate or settle any claims made against **You** by a third party, unless **We** write and inform **You** that **You** can.

We will decide whether to negotiate, defend or settle, in **Your** name, **Your Authorized Rider's** name and/or on **Your** behalf, any claims made against **You** or **Your Authorized Rider** by a third party. If in **Our** assessment the third party claim made against **You** or **Your Authorized Rider** for property damage will exceed the limit of liability of RM3 million, the full amount of **Our** liability will be paid to **You** or the third party and hand over the further conduct of any defence, settlement or proceeding to **You** completely. After doing so **We** will not be liable under this **Certificate** to make any more payments to **You** or any claimant or any other person arising from the same **Incident**.

*The conditions above also apply to anyone else who wishes to claim under the terms and conditions of this **Certificate**. "Anyone else" may refer to personal representative or administrator/estate of the participant.*

3. Cancellation

Either **You** or **We** may cancel this **Certificate** at any time during the **Period of Takaful**.

a. Cancellation by **You**:

- **You** can cancel this **Certificate** at any time by returning the **Certificate of Takaful (CT)** to **Us** or, if the **CT** has been lost or destroyed, **You** must provide **Us** with a duly certified Statutory Declaration (SD) to confirm this.
- After returning the **CT** or SD **You** will be entitled to a refund of contribution if no claim was incurred prior to cancellation. **Your** refund will be the pro rata contribution for the unexpired period of cover calculated from the date **We** received the **CT** or SD.
- **You** will be subject to cancellation fee of RM10.00 upon **Your** request to cancel the **CT**
- The **Certificate** will automatically lapse once **You** sell or dispose off **Your Motorcycle** because **Your** permissible Takaful interest in the **Motorcycle** will cease. If **You** want to transfer the **Certificate** to the new participant, **You** have to get **Our** prior consent.

b. Cancellation by **Us**:

- **We** may also cancel this **Certificate** by giving **You** fourteen (14) days notice in writing by registered post to **Your** last address known to **Us**.
- After returning the **CT** or SD **You** will be entitled to a refund contribution for the unexpired period calculated on a pro-rata basis from the date **We** receive the **CT** or SD from **You** to the expiry date of the **Certificate**.

There will not be any refund of contribution for any cancellation of **Certificate** (either by **You** or by **Us**) if **You** have paid the **Minimum Contribution** only or if a claim has been made on this **Certificate**.

4. If there is More Than One Takaful Covering the Same Motorcycle

a. **You** must inform **Us** in writing if **You** have taken out any other Takaful in respect of **Your Motorcycle** during the **Period of Takaful**.

b. If a claim arises under this **Certificate** and such a loss is also claimable under the other Takaful certificate(s) taken by **You**, **We** will only contribute **Our** rateable proportion of the whole loss. **We** will not be liable to pay the claim first and then seek recovery from the other co-Takaful operators who is/are also liable for the loss.

5. Subrogation

We are entitled to take over all rights and remedies that **You** may have against any third party who caused the loss. **We** shall have the absolute discretion in the conduct of any proceedings, at **Our** own costs, against the third party and in the settlement of any such claim and **You** shall give **Us** such information and assistance as **We** may require from time to time including assigning all rights to take action in **Your** name. **You** must however give **Us Your** full cooperation to protect these rights and provide all assistance and take such steps as **We** require.

6. Dispute Resolution

If there are differences or disputes on any matters relating to this **Certificate** involving amounts exceeding RM250,000, an Arbitrator shall be jointly appointed by **You** and **Us** in writing to resolve the differences or disputes. If no agreement is reached on who is to be the Arbitrator within one month of being required to do so then **You** and **We** shall be entitled to appoint an Arbitrator each. Both Arbitrators shall then proceed to hear the difference or dispute together with an Umpire to be jointly appointed by them. If the Arbitrators cannot agree on an Umpire within thirty (30) days, then the Kuala Lumpur Regional Centre for Arbitration shall appoint an Umpire.

If the disputed sum is less than RM250,000, **You** may refer the matter to the **Financial Markets Ombudsman Service** to resolve the dispute.

7. Other Matters

We will only be liable to pay **You** any indemnity under this **Certificate** if **You**:

a. Comply with all the terms and conditions of this **Certificate**. These conditions are also applicable to **Your Authorized Rider** and any legal representative who seek assistance under this **Certificate**;

b. Maintain **Your Motorcycle** in a reasonably efficient and roadworthy condition. **You** must get **Our** consent if **You** make any modification that will enhance or in any way affect the performance of **Your Motorcycle**;

c. Take reasonable care to avoid any situation that could result in a claim. This **Certificate** will not cover **You** if **You** or **Your Authorized Rider** are reckless i.e. where **You** recognize a serious risk but deliberately do not take steps to prevent it. This includes but is not limited to leaving **Your Motorcycle** unattended with ignition key left in or on **Your Motorcycle**; and

d. Make **Your Motorcycle** available to **Us** for inspection at all reasonable times upon request.

8. Prevalent Certificate Wording

For avoidance of doubt, the English version of this **Certificate** wording will prevail over the Bahasa Malaysia version at all times.

9. Expenses

The Company shall bear all its own operating expenses. Takaful Participants shall bear necessary expenses incurred for their benefits as allowed by the regulator.

10. Receipt of Discharge

Payment of any amount paid or made by **the Company** shall be a valid discharge of liability to **the Company** and shall release **the Company** of all claims and demands whatsoever in respect thereof.

11. Third Party Engagement

In carrying out the mandate conferred on it by the Participants, the Company, may find it necessary to avail itself the services of third parties, therefore the Participants hereby authorise the Company to engage with the third party for the purpose and benefit of participants and **Takaful Business**.

Section F: Definitions of words highlighted in the Certificate

*This section explains what **We** mean by the words printed in bold in this* **Certificate**.

In this **Certificate**, **Schedule** and **Certificate of Takaful**, unless the context otherwise requires, the following words shall have the meanings as defined below.

1. **Accessories**
This refers to the standard factory-fitted tools of the **Motorcycle** including spare tyres and may include radio/cassette player/compact disc player and the like if specified in the **Schedule**.

2. **Act of Terrorism**
This refers to an act by any person(s) or group that uses force or violence and/or the threat of force or violence, whether they are acting alone or on behalf of or in connection with any organization(s) or government(s) and done for political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

3. **Adjuster**
This refers to a person or entity registered under the Islamic Financial Services Act 2013 who is appointed by **Us** to investigate the cause and circumstances of a loss and to determine the amount of loss.

4. **Authorized Rider**
This refers to any person who rides **Your Motorcycle** with **Your** consent or permission provided he or she holds a valid licence of the relevant type and is not disqualified to ride by law or for any other reason.

5. **Certificate**
Certificate includes the **Schedule**, the **Certificate of Takaful** and all **Endorsements** specifically listed in the **Schedule**.

6. **Certificate of Takaful**
This certificate is a prescribed form that **We** are required to issue to **You** under the Road Transport Act 1987 and it outlines the particulars of any conditions subject to which the **Certificate** is issued.

7. **Cheating**
This follows the meaning as defined under Section 415 of the Penal Code which is as follows:
Whoever by deceiving any person, whether or not such deception was the sole or main inducement:
a. fraudulently or dishonestly induces the person so deceived to deliver any property to any person, or to consent that any person shall retain any property; or
b. intentionally induces the person so deceived to do or omit to do anything which he would not do or omit to do if he were not so deceived and which act or omission causes or is likely to cause damage or harm to any person in body, mind, reputation, or property,

is said to “cheat”.

8. **Criminal Breach of Trust**
This follows the meaning as defined under Section 405 of the Penal Code which is as follows:
Whoever, being in any manner entrusted with property, or with any dominion over property either solely or jointly with any other person, dishonestly misappropriates, or converts to his own use, that property, or dishonestly uses or disposes of that property in violation of any direction of law prescribing the mode in which such trust is to be discharged, or of any legal contract, express or implied, which he has made touching the discharge of such trust, or wilfully suffers any other person so to do, commits “criminal breach of trust”.

9. **Endorsement**
This refers to the document that **We** issue to **You** to confirm any changes or extensions of the coverage to the basic **Certificate**.

10. **Excess**
This refers to the amount that must be borne by **You** first for each claim. The amount of the excess is shown in the **Schedule**. **You** have to pay the excess irrespective of who is at fault in the **Incident**.

11. **Household**
This refers to all members of **Your** or **Your Authorized Rider’s** immediate family i.e. spouse, children including legally adopted children, parents, brother(s) and sister(s) staying under one roof with **You** in the case of **Your** immediate family, or with **Your Authorized Rider**, in the case of his immediate family.

12. **Incident**
Any event which could lead to a claim under this **Certificate**.

13. **Limitations as to Use**
According to **Your Certificate of Takaful** (**CT**), **Your Motorcycle** can only be used for “Social, domestic and pleasure purposes and for the Participant's business”. The **CT** also states that “The **Certificate** does not cover use for hire or reward, racing, pacemaking, reliability, trial speed-testing, the carriage of goods other than samples in connection with any trade or business”.

14. **Market Value**
This refers to the reasonable cost to buy another **Motorcycle** of the same make, model, age and general condition similar to **Your Motorcycle** at the time of loss. The **Market Value** of **Your Motorcycle** at the time of loss would be determined according to the terms of the option that **You** had chosen at the time **You** participated this **Certificate**. If **You** had opted for a **Market Valuation System** to determine **Your Sum Covered** then the **Market Value** would be based on that valuation system as described in clause 14 below. However, if **You** had not opted for a **Market**

Valuation System then the **Market Value** of **Your Motorcycle** in the event of dispute would be determined by the Head Office of the **Motorcycle** franchise-holder and this value should be equal to the cost of acquiring a replacement motorcycle of the same make, model and age of **Your Motorcycle** at the time of loss. If this valuation is not available or appears in **Our** opinion to be unduly low or high then valuation will be determined by an **Adjuster** registered under the Islamic Financial Services Act 2013, agreed by both **You** and **Us**.

15. **Market Valuation System**
This refers to the motor vehicle **Market Valuation System** approved by **Us** to determine the **Market Value** of **Your Motorcycle** at the time **You** participated/renewed this **Certificate** as well as at the time of the loss. **You** can opt to use the valuation recommended by this system as the **Sum Covered** to avoid the consequences of under-coverage as described in Section A2e. Alternatively, **You** may choose to determine the **Sum Covered Yourself** but **You** would be subject to Section A2e if **You** are under-covered.

16. **Minimum Contribution**
The minimal contribution described in the **Schedule**.

17. **Motorcycle**
This refers to the motor vehicle described in the **Schedule** and includes the manufacturer's standard options and **Accessories** fitted to it and any other non-standard options or descriptions that are specifically listed in the **Schedule**.

18. **Financial Markets Ombudsman Service (FMOS)**
This is an independent body that provides a free and efficient avenue to help settle financial disputes between **You** and **Us** under this **Certificate** as an alternative to the courts.

19. **Period of Takaful**
The period shown in the **Schedule** when the cover provided by this **Certificate** is operative. Cover is only valid from the inception date of the Takaful **Certificate** or from when **You** and **We** agree that cover should commence.

20. **Pillion**
Pillion means a **Pillion** rider who is a person seated in the **Pillion** seat of a **Motorcycle**.

21. **Qard**
This shall mean a contract of lending money whereby the borrower is obliged to repay the equivalent amount to lender.

22. **Approved Repairer**
This refers to motor repair workshops approved by **Us**, any repairer that **We** have given **You** a special permission to use or franchise repairers, for a claim.

23. **Road**
Section 2 of the Road Transport Act 1987 defines "Road" as "any public road and any other road to which the public has access and includes bridges, tunnels, lay-bys, ferry facilities, interchanges, round-abouts, traffic islands, road dividers, all traffic lanes, sidetables, median strips, overpasses, underpasses, approaches, entrance and exit ramps, toll plazas, service areas, and other structures and fixtures to fully effect its use".

24. **Schedule**
This document shows **Your** name and address, the **Period of Takaful**, the sections of this **Certificate** which apply, the contribution **You** have paid, the **Motorcycle** which is covered, the **Sum Covered** and details of any extensions or **Endorsements**.

25. **Sum Covered**
This is the maximum that **You** will be paid for a claim under Section A. This amount is shown in the **Schedule**. The **Sum Covered** must be sufficient to cover the cost to replace **Your Motorcycle** in the event of an **Incident** that completely destroys it.

26. **Tabarru'**
The donation for the purpose of solidarity and cooperation among the Participants and to be used to help all Participants in times of misfortune. In the context of the Company, Tabarru' will be allocated into the Participants' Risk Fund.

27. **Takaful Business**
This means the business relating to the administration, management and operation of a Takaful Fund for its Participants which involve elements such as investments, savings and claims and Retakaful business and a reference to carrying on Takaful Business shall include all or any of the activities set out in paragraph 5(4)(a) of the Islamic Financial Services Act 2013.

28. **Wakalah**
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 fee *(Ujrah)* to be paid to the Company.

29. **We, Our, Us**
This refers to the licensed Takaful Company that is issuing **You** this **Certificate** representing the participants of the RF.

30. **You, Your, Yourself**
This refers to the certificate holder or person described in the **Schedule** as "the Participant".

ATTACHING TO AND FORMING PART OF TAKAFUL CERTIFICATE NO:

Section G: Endorsements - applicable only if the Endorsement number is printed in the Schedule

*The following is a list of additional terms and conditions (known as **Endorsements**) that **We** may impose on **You** or optional covers available that **You** may want to add to **Your** basic **Certificate** by paying additional contribution. Note that only **Endorsements** with their numbers specifically printed in the **Schedule** shall apply to this **Certificate**.*

Endorsement 3(p): Third Party Only Takaful *(please see page 2 - "What is Covered?")*

The cover that **You** have chosen for **Your Motorcycle** is limited to 'Third Party' Takaful only. This means that any loss or damage to **Your Motorcycle** will not be paid. For that reason Section A is deleted and only Section B coverage has been participated and is available to **You**.

Endorsement 3(q): Third Party, Fire and Theft Takaful *(please see page 2 - "What is Covered?")*

The cover that **You** have chosen for **Your Motorcycle** is called 'Third Party, Fire and Theft' Takaful. This means that the cover provided to **Your Motorcycle** under Section A is limited to any loss or damage caused by fire, explosion, lightning, burglary, housebreaking or theft only. For that reason all the remaining covers under Section A1a are deleted and Section B coverage has been participated and is available to **You**.

Endorsement 14: Transfer of Interest

In consideration of the additional contribution that **You** paid **Us** for this endorsement, **We** agree to transfer the interest in this **Certificate** on *[state date]* to *[state name of transferee and NRIC no./Business Registration No.]* of *[state address]* carrying on or engaging in the business or profession of _____ whose proposal and declaration dated *[state date]* shall be the basis of this contract.

Subject otherwise to the terms and conditions of this **Certificate**.

Endorsement 15: Hire Financing

We note that **Your Motorcycle** is under a Hire Financing agreement with the Financing company named in the **Schedule** as the Financiers. **You** unconditionally agree that the payment of any claim under Section A by **Us** by way of a cash payment shall be made to the Financiers as long as they remain as the Financer of **Your Motorcycle** at the time of the **Incident**. The receipt from the Financiers will fully discharge **Us** from any further claims or liability in respect of such loss or damage. For all other purposes **You** are the principal party under this **Certificate** and not an agent or trustee for the Financiers and that **You** have not assigned **Your** rights, benefits and claims under this **Certificate** to the Financiers. **You** cannot assign **Your** rights, benefits and claims under this **Certificate** to anybody without **Our** written consent.

Endorsement 15(a): Employer's Financing

We note that **Your Motorcycle** was bought under an Employer's Financing agreement. **You** unconditionally agree that the payment of any claim under Section A by **Us** by way of a cash payment shall be made to the Employer named in the **Schedule** as long as the financing remains outstanding at the time of the **Incident** giving rise to a claim. The receipt from the Employer will fully discharge **Us** from any further claims or liability in respect of the **Incident**.

Other than the above, **Our/Your** rights and liabilities under this **Certificate** are not affected.

Endorsement 18: Fleet Rated Risks – Cancellation of 'No Claim Discount'

By virtue of the benefit of the Fleet Discount received, the No Claim Discount clause of this **Certificate** is cancelled.
Subject otherwise to the terms and conditions of this **Certificate**.

Endorsement 24(c): Reliability Trials, Competitions etc.

Pursuant to the additional contribution that **You** paid , the Takaful provided under this **Certificate** shall cover **Your Motorcycle** while it is being used for *[state either reliability trials, competition]* to be held at *[state place/location]* on *[state date]* organized by *[state name of organizer]* including officially conducted practice for the event.

Endorsement 24(d): Reliability Trials, Competitions etc. (Third Party Cover Only)

Pursuant to the additional contribution that **You** paid , the Takaful provided under Section B of this **Certificate** shall cover legal liability while **Your Motorcycle** is being used for *[state either reliability trials, competition]* to be held at *[state place/location]* on *[state date]* organized by *[state name of organizer]* including officially conducted practice for the event.

ATTACHING TO AND FORMING PART OF TAKAFUL CERTIFICATE NO:

Endorsement 25: Strike, Riot and Civil Commotion

Pursuant to the additional contribution that **You** paid , the Takaful provided under Section A of this **Certificate** shall cover loss or damage to **Your Motorcycle** caused by:

a. the willful act of any striker or locked out worker to further a strike or to resist a lock out;
b. the act of any person taking part together with others in disturbance of the public peace (whether in connection with a strike or lock out or not); and
c. the action of any lawfully constituted authority in preventing, suppressing or attempting to prevent or suppress any of these acts or in minimizing the consequences of them.

This endorsement does not cover:

a. civil war, war, invasion or acts of foreign enemy hostilities or warlike operations (whether war is declared or not);
b. revolution, rebellion or civil disturbance amounting to a popular uprising; and
c. **Act of Terrorism**.

It also does not cover any loss, damage or liability directly or indirectly, proximately or remotely caused by or contributed to or traceable to or arising out of or in connection with the above stated exceptions.

Endorsement 57: Inclusion of Special Perils

Pursuant to the additional contribution that **You** paid , the Takaful provided under Section A of this **Certificate** will cover loss or damage to **Your Motorcycle** caused by flood, typhoon, hurricane, storm, tempest, volcanic eruption, earthquake, landslide, landslip, subsidence or sinking of the soil/earth or other convulsions of nature.

Endorsement 87: Agreed Value Clause

The Agreed Value shown in the **Schedule** is the maximum amount that will be paid for **Your Motorcycle**, less any **Excess** (if applicable) if **Your Motorcycle** is stolen or totally destroyed.

We and **You** have agreed at the commencement of this **Certificate** to use this value as the basis of settlement provided **We** are liable to pay for such loss or destruction under the terms and conditions of this **Certificate**. The **Market Value** of **Your Motorcycle** at the time of the loss will not be taken into account.

Endorsement 95: Leasing Agreement

We note that **Your Motorcycle** is under a Leasing Agreement with the Leasing company named in the **Schedule** as the Lessors. **You** unconditionally agree that the payment of any claim under Section A by **Us** by way of a cash payment shall be made to the Lessors as long as the Leasing Agreement remains valid at the time of the **Incident**. The receipt from the Lessors will fully discharge **Us** from any further claims or liability in respect of such loss or damage. For all other purposes, **You** are the principal party under this **Certificate** and not as an agent or trustee for the Lessors and **You** have not assigned **Your** rights, benefits and claims under this **Certificate** to the Lessors. **You** cannot assign **Your** rights, benefits and claims under this **Certificate** without **Our** written consent.

Endorsement 97: Separate Cover for Accessories fixed to Your Motorcycle

Pursuant to the additional contribution that **You** paid, the Takaful provided under Section A of this **Certificate** shall cover the non-standard **Accessories** specified in the **Schedule.** The maximum amount that will be paid under this endorsement is the amount mentioned in the said **Schedule** under the heading '**Endorsement 97**'.

If **Your** claim is for the **Accessories** only and no other damages, **We** will not deduct any **Excess** and **You** will not lose **Your** No Claim Discount entitlement. This cover is terminated on the date **Your** claim is settled under this endorsement. To restore this cover **You** must pay the additional contribution to **Us**.

Endorsement 101: Extension of Cover to the Kingdom of Thailand

Pursuant to the additional contribution that **You** paid , the Takaful provided under Section A and Section B1a(ii) of this **Certificate** shall cover **Your Motorcycle** while it is being used in the Kingdom of Thailand from the inception date on [*state date*] to midnight (Malaysian Standard Time) on [*state date*]. The limit of liability that **We** provide under Section B1a(ii) will be up to a maximum of RM100,000 only.

This endorsement does not cover legal liability under Section B1a(i) while **Your Motorcycle** is being used in the Kingdom of Thailand.

Endorsement 102: Extension of Cover to Kalimantan

Pursuant to the payment of additional contribution by **You** to **Us,** the geographical area of this **Certificate** is extended to include Kalimantan with effect from _____ a.m./p.m. on *[state date]* to midnight (Malaysian Standard Time) on *[state date]* subject to the limit of liability of RM50,000 under Section B1a(i) and B1a(ii).

Subject otherwise to the terms and conditions of this **Certificate**.

ATTACHING TO AND FORMING PART OF TAKAFUL CERTIFICATE NO:

Endorsement 108: Legal Liability to Pillion

In consideration of the additional contribution that **You** paid **Us** for this endorsement, **You** or **Your Authorized Rider's** liability will be paid to any person being carried upon or getting onto or alighting from **Your Motorcycle** except for:

a. death or bodily injury to any **Pillion** being carried for hire or reward;

b. death or bodily injury to any person where such death or injury arises out of and in the course of the employment of such person by **You** or by **Your Authorized Rider**;

c. damage to property belonging to or in the custody of or control of or held in trust by **You** or **Your Authorized Rider** and/or any member of **Your** or **Your Authorized Rider's Household**;

d. liability to any person who is a member of **Your** and/or **Your Authorized Rider's Household** who is a **Pillion** on your **Motorcycle** unless he/she is required to be carried on **Your Motorcycle** by reason of or in pursuance of his/her contract of employment with **You** or **Your Authorized Rider** and/or his/her employer;

e. liability caused by a **Pillion** travelling on or alighting from **Your Motorcycle**;

f. any claims brought against **You** by any rider of **Your Motorcycle**, whether authorized or not;

g. death or bodily injury to any person or damage to property caused or arising outside the limits of any carriageway or thoroughfare in connection with the loading onto and unloading from **Your Motorcycle**;

h. any claims brought against any person in any country in courts outside Malaysia, the Republic of Singapore or Negara Brunei Darussalam; and/or

i. all legal costs and expenses which are not incurred in or recoverable in Malaysia, the Republic of Singapore and Negara Brunei Darussalam.

Condition of Cover
If at the time of **Incident** giving rise to a claim under this endorsement, **Your Motorcycle** is carrying **Pillion** in excess of the stated maximum number permitted by law, **Our** liability shall be limited to the number of **Pillion** specified for the vehicle as registered at the Road Transport Department.

If the number of **Pillion** carried at the time of the happening of an **Incident** is more than the maximum number permitted in the vehicle by law, **We** will not pay their claim in full. Any payment **We** make to any claimant under this endorsement will be rateably reduced in the proportion of the legally permitted maximum number of lawful **Pillion** over the actual number of **Pillion**(s) carried, at the time of the **Incident**. The difference between the sum paid by **Us** and the claim to be paid to each **Pillion** claimant shall be borne by **You** or **Your Authorized Rider**.

The proportion **We** pay shall be calculated in accordance with the following formula:

$$\frac{\text{Number of } \textbf{Pillion} \text{ permitted by law}}{\text{Actual number of } \textbf{Pillion}(\text{s}) \text{ carried at time of } \textbf{Incident}} \times \text{Total Claim Awarded}$$

Endorsement 109: Extension of Cover for Ferry Transit to and/or from Sabah and the Federal Territory of Labuan

Pursuant to the additional contribution that **You** paid , the Takaful provided under Section A of this **Certificate** shall cover loss or damage to **Your Motorcycle** when in transit to and/or from Sabah and Federal Territory of Labuan.

You must bear the first 1% of the **Sum Covered** or RM500 (whichever is higher) for each and every claim arising out of one transit for every claim payable under this endorsement. **We** have the right to deduct this amount in addition to the **Excess** mentioned in the **Schedule** of this **Certificate**.

Endorsement 113: Reference to Motor Vehicle Market Valuation System

This refers to the motor vehicle **Market Valuation System** approved by **Us** to determine the **Sum Covered** of **Your Motorcycle** at the time **You** participated/renewed this **Certificate** as well as the **Market Value** at the time of the loss.

When a claim is made, the **Market Value** of **Your Motorcycle** would be determined by the (name of motor vehicle **Market Valuation System**) and this value would be accepted as the cost of acquiring a replacement motorcycle of the same make, model and age of **Your Motorcycle** at the time of loss.

If no **Market Value** is available from the (name of motor vehicle **Market Valuation System**) for **Your Motorcycle**, the **Market Value** of the **Motorcycle** would be determined by an **Adjuster** agreed to by both **You** and **Us**.

The valuation done by the (name of motor vehicle **Market Valuation System**) or **Adjuster** will be conclusive evidence in respect of the **Market Value** of **Your Motorcycle** in any legal proceedings against **Us**.

Subject otherwise to the terms and conditions of this **Certificate**.

ATTACHING TO AND FORMING PART OF TAKAFUL CERTIFICATE NO:

Endorsement MTD004C: *IKHLAS* Motorcyclist PA Takaful (non-Tariff)

In consideration of the additional Takaful Contribution that **You** paid **Us** for this **Endorsement**, **We** agree that **We** will compensate **You** for the death or permanent disablement as described below if the **Person Covered** is injured whilst boarding, alighting from, or riding **Your Motorcycle** and within one (1) year of its happening the **Injury** is the sole cause of the death or disablement.

We will pay the **Person Covered** or their beneficiary for **Injury** as specified in the **Certificate** / this **Endorsement** as per the tables below, whichever is applicable:

Table 1: Takaful Benefits

Benefits / Plans		Sum Covered (RM)			
		Silver MTD004C1	Gold MTD004C2	Platinum MTD004C3	Premium MTD004C4
Benefit 1	Accidental Death	4,000	8,000	12,000	20,000
Benefit 2	Accidental Permanent Disablement	4,000	8,000	12,000	20,000
Benefit 3	Bereavement Allowance	500	500	500	500

Table 2: Scale of Compensation for Accidental Permanent Disablement

Description of Permanent Disablement	Proportional of Benefit Amount
Total permanent disablement	100%
Total paralysis of permanently bedridden	100%
Loss of one or both hands	100%
Loss of one or both feet	100%
Loss of one or both eyes	100%

Compensation Limit in respect of any one Person Covered

1. For Benefit 2, "Loss" with reference to hand or foot shall mean complete loss of use or severance through or above the wrist or ankle joint, and with reference to eyes, means the entire and irrecoverable loss of sight.

2. Compensation shall not be payable for:
   a) Benefit 1 in addition to Benefit 2 if death occurs subsequently solely caused by and within one (1) year of the **Injury**.
   b) more than the limit in aggregate for Benefit 1 to Benefit 2 for any one **Person Covered**. When 100% of the takaful benefits becomes payable, this **Certificate / Endorsement** shall cease thereafter.

3. The **Authorized Rider** coverage is only applicable when **You** takes up the 'All-Riders' cover for the *IKHLAS* Motorcycle Takaful certificate to which this cover is attached to.

Exclusions

We will not pay compensation under the Takaful Benefit for:

a) Death or disablement caused by any event other than accident sustained whilst boarding, alighting from or riding the **Motorcycle**;
b) If the **Authorized Rider** of the **Motorcycle** does not have a valid driving license while riding resulting in the accident;
c) Deliberate exposure to exceptional danger (except in an attempt to save human life), or the own criminal act of the **Person Covered**;
d) If the participant, **Authorized Rider** and/or the **Motorcycle** is engaging in any occupation, sport, pastime or activity in which materially greater risk may be incurred than disclosed in connection with this Takaful add-on cover;
e) Accidents while the participant is seated as a Pillion rider on the **Motorcycle**; or
f) Any other limitation and exclusion applied in accordance to *IKHLAS* Motorcycle Takaful **Certificate** this cover is attached to.

Conditions

1. Age Limit

- For Comprehensive cover, the participant shall not be less than eighteen (18) years old or more than seventy (70) years old at the time of the application for the coverage of Takaful.
- For Third – Party cover, the participant shall not be less than twenty six (26) or more than sixty five (65) years old at the time of the application for the coverage of Takaful.

2. Cancellation

You may cancel the **Endorsement** by informing **Us**, however there will be no refund of pro – rata Takaful Contribution for the unexpired period of Takaful

3. Disappearance Clause (Applicable to Individual **Motorcycle** Owner only)

Disappearance of the **Person Covered** after a period of one (1) year has elapsed and the Company has examined all evidence available and shall have no reason to suppose other than an Accident has occurred. It is further agreed that if at any time after payment has been made and the Person Covered is found to be living any sum paid by the Company in settlement of the claim shall be refunded to the Company by the Participant forthwith.

4. Claims Procedure

In the case of death or permanent disablement to which this Endorsement relates:-

a) the Person Covered shall always act upon medical or surgical advice within the time periods as may be required for action by such medical practitioner;

b) written notice must be given to the Company within fourteen (14) days of the date of the Accident causing such injury

Failure to give notice within the time provided in this **Certificate** shall not summarily invalidate the claim if it shall be shown by the **Person Covered** that it was not reasonably possible to have given such notice within the said time period and that notice was forthwith given as soon as reasonably possible.

No action at law or in equity shall be brought to recover the compensation under this **Takaful Certificate** prior to expiration of thirty (30) days written proof of loss has been furnished in accordance with the requirements of this **Takaful Certificate**. No such action shall be brought after the expiration of one year from the time written proof of loss is required to be furnished.

All information and evidence required by **Us** shall be furnished at **Your** or **Your** legal personal representative expense and shall be in such form and of such nature as prescribed by **Us**. **You** as and when required shall undergo medical examination at **Your** own expense in respect of any claim of Permanent Disablement. In case of **Your** death, reasonable notice shall be given to **Us** before interment or cremation and **We** may require to be represented at a post mortem examination on **Your** body. **We** shall have the right and opportunity to conduct an autopsy at our own expense where it is permitted by law.

Claims Provisions

(a) Compensation under permanent disablement is payable only if the disability is caused by a **Bodily Injury** which wholly prevents the **Person Covered** from engaging in any business, or occupation or performing any work, for compensation or profit. To determine if a disablement has become permanent, it must continue uninterruptedly for a period of at least twelve (12) months from the date of **Bodily Injury** and at the expiry of that period, the disability is beyond hope of improvement.

(b) Benefits on death or permanent disablement shall not be paid in aggregate under this Takaful Certificate to the intent that where compensation in respect of Benefit on permanent disablement aggregates to less than hundred percent 100% of the total Benefits paid to Participant, the coverage under Benefits on death and/or permanent disablement shall be reduced in proportion to the amount paid from the date of Accident until the expiration of the Takaful Certificate.

(c) Compensation for death and permanent disablement shall not be payable under more than one (1) of the items in respect of the consequences of one (1) **Accident** to the **Person Covered**.

(d) The total sum payable under this **Takaful Certificate** in respect of any one (1) or more **Accident**s to the **Person Covered** shall not exceed in all, the largest sum covered under any one of the Items contained in the Table of Benefits.

(e) No compensation is payable if death or disability occurring in any vehicles used for hire or reward.

Some definitions applicable to this Endorsement (Note: for those definitions in bold not defined in this **Endorsement**, please refer to the definitions in bold stated in the **Certificate**).

- **Injury**
  Means bodily injury sustained by the **Person Covered**, solely and independently caused by violent accidental external and visible means.
- **Person Covered**
  Means **You** and/or the **Authorized Rider**.

IMPORTANT NOTICE

We care about the service that **We** provide for **Our** customers, and our staff makes every effort to maintain as high a standard as possible. In the event that **We** do not meet **Your** expectations and **You** are dissatisfied in some way, **We** would like to know and would ask **You** to write to **Our**:

Customer Relationship Management Department,
Takaful Ikhlas General Berhad,
IKHLAS Point, Tower 11A, Avenue 5, Bangsar South,
No. 8 Jalan Kerinchi, 59200 Kuala Lumpur.

Tel: +603-27239696
Fax: +603-27239998
E-mail: complaints@takaful-ikhlas.com.my

For legal notices to be considered as properly served or any official correspondences, please send to:

Takaful Ikhlas General Berhad,
5th Floor, Bangunan Malaysian Re
No.17, Lorong Dungun, Damansara Heights
50490 Kuala Lumpur

Attention to: President and Chief Executive Officer

If **You** are not satisfied with the rejection or proposed settlement of **Your** claim, **You** may appeal directly to the Company. Should **You** remain dissatisfied with the outcome, **You** may refer the matter to the Financial Markets Ombudsman Service (FMOS) within six (6) months from the date of the Company's final decision, provided the claim falls within FMOS's jurisdiction (i.e., direct losses not exceeding RM250,000).

PROCEDURE FOR COMPLAINT TO FINANCIAL MARKETS OMBUDSMAN SERVICE

1. If **You** are not satisfied with the decision of **Our** senior management, **You** may write to the "Financial Markets Ombudsman Service", giving details of the dispute, **Our** name and the certificate number.
2. Copies of the correspondence between **You** and **Us** may be sent to facilitate tracing the case file kept by **Us**.
3. If the Mediator makes an award against **Us**, **You** are required to inform the Mediator whether **You** accepts the award within fourteen (14) days, so that **We** can be informed of **Your** decision.
4. There is no appeal procedure within the Financial Markets Ombudsman Service. If **You** do not want to accept the award, **You** may reject the decision of the Mediator and **You** are free to institute Court proceedings against **Us** or refer it to Arbitration.
5. The Financial Markets Ombudsman Service is not responsible for handling payment following the decision of the Mediator. We are required to remit the amount direct to the claimant within thirty (30) days when we were informed of the acceptance of the award.
6. At present, there is no fee or charge for the services provided by Financial Markets Ombudsman Service.

The contact details are as follows:

Financial Markets Ombudsman Service (200401025885)
(formerly known as Ombudsman for Financial Services)
Level 14, Main Block
Menara Takaful Malaysia
No 4, Jalan Sultan Sulaiman
50000 Kuala Lumpur
Tel: 603-2272 2811
Website: www.fmos.org.my

PROCEDURE FOR COMPLAINT TO BNMLINK

If Your complaint is not within FMOS's scope, or **You** choose not to pursue the matter with FMOS, **We** will refer **You** to BNMLINK under Bank Negara Malaysia (BNM) for further assistance.

Copies of the correspondence (if any) between the **You** or the Claimant and **Us** may also be sent to facilitate tracing the case file kept by **Us**.

The contact details are as follows:

BNMLINK-Bank Negara Malaysia
4th Floor, Podium Bangunan AICB,
No. 10, Jalan Dato' Onn,
50480 Kuala Lumpur.
Tel : 1-300-88-5465
Website: bnm.gov.my/BNMLINK