

PRODUCT DISCLOSURE SHEET

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

TAKAFUL IKHLAS FAMILY BERHAD

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

IKHLAS MORTGAGE REDUCING TERM TAKAFUL LEMBAGA PINJAMAN PERUMAHAN SEKTOR AWAM

Date: 01/01/2020

1) What is this product about?

This product provides coverage on Death or Total and Permanent Disability (TPD) to the the Person Covered who has taken a mortgage issued by Lembaga Pinjaman Perumahan Sektor Awam (LPPSA).

2) What are the Shariah concepts applicable?

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

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

3) What are the covers/ benefits provided?

i) Basic Benefits

Benefits	Description
Death Benefit	If the Person Covered dies while the Individual Takaful Certificate is in force, the prevailing Sum Covered, payable from the Risk Fund, plus balance in Participant’s Individual Fund (PIF), if any, will be payable in one lump sum. The Sum Covered payable is the prevailing Sum Covered as at date of death.

ii) Supplementary Benefits

Benefits	Description
Total and Permanent Disability (TPD) Benefit	In the event of TPD to the Person Covered while the Individual Takaful Certificate is in force, the prevailing Sum Covered, payable from the Risk Fund, plus balance in Participant’s Individual Fund (PIF), if any, will be payable in one lump sum. The Sum Covered payable is the prevailing Sum Covered as at the commencement date of TPD.

Note: TPD Benefit is covered up to age 70 years old and is payable subject to a waiting period of six (6) months.

iii) Other Benefits

Benefits	Description
Surrender	If the Individual Takaful Certificate is surrendered within one (1) year from the Commencement Date due to technical reasons, full Takaful Contribution amount will be refunded. Otherwise, any balance in Participant’s Individual Fund (PIF) after deduction of surrender fee of RM100 will be payable to the Person Covered. The amount payable on surrender is not guaranteed.

Maturity	Upon the maturity of the Individual Takaful Certificate, any balance in the PIF will be payable to the Person Covered. The amount payable on maturity is not guaranteed.
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Please read the Individual Takaful Certificate for details of the Takaful Benefits.

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

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

- Gender : Female
- Entry Age : 30 years old
- Financing Amount* : RM 150,753
- Profit Rate : 4.00% p.a
- Financing Term : 32 years (inclusive of deferment period)
- Coverage Term : 32 years (inclusive of deferment period)
- Deferment Period : 2 year
- Total Sum Covered : RM153,879.60

Single Takaful Contribution : RM3,127

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

Fees	Amount
Wakalah Fee	25% of Takaful Contribution
Surrender Charge*	RM100.00

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

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

- a) Importance of disclosure – you must disclose all material facts such as your age, occupation and health condition correctly. The Company has the right to repudiate liability in the event that you failed to disclose relevant information that would affect the decision to accept or reject the risk, and on the terms to be applied to you.
- b) Cooling-Off Period (Right of Cancellation) - Within fifteen (15) days from the date of receipt of the Individual Takaful Certificate, the Person Covered may return the Individual Takaful Certificate to the Company, subject to approval by LPPSA and the cancellation is due to technical reason. The Company shall refund the Takaful Contribution paid less medical expenses incurred by the Company (if any). Upon refund, the Individual Takaful Certificate is cancelled by the Company.
- c) The PIF will be invested by the Company and any investment profit arising from PIF will be reallocated back to the PIF.
- d) Surplus arising from RF (if any) is subject to a Surplus Administration Charge (SAC) of up to 50% from the gross distributable surplus declared at the end of each Financial Year. The balance after deduction of SAC will be allocated back to the PIF.
- e) If you do not receive the Individual Takaful Certificate after fourteen (14) days from the financing approval date by LPPSA, please contact us.
- f) For claim purposes, you must download the claim notification form from LPPSA website.

- g) In the event of early settlement of the loan from the term of takaful coverage, the Individual Takaful Certificate will be terminated and any balance in the PIF will be payable to the Person Covered. In order to proceed with the arrangement of early settlement, Person Covered is required to provide contact number to the Company. Failure to update the contact number will lead the surrender amount (if any) will be allocated under "Unclaimed Money". In the event of surrender amount is less than RM10, this amount will be donated to charity, appointed by the Company.

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

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

a. Exclusions on Death

No benefit shall be payable under this Individual Takaful Certificate should the Person Covered dies directly or indirectly as a result of committing suicide whether sane or insane within twelve (12) months from the Commencement Date of the Individual Takaful Certificate.

b. Exclusions on TPD

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

- i. Attempted suicide, (whether sane or insane), immorality or intentional self-injury (whether sane or insane); or
- ii. Being under the influence of intoxicating liquor, intoxicating substance, any narcotics or drugs; or
- iii. Acquired Immune Deficiency Syndrome (AIDS) or complexes/ conditions including the presence of the Human Immunodeficiency Virus (HIV) as revealed by a positive HIV antibody or HIV virus test.

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

8) Can I cancel my Individual Takaful Certificate?

You may cancel the Individual Takaful Certificate by giving a written notice to the Takaful Operator, subject to approval from LPPSA and the cancellation is due to technical reason.

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

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



10) Where can I get further information?

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

If you have any enquiries, please contact us at:

Takaful Ikhlas Family Berhad
Putrajaya Branch,
No. 12, Jalan Diplomatik,
Presint 15,
Pusat Pentadbiran Kerajaan Persekutuan,
62592 Putrajaya.

Tel: +603-8890 3100

Fax: +603-8890 5100

Website : www.takaful-ikhlas.com.my

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

11) Other similar types of familyTakaful cover available.

Not applicable.

IMPORTANT NOTE:

PARTICIPATING IN A FAMILY TAKAFUL PLAN IS A LONG TERM COMMITMENT. YOU SHOULD SATISFY YOURSELF THAT THIS TAKAFUL PLAN WILL BEST SERVE YOUR NEEDS. YOU SHOULD READ AND UNDERSTAND THE TAKAFUL CERTIFICATE AND DISCUSS WITH YOUR HOUSING LOAN FINANCIER OR CONTACT TAKAFUL IKHLAS FAMILY BERHAD FOR MORE INFORMATION.

The information provided in this Product Disclosure Sheet is valid as at: 01/01/2020