

PRODUCT DISCLOSURE SHEET (Read this Product Disclosure Sheet before you decide to participate in the IKHLAS SME Protect Takaful. Be sure to also read the general terms and conditions of this Takaful Certificate.)	TAKAFUL IKHLAS GENERAL BERHAD (Member of PIDM) (Registered under Islamic Financial Services Act 2013 and governed by Bank Negara Malaysia) IKHLAS SME PROTECT TAKAFUL Date: _____										
1) What is this product about? <i>IKHLAS SME Protect Takaful is a comprehensive takaful coverage for Small & Medium Enterprises (SME) by providing business range protection.</i>											
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 all Takaful Participants in times of misfortune. In the context of the Company, Tabarru' will be allocated into the Participants' Risk Fund. Wakalah – refers to a contract where a party, as principal (<i>muwakkil</i>) authorizes another party as his agent (<i>wakil</i>) 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 (<i>wakil</i>) to carry out the Takaful Business and a Wakalah fee (<i>Ujrah</i>) to be paid to the Company. Note: Please refer to the Takaful Certificate for more information.											
3) What are the covers / benefits provided? <table border="1"> <thead> <tr> <th>Section</th> <th>Coverage</th> </tr> </thead> <tbody> <tr> <td>1</td> <td> ▪ Fire Fire, lightning, riot, strike and malicious damage, bursting and overflowing of water tanks, pipes and apparatus, earthquake and volcanic eruption. </td> </tr> <tr> <td>2</td> <td> ▪ Terrorism This product indemnifies the participant against any loss or damage to the covered property caused by an Act of Terrorism. Note: The coverage is applicable in the event of Fire Sum Covered exceeds RM5 million </td> </tr> <tr> <td>3</td> <td> ▪ Fire consequential loss Cover for loss resulting from interruption or interference to the business due to fire and allied perils. </td> </tr> <tr> <td>4</td> <td> ▪ Burglary On all movable & non-movable properties of the Participant or property held in trust, custody and control including furniture, fixtures and fittings, plant, machinery and equipment </td> </tr> </tbody> </table>		Section	Coverage	1	▪ Fire Fire, lightning, riot, strike and malicious damage, bursting and overflowing of water tanks, pipes and apparatus, earthquake and volcanic eruption.	2	▪ Terrorism This product indemnifies the participant against any loss or damage to the covered property caused by an Act of Terrorism. Note: The coverage is applicable in the event of Fire Sum Covered exceeds RM5 million	3	▪ Fire consequential loss Cover for loss resulting from interruption or interference to the business due to fire and allied perils.	4	▪ Burglary On all movable & non-movable properties of the Participant or property held in trust, custody and control including furniture, fixtures and fittings, plant, machinery and equipment
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5	▪ Public Liability (anyone occurrence and in the aggregate during Certificate period) Indemnification of legal liability to third parties for costs and expenses in respect of bodily injuries/ deaths and/or property damages, sustained in connection with the business of the Takaful Participant.
6	▪ Comprehensive Perils (All Risks) Loss or damage of covered machinery and equipment caused by fire, theft and other accidental means except as excluded in the Takaful Certificate
7	▪ Money Loss of monies or damage caused by thieves to any safe or strong room belonging to the Takaful Participant at the covered premise. i) Money in the Takaful Participant's Premises: (a) During business hours – in locked safe/strong room/locked drawers/cash boxes (b) After business hours – in locked safe/strong room ii) Money in transit from Takaful Participant's Premises to the bank and vice versa Estimated Annual Carrying
8	▪ Group Personal Accident (Members maximum up to 20 persons only age between 18 to 75 years) Provides compensation in the event of death, disablement or bodily injuries arising from accident. The benefits provided are: (i) On death (ii) Permanent disablement.
9	▪ Inland Transit Cover loss, destruction or damage to the goods whilst in transit by a lorry, train or any other land conveyance within the territorial limit caused by fire, theft or accidental means.
10	▪ Fidelity Guarantee Covers losses sustained as a result of an act of forgery, fraud or dishonesty from employees
11	▪ Plate Glass Replacement of the broken glass including cost of any necessary temporary boarding pending the replacement.

Note: Please refer to the Takaful Certificate for the specific terms and conditions applicable to the benefits stated above. Duration of cover is for one (1) year. As such, you need to renew your Takaful Certificate annually.

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

The total Takaful Contribution that you have to pay is based on the plan or sum covered selected, residential or commercial building classification, and the underwriting requirements of the Company.

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

The following charges are applicable:

What you have to pay in addition to the Takaful Contribution amount :-

- Applicable taxes are chargeable at the prevailing rates.
- Stamp duty : RM10.00

What is included in the Takaful Contribution amount :-

- Wakalah Fees -
 - ✓ Commissions : up to max. 15% of Takaful Contribution
 - ✓ Management Expenses : 15% of Takaful Contribution

What you have to pay if you cancel the Takaful Certificate :-

- Cancellation Fee : RM10.00

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

Duty of Disclosure

- Pursuant to paragraph 5 of Schedule 9 of the Islamic Financial Services Act 2013, if you are applying for this Takaful wholly for purposes unrelated to your trade, business or profession, you have a duty to take reasonable care not to make any misrepresentation in answering the questions in the proposal form (or when you apply for this Takaful). You must answer the questions fully and accurately. Failure to 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 the terms or termination of your contract of Takaful.
- The above duty of disclosure shall continue until the time your contract of takaful is entered into, varied or renewed with us.

Takaful Contribution Warranty

- It is fundamental and absolute special condition of this Takaful Certificate that the contribution due must be paid and received by the Company within sixty (60) days from the inception date of this Takaful Certificate/ Endorsement/ renewal Takaful Certificate.
- If this condition is not complied, this Takaful Certificate is automatically cancelled and the Company shall be entitled to the pro rata Takaful Contribution on the period they have been on risk.

Amount to be Covered

- You must ensure that your property is covered at the appropriate amount.
- You may select to cover your property on market value or reinstatement value basis:
 - (a) **Market value basis** – we will pay the cost of repairing the damaged property less the amount for Wear and Tear and Depreciation.
 - (b) **Reinstatement value basis** – we will pay the full cost of repairing the damaged property without any deductions being made for Wear and Tear and Depreciation, provided that the sum covered is adequate to cover the total cost of reinstating the property.
- If the amount covered on your property is less than the actual value at the time of loss, you are deemed to be responsible for the difference and bear a proportional share of the loss;
- Excess, being the amount you have to bear before we indemnify you.

Claims Procedure

- On the discovery of any event which may give rise to a claim under the Takaful Certificate you shall forthwith give written notice to the Company stating all particulars then known to you, notify the police immediately, take all practical steps to discover any guilty person and recover the property lost, within thirty (30) days after the event or within such further period as the Company may agree, supply at the request of and free of expense to the Company all such proofs, information and other evidence with respect to the claim as the Company may reasonably require.

Surplus

- The Company will entitle for Surplus Performance Incentive (SPI) of 50% of the gross distributable surplus. However, the Company may at its 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 Takaful 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.

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

This Takaful Certificate is not intended to and does not cover:

Fire

- Loss by theft during or after the occurrence of a fire.
- Loss or Damage to property occasioned by its own fermentation, natural heating or spontaneous combustion (except as may be provided in accordance with Exclusion 2(f)) or by its undergoing any heating or drying process.
- Loss or Damage occasioned by or through or in consequence of the burning of property by order of any public authority.
- Loss or Damage occasioned by or through or in consequence of subterranean fire.
- Loss or Damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material.
- Loss or Damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purposes of this exclusion only, combustion shall include any self-sustaining process of nuclear fission.

Terrorism

- Loss or damage arising directly or indirectly from nuclear detonation, reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, reaction, nuclear radiation or radioactive contamination may have been caused.
- Loss or damage occasioned directly or indirectly by war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or government entities, civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power or martial law or confiscation by order of any Government or public authority.
- Loss by seizure or illegal occupation.
- Loss or damage caused by confiscation, requisition, detention, legal or illegal occupation, embargo, quarantine, or any result of any order of public or government authority which deprives the Takaful Participant of the use or value of its property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.
- Loss or damage directly or indirectly arising from or in consequence of the discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant of toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

- (f) Loss or damage by chemical or biological release or exposure of any kind.
- (g) Loss or damage by attacks by electronic means including computer hacking or the introduction of any form of computer virus.
- (h) Loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, riots or civil commotion unless physical loss or damage is caused directly by an Act of Terrorism.
- (i) Loss or increased cost occasioned by any Public or Civil Authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property covered hereunder.
- (j) Any consequential loss or damage caused by any other ensuing cause.
- (k) Loss of use, delay or loss of markets, however caused or arising, and despite any preceding loss covered hereunder.
- (l) Loss or damage caused by cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications of any type or service.

Comprehensive Perils

- (a) the first amount of each and every loss specified as Excess in the Schedule by fire or explosion; if more than one item is lost or damaged in one occurrence, the Takaful Participant shall, be called upon to bear more than the highest single deductible
- (b) loss of or damage to any item by its own explosion or collapse due to force of internal steam or other fluid pressure mechanical or electrical breakdown failure breakage or derangement. This Exclusion shall exclude the loss to any item covered due impact or collision with anything external arising from mechanical or electrical breakdown failure or breakage.
- (c) loss or damage caused by testing or intentional overloading of any property or any experiment involving the imposition of abnormal conditions.
- (d) loss or damage caused by foundations, masonry, exchangeable or replaceable parts and attachment such as flexible drives, tools used for cutting, drilling, grinding, polishing, or similar purposes or moulds, patterns, pulverizing, and crushing surfaces, screens and sieves, refractory linings, ropes, belts, chains, elevator and conveyor bands' batteries, tyres, connecting wires and cable, flexible pipes, jointing and packing materials, unless such loss or damage arises out of an accident for which the Company is responsible to other parts of the property.
- (e) loss of or damage to cash, bank notes, currency notes, coins, cheques, postal and money orders, bills of exchange, bonds, giro cheques and drafts, credit company sales vouchers, credit cards, luncheon vouchers, gift tokens, trading stamps, postage stamps and stamps of any other kind securities of any description jewellery, precious stones, precious metals, bullion, furs, curiosities, rare books or works of art.

Burglary

Loss or Damage of or to:

- (a) Money of securities.
- (b) glass if more specifically covered.
- (c) any part of the property while in the Open or in any outbuilding, unless specified in the Schedule or by Endorsement.
- (d) any cash registered when the Premise are closed for Business unless such cash register has been left Open.
- (e) gaming amusement or vending machines or the contents thereof.
- (f) Business books, documents and manuscripts, unless specified in the Schedule of by Endorsement.
- (g) computer systems records.

Money

- (a) loss due to robbery or theft by any director, partner or Employee of the Takaful Participant.
- (b) loss due to the use of counterfeit Money.
- (c) or shortage due to clerical or accounting errors or omissions or to depreciation in value.
- (d) loss of Money from machines operated by coins tokens or currency notes.
- (e) loss of Money from any vehicle left without an occupant.
- (f) or destruction of or Damage to Money being sent by post.

Plate Glass

in respect of breakage occasioned by or traceable to:

- (a) construction of or structural alterations to the Premise.
- (b) alterations to or removal of any of the glass.

Fidelity Guarantee

- (a) in respect of any improper financial gain obtained by any Employee in the form of salaries fees commission or other benefits earned in the normal course of employment
- (b) of interest or consequential loss of any kind

Public Liability

- (a) Injury or Damage caused by or arising in connection with the ownership possession or use by or on behalf of the Takaful Participant of mechanically propelled vehicles locomotives aircraft aerial devices hovercraft or water-borne craft.
- (b) Injury to any Employee or any claim arising under any workmen's compensation law.
- (c) Damage to
 - i) any structure or land due or alleged to be due to vibration or to the withdrawal or weakening of support
 - ii) property owned, leased, rented or occupied by the Takaful Participant
 - iii) property held in trust by or in the custody or control of the Takaful Participant other than Premise at which the Takaful Participant is undertaking work in connection with the Business
 - iv) that part of any property worked upon by the Takaful Participant or any person acting on behalf of the Takaful Participant which arises out of such work.

Group Personal Accident

Death or Disablement or any other loss caused directly or indirectly by:-

- (a) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, mutiny or usurped power, strike, riot, civil commotion, military or popular uprising where the Person Covered directly or indirectly participates or is involved howsoever in such activities;
- (b) any act of terrorism;
- (c) insanity, suicide (whether sane or insane) or any attempt thereof by the Person Covered;
- (d) pre-existing physical or mental defect or infirmity to the Person Covered;
- (e) bacterial or viral infections, any disease or sickness, medical or surgical treatment (except such as may be necessitated solely by injuries covered by this Takaful Certificate and performed within the time provided in the Takaful Certificate) to the Person Covered;
- (f) pregnancy, childbirth, caesarean operation, abortion, miscarriage or any complications thereof to the Person Covered; except miscarriage due to bodily injury as a direct result of an accident;
- (g) provoked murder or assault on the Person Covered;
- (h) any breach of Civil or Shariah Law and principles by the Takaful Participant and / or Person Covered;
- (i) pre-existing disablement or Bodily Injury to the Person Covered;
- (j) from misuse or abuse of substance, alcohol and/or drugs by the Person Covered; unless the drug is taken in accordance with an authorized medical prescription;
- (k) from the committing of any criminal acts or any other causes prohibited by Shariah Law and principles.

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

8) Can I cancel my Takaful Certificate?

You may cancel your Takaful Certificate by giving written notice to us. Upon cancellation, you are entitled to a refund of the pro rata Takaful Contribution for the unexpired period of cover. No refund of Takaful Contribution is allowed if there is a claim under the Takaful Certificate.

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 about *IKHLAS* SME Protect Takaful, please contact us at:

Takaful Ikhlas General Berhad

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

Tel: 03-2723 9696

Fax : 03-2723 9998

Website: www.takaful-ikhlas.com.my

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

11) Other similar types of cover available.

- *IKHLAS* Niaga Takaful (Clinic Niaga)
- *IKHLAS* Niaga Takaful (Office Niaga)
- *IKHLAS* Niaga Takaful (Commercial Niaga)
- *IKHLAS* Niaga Takaful (Retail Niaga)

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).

IMPORTANT NOTE:

YOU SHOULD ENSURE THAT YOUR PROPERTY IS COVERED AT THE APPROPRIATE AMOUNT AS IT WILL AFFECT THE AMOUNT YOU CAN CLAIM. YOU SHOULD READ AND UNDERSTAND THE TAKAFUL CERTIFICATE AND DISCUSS WITH THE AGENT OR CONTACT TAKAFUL OPERATOR DIRECTLY FOR MORE INFORMATION.

The information provided in this product disclosure sheet is valid as at 01/07/2025