

**PRODUCT DISCLOSURE SHEET**

(Read this Product Disclosure Sheet before you decide to participate in the “*IKHLAS Preferred Term Takaful*”. 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 Preferred Term Takaful**

Date: 03/10/2022

**1) What is this product about?**

This is an ordinary family takaful regular contribution plan that provides takaful protection for 20 years.

The sum covered will be payable to the takaful participant if the person covered dies, suffers Total and Permanent Disability (TPD) or diagnosed with any one of the thirty-six (36) critical illnesses during the term of the certificate.

**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 wakalah fee (*ujrah*) to be paid to the company.

**3) What are the covers / benefits provided?**

Takaful benefit and sum covered offered as per below:

Takaful Benefit	Sum Covered (RM)	Coverage Term	Description
Death Benefit (all causes)	500,000	20	Basic sum covered will be payable to the takaful participant upon approval of death claim of the person covered.
TPD Benefit	500,000	20	TPD Total and Permanent Disability (TPD) sum covered will be payable to the takaful participant upon approval of TPD of the person covered. For more information about this coverage, please refer to <b>Appendix TPD</b> .
Critical Illness benefit	500,000	20	Accelerated critical illness sum covered will be payable to the takaful participant upon approval of critical illness of the person covered. For more information about this coverage, please refer to <b>Appendix Critical Illness</b> .

Note: Please refer to the takaful certificate for full terms and conditions applicable to the takaful benefits.

**4) How much takaful contribution do I have to pay?**

The total takaful contribution that you have to pay depends on the underwriting requirements, age, term, occupational class and coverage selected for the takaful certificate. Your takaful contribution for *IKHLAS Preferred Term Takaful* is as follows:

The estimated total contribution that you have to pay : RM3784.00 Annually  
 Contribution duration : Until age 55 years old

We reserve the right to review and revise the takaful contribution by giving you thirty (30) days' notices.

**5) What are the fees and charges that I have to pay?****a) Wakalah Fee**

Years	1	2	3	4	5	6	7	8 & Above
Amount	3,406	3,027	2,308	2,270	1,703	1,703	1,324	1,324
% of annual takaful contribution	90.00%	80.00%	61.00%	60.00%	45.00%	45.00%	35.00%	35.00%

- The wakalah fee is inclusive of commission and management expenses.

**b) Tabarru' Charges**

Tabarru' charges are the balance of takaful contribution after deduction of wakalah fee. The amount will be allocated to the risk fund. The tabarru' charges will increase as the person covered and/or takaful participant grow older. Details of the tabarru' charges and other charges are given in the benefit illustration. The tabarru' charges are NOT GUARANTEED and the company reserves the right to revise the tabarru' charges. The company shall give the takaful participant a thirty (30) days written notice in the event of such revision. The tabarru' charges could be revised due to deterioration in claims experience, changes in the product benefits as well as a change in the risk profile of the person covered and/or takaful participant. These conditions are not exhaustive and the tabarru' charges rates may be reviewed under other justified circumstances.

**c) Reinstatement Fee**

RM15 will be charged for each reinstatement. This fee may be revised in the future and will also be subjected to any taxes, levies or charges imposed by the relevant authorities in Malaysia.

**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 but not limited to your age, occupation and health condition correctly. This will enable your representative to advise on the appropriate product that serve your needs and circumstances.
- b) Cooling-off period – you may cancel your takaful certificate by returning the takaful certificate to the company within fifteen (15) days after takaful certificate is delivered to you. The company shall refund the takaful contribution paid by you less any expenses incurred by the company for your medical examination and the takaful certificate will be cancelled.
- c) Grace period - a period of thirty-one (31) days from the takaful contribution's due date to pay for the next takaful contributions. During this period, the takaful certificate will remain in force.
- d) It may not be advantageous to switch from one takaful plan to another, as you may be subject to new underwriting requirements, full waiting period and any applicable period for the exclusion of specified illnesses of pre-existing conditions of the new takaful certificate.
- e) Notification of claim must be given to the company within thirty (30) days after occurrence of any claim. The company, upon receipt of claim, will furnish to the claimant appropriate forms for filing proof of claim and shall notify the claimant of any other requirements. This shall not preclude the company from requiring further documentation in respect of the loss as deemed fit by the company. All such information and evidence must be furnished to the company within thirty (30) days from the date of events covered.

Note: This list is non-exhaustive. Please refer to the takaful certificate for the full list of the terms and conditions under this takaful certificate.

**7) What are the major exclusions under the takaful certificate?**

The death benefit shall not be payable should the person covered dies directly or indirectly as a result of committing suicide whether sane or insane within twelve (12) months from the takaful certificate date or reinstatement date, whichever is later.

The above exclusions are for death benefit only, please refer to **Appendix TPD** and **Appendix Critical Illness** for exclusions applicable for TPD coverage and critical illness coverage.

**8) Can I cancel my takaful certificate?**

Participating in a regular takaful contribution plan is a long-term commitment and it is not advisable to hold the takaful certificate for a short period of time in view of the high initial costs. It may not be advantageous to cancel or surrender or replace an existing takaful certificate with a new one. You will lose all the benefits which you are entitled.

If you find that this plan that you have chosen is no longer appropriate, you may surrender the takaful certificate by giving a written notice to us at any time after the inception of the takaful certificate as long as your takaful certificate is inforce. No amount will be payable when you surrender your takaful certificate. The takaful certificate will cease thereafter.

**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 (including that of the nominee) to ensure that all correspondences reach you and/or nominee in a timely manner.

You may do so through your representative or you may contact us directly via phone call, email or visit any of our branches. Please refer to item 10 for our contact details.

#### 10) Where can I get further information?

Should you require additional information about family takaful, please refer to the *insuranceinfo* booklet on 'Family Takaful'. You can obtain a copy from our takaful representative or visit <http://www.insuranceinfo.com.my>

If you have any enquiries, please contact us at:

**Takaful Ikhlas Family Berhad (Registration No. 200201025412)**

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

Tel: +603-2723 9696

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Website: [www.takaful-ikhlas.com.my](http://www.takaful-ikhlas.com.my)

E-mail: [ikhlascare@takaful-ikhlas.com.my](mailto:ikhlascare@takaful-ikhlas.com.my)

#### 11) Other types of family takaful cover available.

Please contact us/ your representative for other similar type of plans offered by the Company or visit our website for further information.

#### IMPORTANT NOTE:

**PARTICIPATING IN A FAMILY TAKAFUL PLAN IS A LONG-TERM FINANCIAL COMMITMENT. YOU MUST CHOOSE THE TYPE OF CERTIFICATE THAT BEST SUITS YOUR PERSONAL CIRCUMSTANCES. YOU SHOULD READ AND UNDERSTAND THE TAKAFUL CERTIFICATE AND DISCUSS WITH YOUR REPRESENTATIVE OR CONTACT TAKAFUL IKHLAS FAMILY BERHAD DIRECTLY FOR MORE INFORMATION.**

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

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

**THE ABOVE DUTY OF DISCLOSURE IS REQUIRED UPON PROPOSAL STAGE OR ANY ENDORSEMENT.**

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

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

*The information provided in this Product Disclosure Sheet is valid as at 03/10/2022*

## **Appendix TPD**

### **Coverage**

The TPD benefit is the basic sum covered less any claim paid and will be payable in one lump sum if the person covered suffers a TPD for at least six (6) consecutive months. The TPD sum covered is payable from the risk fund. The certificate will be terminated upon approval date of TPD, unless TPD sum covered is lower than basic sum covered.

Coverage for TPD shall cease on the certificate anniversary when the person covered's age next birthday is seventy (70) years old or end of certificate term, whichever is earlier.

The maximum amount of TPD claim payable from risk fund for all takaful certificates written with the company on the life of the same person covered shall not exceed Ringgit Malaysia Two Million (RM2,000,000).

### **Waiting Period**

Waiting period of six (6) months is applied to TPD claims. TPD sum covered will not be payable if TPD is not continuous for six (6) consecutive months.

### **Exclusions on TPD**

The TPD benefit shall not be payable if TPD caused directly or indirectly by any of the followings: -

- a) Attempted suicide or a self-inflicted injury act by the person covered while sane or insane; or
- b) Result of drug abuse or under influence of alcohol; or
- c) Participation in any criminal act, riot, civil commotion, insurrection, war (whether declared or not), revolution or any warlike operations, act of foreign enemies, any act of terrorism and chemical warfare; or
- d) Engaging in professional sports, scuba diving, racing or any kind aerial flights other than as a crew member of or as a fare-paying passenger on a licensed passenger-carrying commercial aircraft operating on a regular scheduled route or any dangerous activities or sports (including bungee jumping, hang-gliding, ballooning, parachuting and sky-diving), unless we agree in special endorsement; or
- e) HIV or Acquired Immune Deficiency System (AIDS) and any AIDS related conditions.

## Appendix Critical Illness

### Coverage

The accelerated critical illness sum covered shall be payable if the person covered is diagnosed or undergoes any of critical illnesses defined in takaful certificate. The accelerated critical illness sum covered is payable from the risk fund. The certificate will be terminated upon payment of hundred percent (100%) of the accelerated critical illness sum covered.

The accelerated critical illness sum covered is payable in accordance to the following table:

Critical Illness	The CI Benefit Payable
Angioplasty and other invasive treatments for coronary artery disease	The amount payable is ten percent (10%) of the basic sum covered or RM25,000, whichever is lower.
Other 35 Critical Illnesses	The amount payable is one hundred percent (100%) of the basic sum covered less any claim paid.

The maximum amount of CI sum covered payable from all takaful certificates written with the company on the life of the same person covered shall not exceed Ringgit Malaysia One Million and Five Hundred Thousand (RM1,500,000).

### List of Covered CI

1	Stroke - resulting in permanent neurological deficit with persisting clinical symptoms	19	Major Organ/ Bone Marrow Transplant
2	Heart Attack - of specified severity	20	Loss of Speech
3	Kidney Failure – requiring dialysis or kidney transplant	21	Brain Surgery
4	Cancer – of specified severity and does not cover very early cancers	22	Heart Valve Surgery
5	Coronary Artery By-Pass Surgery	23	Loss of Independent Existence
6	Serious Coronary Artery Disease	24	Bacterial Meningitis – resulting in permanent inability to perform activities of daily living
7	Angioplasty and other invasive treatments for coronary artery disease	25	Major Head Trauma - resulting in permanent inability to perform activities of daily living
8	End-Stage Liver Failure	26	Chronic Aplastic Anemia - resulting in permanent bone marrow failure
9	Fulminant Viral Hepatitis	27	Motor Neuron Disease – permanent neurological deficit with persisting clinical symptoms
10	Coma – resulting in permanent neurological deficit with persisting clinical symptoms	28	Parkinson's Disease – resulting in permanent inability to perform activities of daily living
11	Benign Brain Tumor – of specified severity	29	Alzheimer's Disease/Severe Dementia
12	Paralysis of limbs	30	Muscular Dystrophy
13	Blindness – permanent and irreversible	31	Surgery to Aorta
14	Deafness – permanent and irreversible	32	Multiple Sclerosis
15	Third Degree Burns – of specified severity	33	Primary Pulmonary Arterial Hypertension – of specified severity
16	HIV Infection Due to Blood Transfusion	34	Medullary Cystic Disease
17	End-Stage Lung Disease	35	Cardiomyopathy – of specified severity
18	Encephalitis – resulting in permanent inability to perform activities of daily living	36	Systemic Lupus Erythematosus With Severe Kidney Complications

### Waiting Period

CI benefit will not be payable if the following critical illnesses are existed or diagnosed within the waiting period which is the first sixty (60) days from the takaful certificate date or reinstatement date, whichever is later:

1. Angioplasty and other invasive treatments for coronary artery disease; or
2. Coronary Artery By-Pass Surgery; or
3. Cancer - of specified severity and does not cover very early cancers; or
4. Serious Coronary Artery Disease; or
5. Heart Attack – of specified severity

For all other conditions except for accidental causes, thirty (30) days waiting period shall apply.

### Major Exclusions on Critical Illness

The CI benefit shall not be payable if critical illness caused directly or indirectly by any of the followings: -

1. Caused by or consequent upon attempted suicide or wilful self-injury or indulgence in alcohol or narcotics or drugs or insanity or arising from venereal disease;
2. Any breach of the law by the person covered or any assault provoked by him;
3. Any pre-existing conditions arising prior to takaful certificate date or reinstatement date, whichever is later;

4. If the disease is diagnosed within the waiting period, except for accidental causes.

Note: This list is non-exhaustive. Please refer to the takaful certificate for the full list of exclusions under this takaful certificate.