



TAKAFUL IKHLAS GENERAL BERHAD (1233870-A)

IKHLAS Point, Tower 11A, Avenue 5, Bangsar South, No.8, Jalan Kerinchi, 59200 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 GROWING TREES TAKAFUL CERTIFICATE

WHEREAS the Takaful Participant by a proposal and declaration which shall be the basis of this contract and is deemed to be incorporated herein has applied to **TAKAFUL IKHLAS GENERAL BERHAD** (hereinafter called the "Company") for the takaful hereinafter contained and in consideration of the payment by the Takaful Participant to the Company of the First Takaful Contribution.

The COMPANY AGREES (subject to the Terms and Conditions contained herein or endorsed hereon) that if after payment of the Takaful Contribution, the Property Covered described in the Schedule or any part of such Property Covered be destroyed or damaged by fire or lightning whether accompanied by fire or not or any of the perils specified in the Schedule at any time during the Period of Takaful stated in the Schedule or during any further period for which the Company may accept payment for the renewal of this Takaful Certificate, the Company will pay or make good to the Takaful Participant the value of the Property Covered at the time of the happening of its terms and conditions of this Takaful Certificate.

PROVIDED THAT the liability of the Company shall in no case exceed in respect of each item the sum stated in the Schedule to be covered thereon or in the whole the Total Sum Covered hereby or such other sum as may be substituted therefor by endorsement hereon or attached hereto signed by or on behalf of the Company.

For Consumer Takaful Contracts (Takaful wholly for purposes unrelated to Your trade, business or profession)

This Takaful Certificate is issued in consideration of the payment of Takaful Contribution as specified in the Takaful Certificate Schedule 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. 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.

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

For Non - Consumer Takaful Contracts (Takaful for purposes related to Your trade, business or profession)

This Takaful Certificate is issued in consideration of the payment of Takaful Contribution as specified in the Takaful Certificate Schedule and pursuant to the answers given in Your Proposal Form (or when You applied for this Takaful Certificate) 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.

This Takaful Certificate reflects the terms and conditions of the contract of Takaful as agreed between You and Us

CONDITIONS

1. **CONDITIONS PRECEDENT TO LIABILITY**

The due observance and fulfillment of the terms, conditions and endorsements of this Takaful Certificate insofar as they relate to anything to be done or complied with by the Takaful Participant shall be conditions precedent to any liability of the Company to make any payment under this Takaful Certificate.

2. **MISDESCRIPTION**

If there be any material misdescription of any property Covered or any misrepresentation as to any fact material to be known for estimating the risk, or any omission to state such facts, the Company shall not be liable upon this Takaful Certificate so far as it relates to Property affected by any such misdescription, misrepresentation or omission.

3. **TAKAFUL CONTRIBUTION PAYMENT**

No payment in respect of any Takaful Contribution shall be deemed to be paid to the Company unless a printed form of receipt for the same signed by an Official or duly appointed Agent of the Company shall have been given to the Takaful Participant.

4. **CO-TAKAFUL**

The Takaful Participant shall give notice to the Company of any takaful or insurances already effected, or which may subsequently be effected, covering any of the property hereby Covered, and unless such notice be given before the occurrence of any loss or damage, all benefits under this Takaful Certificate shall be forfeited.

5. **SUM COVERED**

The basis of determination of Sum Covered for this Takaful Certificate shall be as set out in the Schedule. For this purpose mature trees shall be trees which are more than three (3) years since planting (5 years in case of Rubber trees) and not more than 25 years since planting (30 years in case of Cocoa and Rubber trees). Trees which are younger shall be regarded as immature. Trees which are older shall not be covered under this Takaful Certificate.

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6. COVERED TREES

The coverage under this Takaful Certificate shall apply only to the trees as specified in the Schedule grown on the estates of the Takaful Participant and all other trees are excluded from this Takaful Certificate and shall not be taken into consideration in the adjustment of any loss payable under this Takaful Certificate.

7. TREES EXCLUDED FROM TAKAFUL CERTIFICATE

This takaful does not cover trees which at the time of occurrence of the loss:-

- i) are or have been attacked or damaged by white ants or other insect pests ; or
- ii) are suffering from any fun-goid growth or other organic or constitutional diseases ; or
- iii) have died for any reason except by operation of any of the Covered perils during the currency of this Takaful Certificate ; or
- iv) are or have been damaged or destroyed at any time by the use of any weed killers or insecticides or pesticides

No claim for loss or damage to such trees shall be recoverable hereunder.

8. CONTROL OF UNDERGROWTH

It is warranted that at all times during the currency of this Takaful Certificate, the Takaful Participant shall take all reasonable steps to keep the ground comprising of the estates containing the trees hereby Covered well maintained. Controlled forestry growths and/or cover crops are permitted without prejudice to this Takaful provided that efficient control of all cover plants be maintained at all times.

9. MAINTENANCE OF FIRE BREAKS

All fire breaks shall be thoroughly cleansed and maintained at all times.

10. EXCLUDED PERILS

10.1 This Takaful Certificate does not cover:-

- a) Loss or damage occasioned by or through in consequence of:-
 - i) The burning of property by order of any public authority;
 - ii) Subterranean fire and/or Peat fire;
 - iii) See page and pollution caused by toxic chemicals or fumes ;
- b) Loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons materials;
- c) 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 Condition 10.1 (c) combustion shall include any self-sustaining process of nuclear fission; and
- d) Consequential loss or loss of earning of any kind.

10.2 This Takaful Certificate does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrence namely:-

- a) Earthquake, volcanic eruption or other convulsion of nature;
- b) Subsidence or landslide;
- c) Flood or inundation unless specifically stated in the Schedule;

For this purpose, Flood shall be defined as the overflowing or deviation from their normal channels of either natural or artificial water courses, bursting or overflowing of public water mains and any other unexpected flow or accumulation of water ; but excluding loss or damage caused by subsidence or landslip every where caused by Flood.
- d) Windstorm unless specifically stated in the Schedule;
- e) Damage by animals (domestic or wild) unless specifically stated in the Schedule;
- f) Damage by mechanically driven vehicles and aircrafts;
- g) War, invasion, act of foreign enemy, hostilities or war-like operations (whether war be declared or not), civil war;
- h) Mutiny, military or popular rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege; and

- i) Act of terrorism committed by a person or persons acting on behalf of or in connection with any organisation.
- j) Riot, Strike and Malicious Damage

Any loss or damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the sad occurrence shall be deemed to be loss or damage which is not covered by this takaful, except to the extent that the Takaful Participant shall prove that such loss or damage happened independently of the existence of such abnormal conditions.

In any action, suit or other proceeding where the Company alleges that by the reason of the provisions of this condition any loss or damage is not covered by this takaful, the burden of proving that such loss or damage is covered shall be upon the Takaful Participant.

11. EXCLUSION OF FIRE DAMAGE CAUSED BY BURNING WITHIN ESTATE

This Takaful Certificate does not cover loss or damage to growing trees hereby Covered when such loss or damage is caused by or through or in consequence of the burning through human intervention, of undergrowth, pampas or jungle and/or clearing by fire of any of the land forming part of the estates containing the trees Covered hereunder. However, if there fire originates outside the estates covered by this Takaful Certificate, the resulting loss or damage by spread of such fire to the trees Covered hereunder will be payable in terms of this takaful.

12. EXCESS

The Takaful Participant shall first bear an amount specified in the Schedule on each and every loss caused by any Covered peril after adjustments in terms of paragraphs 18 and 19 below and the Company shall only be liable or any amount in excess of the said first loss amount.

13. DEFINITION OF EACH AND EVERY LOSS

The words "each and every loss" shall mean the aggregate of all individual losses arising out of and directly occasioned by a single source of ignition for fire losses and include all losses arising out of the same fire until it is fully extinguished.

In case of windstorm, "each and every loss" shall mean the aggregate of all individual losses arising out of any directly caused by the operation of the said peril during a period of seventy-two (72) consecutive hours. The Takaful Participant may choose the date and time when any such period of consecutive hours commences and if any peril is of greater duration, the Takaful Participant may divide that loss into two or more loss occurrences provided no two periods overlap and no period commences earlier than the date and time of the happening of the first recorded individual loss to the Takaful Participant by that peril.

In case of other perils, "each and every loss" shall mean the aggregate of all individual losses arising out of and directly caused by the operations of the said peril during a period of twenty-four (24) consecutive hours and in case of flood will continue till ground surface is reasonably clear of water.

14. CLAIMS PROCEDURE

On the happening of any loss or damage the Takaful Participant shall forthwith give notice thereof to the Company, and shall within fifteen (15) days after the loss or damage, or such further time as the Company may in writing allow in that behalf, deliver to the Company :-

- a) A claim in writing for the loss or damage containing as particular an account as may be reasonably practicable of all the trees damaged or destroyed, and of the amount of the loss or damage therein respectively, having regard to their value at the time of the loss or damage, not including profit or any kind ;
- b) Particulars of all other takafuls, if any;
- c) The Takaful Participant shall also at all times at his own expense, produce, procure and give to the Company all such further particulars, plans, specifications, books, vouchers, invoices, duplicates or copies thereof, documents, proofs and information with respect to the claim and the origin and cause of damage, and any matter touching the liability or the amount of the liability of the Company as may be reasonably required by or on behalf of the Company together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith.

No claim under this Takaful Certificate shall be payable unless the terms of this Condition have been complied with.

15. 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.

16. TAKAFUL OPERATOR'S RIGHTS

On the happening of any loss or damage to any of the property covered by this Takaful Certificate, the Company shall have access to any such property and freedom to examine the same. The Takaful Participant shall not deal with or dispose of the damaged property without the agreement of the Company. However, the Takaful Participant shall take all reasonable measures to avoid or minimise the loss.

The powers conferred by this condition shall be exercisable by the Company at any time until notice in writing is given by the Takaful Participant that he makes no claim under the Takaful Certificate or, if any claim is made, until such claim is finally determined or withdrawn and the Company shall not by an act done in the exercise or purported exercise of its powers hereunder, incur any liability to the Takaful Participant or diminish its right to rely upon any of the conditions of this Takaful Certificate in answer to any claim.

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If the Takaful Participant or any person on his behalf shall not comply with the requirements of the Company or shall hinder or obstruct the Company in the exercise of its power hereunder, all benefits under this Takaful Certificate shall be forfeited.

The Takaful Participant shall not in any case be entitled to abandon any property to the Company whether taken possession of by the Company or not.

17. FRAUD

If the claim be in any respect fraudulent, or if any false declaration be made or used in support thereof, or if any fraudulent means or devices are used by the Takaful Participant or any one acting on his behalf to obtain any benefit under this Takaful Certificate; or; if the loss or damage be occasioned by the wilful act, or with the connivance of the Takaful Participant; or; if the claim be made and rejected and an action or suit be not commenced within three months after such rejection, or (in the case of an arbitrators taking place in pursuance of the 23rd Condition of the Takaful Certificate) within three (3) months after the arbitrator or arbitrators or umpire shall have made their award, all benefits under this Takaful Certificate shall be forfeited.

18. SUBROGATION

The Takaful Participant shall, at the expense of the Company, do, and concur in doing, and permit to be done, all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing and rights and remedies, or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon its paying for or making good any loss or damage under this Takaful Certificate, whether such acts and things shall be or become necessary or be required before or after his indemnification by the Company.

19. CONTRIBUTION

If the time of any loss or damage happening to any property hereby Covered, there be any other subsisting takaful or insurances, whether effected by the Takaful Participant or by any other person or persons, covering the same property, this Company shall not be liable to pay or contribute more than its rateable proportion of such loss or damage.

20. DEFINITION OF EXTENT OF LOSS

In the event of a claim being admitted under this Takaful Certificate, the quantum of loss shall be derived by applying the loss settlement scale appended to this Takaful Certificate to the trees damaged or destroyed by the event. If the value of trees in the area damaged be more than the value mentioned in the Schedule for that area, the Takaful Participant shall be considered to be his own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

21. TIME LIMITATION

In no case whatsoever shall the Company be liable for any loss or damage after the expiration of twelve (12) months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration.

22. CANCELLATION

This Takaful may be terminated at any time at the request of the Takaful Participant, in which case the Company will refund the pro rata Takaful Contribution for the unexpired period of cover. This Takaful may also be terminated at the option of the Company by sending fourteen (14) days' notice by registered letter to the Takaful Participant at his last known address, in which case the Company shall not be liable to repay for the losses incurred on the same basis as described earlier.

Note: A handling fee of RM10.00 will be charged in the event of cancellation made by the Takaful Participant.

23. 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.

24. CHANGE OF RISK

If the interest in the property covered passes from the Takaful Participant otherwise than by will or operation of law, the takaful ceases to attach unless the Takaful Participant, before the occurrence of any loss or damage, obtains the sanction of the Company signified by endorsement upon the Takaful Certificate, by or on behalf of the Company.

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25. **ARBITRATION**

If any difference arises as to the amount of any loss or damage, such difference shall independently of all questions, be referred to the decision of an arbitrator, to be appointed in writing by the parties in difference, or, if they cannot agree upon a single arbitrator, to the decision of two disinterested persons as arbitrators, of whom one shall be appointed in writing by each of the parties within two (2) calendar months after having been required so to do in writing by the other party. In case either party shall refuse or fail to appoint an arbitrator within two calendar months after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole arbitrator and case of disagreement between the arbitrators, the difference shall be referred to the decision of an umpire who shall have been appointed by them in writing before entering on the reference and who shall sit with the arbitrators and preside at their meetings. The death of any party shall not revoke or affect the authority or powers of the arbitrator, arbitrators or umpire respectively; and in the event of death of an arbitrator or umpire another shall in each case be appointed in his stead by the party or arbitrators (as the case may be) by whom the arbitrator or umpire so dying was appointed. The costs of reference and of award shall be at the discretion of the arbitrator, arbitrators or umpire making the award. And it is expressly stipulated and declared that is shall be a condition precedent to any right of action or suit upon this Takaful Certificate that the award by such arbitrator, arbitrators or umpire of the amount of the loss or damage if disputed shall be first obtained.

The seat of arbitration shall be in Malaysia and the arbitration tribunal shall apply the laws of Malaysia as the proper law of this Takaful Certificate.

26. **TAKAFUL CONTRIBUTION ALLOCATION**

Takaful Contribution allocated by the Takaful Participant 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 the Company and in accordance with the Shariah principles

The Company will charge up to 35% 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.

“**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.

“**Takaful Business**” means the business relating to the administration, management and operation of a Takaful Fund for its Takaful 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.

“**Tabarru**” means 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.

27. **SURPLUS**

The Company will charge a Surplus Administration Charge (SAC) of 50% of the gross distributable surplus arising from the Risk Fund at the end of the financial year. However, the Company may at its discretion and where appropriate charge the SAC for less than 50% of the gross distributable surplus.

Any net distributable surplus arising (after deducting the SAC) from the Risk Fund will be allocated in full (100%) to the Takaful Participant. If the amount due to Takaful Participant is less than the threshold, the amount shall either be retained in the Risk Fund or donated to charity on behalf of the Takaful Participants. The threshold and the method and time of settlement of the surplus distribution shall be as defined in the Surplus Management Policy.

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 the Company's negligence, then it is the responsibility of the Company to ensure that the fund is stable through outright transfer method and not deemed as an advance through the Qard.

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

28. **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.

29. **THIRD PARTY ENGAGEMENT**

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

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,
IKHLAS Point, 9th Floor, Tower 11A, Avenue 5, Bangsar South,
No. 8 Jalan Kerinchi, 59200 Kuala Lumpur.**

Attention to: President and Chief Executive Officer

If you are not satisfied with the rejection or offer of settlement of a claim, you may appeal to the Company. If you are still not satisfied with the decision of the Company, you may then refer the case to the Ombudsman for Financial Services within six (6) months from the final decision of the Company. The address is as follows:

Ombudsman for Financial Services (664393P)

Level 14, Main Block Menara Takaful Malaysia

No. 4, Jalan Sultan Sulaiman

50000 Kuala Lumpur

Tel: +603-2272 2811

Fax: +603-2272 1577

E-mail: enquiry@ofs.org.my

Website: www.ofs.org.my

Contact Centre (BNMTELELINK)

Laman Informasi Nasihat dan Khidmat (LINK)

Bank Negara Malaysia

P.O. Box 10922

50929 Kuala Lumpur

Tel : 1-300-88-5465 (1-300-88-LINK)

Fax : +603-2174-1515

E-mail: bnmtelelink@bnm.gov.my

THIS TAKAFUL CERTIFICATE AND ITS CONDITIONS SHOULD BE EXAMINED AND IF INCORRECT RETURNED AT ONCE FOR ALTERATION.

Takaful
IKHLAS®