



TAKAFUL IKHLAS GENERAL BERHAD (1233870 - A)

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

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IKHLAS EMPLOYER'S LIABILITY TAKAFUL CERTIFICATE

WHEREAS the Takaful Participant carrying on the Business described in Schedule and no other for the purpose of this coverage by a proposal and declaration which shall be the basis of this contract and is deemed to be incorporated herein has applied to the Company for the coverage hereinafter contained and has paid or agreed to pay the Takaful Contribution as consideration for such coverage.

NOW THIS TAKAFUL CERTIFICATE WITNESSETH that if any person under a contract of service or apprenticeship with the Takaful Participant shall sustain bodily injury by accident or disease caused during the Period of Takaful and arising out of and in the course of his employment by the Takaful Participant in the Business.

THE COMPANY will subject to the terms exceptions and conditions contained herein or endorsed hereon (hereinafter collectively referred to as the Term of this Takaful Certificate) indemnify the Takaful Participant against liability at law to pay compensation and claimant's costs and expenses in respect of such injury and will in addition pay all cost and expenses incurred with its written consent.

THE COMPANY will also in the event of the death of the Takaful Participant legal personal representatives in the Terms of this Takaful Certificate in respect of liability incurred by the Takaful Participant provided that such personal representatives shall as though they were the Takaful Participant observe fulfill and be subject to the Terms of this Takaful Certificate in so far as they can apply.

EXCEPTIONS

The Company shall not be liable under this Takaful Certificate in respect of

- (a) the Takaful Participant's liability to employees of contractors to the Takaful Participant.
- (b) any liability's of the Takaful Participant which attaches by virtue of an agreement but which would not have attached in the absence of such agreement
- (c) any sum which the Takaful Participant would have been entitled to recover from any party but for an agreement between the Takaful Participant and such party.
- (d) any injury by accident or disease sustained outside the Geographical Area.
- (e) any liability of the Takaful Participant to pay compensation to an employee or to legal personal representatives or dependents of an employee by virtue of any workmen's compensation law.
- (f) any injury by accident or disease attributable to war invasion the act of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war mutiny insurrection rebellion revolution or military or usurped power.
- (g) any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from
 - (i) nuclear weapons material
 - (ii) ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel and for the purposes of this exception combustion shall include any self-sustaining process of nuclear fission.

CONDITIONS

1. This Takaful Certificate and the Schedule shall be read together as one contract any word or expression to which a specific meaning has been attached in any part of this Takaful Certificate or of the Schedule shall bear such specific meaning wherever it may appear.
2. 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.

3. The due observance and fulfillment of the Terms of this Takaful Certificate in so far as they relate to anything to be done or not to be done by the Takaful Participant and the truth of the statements and answers in the proposal shall be conditions precedent to any liability of the Company to make any payment under this Takaful Certificate.
4. Every notice or communication to be given or made under this Takaful Certificate shall be delivered in writing to the Company.
5. The Takaful Participant shall take reasonable precautions to prevent accidents and disease and shall comply with all statutory obligations.
6. In the event of any occurrence which may give rise to a claim under this Takaful Certificate the Takaful Participant shall as soon as possible give notice thereof to the Company with full particulars. Every letter claim writ summons and process shall be notified or forwarded to the Company immediately on receipt. Notice shall also be given to the Company immediately the Takaful Participant shall have knowledge of any impending prosecution inquest of fatal inquiry in connection with any such occurrence.
7. No admission offer promise or payment shall be made by or on behalf of the Takaful Participant without the written consent of the Company which shall be entitled if it so desires to take over or conduct in his name the defense or settlement of any claim or to prosecute in his name for its own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Takaful Participant shall give all such information and assistance as the Company may require.
8. If at the time any claim arises under this Takaful Certificate there be any other insurance/takaful covering the same liability the Company shall not be liable to pay or contribute more than its rateable proportion of any such claim and costs and expenses in connection therewith.
9. The first Takaful Contribution and renewal contribution that may be accepted are to be regulated by the amount of wages and salaries and other earnings paid by Takaful Participant to employees during each Period of Takaful. The name of every employee together with the amount of wages salary and other earnings shall be properly recorded and the Takaful Participant shall at all time allow the Company to inspect such records and shall supply the Company with a correct account of all such wages salaries and other earnings paid during any Period of Takaful within one month from the expiry date of such Period of Takaful. If the amount so paid shall differ from the amount on which Takaful Contribution has been paid the difference in Takaful Contribution shall be met by a further proportionate payment to the company or by a refund by the Company as the case may be.
10. This Takaful may be terminated at any time at the request of the Takaful Participant, in which case the Company will refund the balance of the General Risk Investment Account (GRIA) for the unexpired period of cover, plus surplus, if any, less related expenses. 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 be liable to repay.

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

11. All differences arising out of this Takaful Certificate shall 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 Arbitrators one to be appointed in writing by each of the parties within one calendar month after having been required in writing so to do by either of the parties or in case the Arbitrators do not agree of an Umpire appointed in writing by the Arbitrators before entering upon the reference. The Umpire shall sit with the Arbitrators and preside at their meetings and the making of an Award shall be a condition precedent to any right of action against the Company. If the Company shall disclaim liability to the Takaful Participant for any claim hereunder and such claim shall not within twelve calendar months from the date of such disclaimer have been referred to arbitration under the provision herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
12. Payment of the Takaful Contribution paid by the Takaful Participant as shown in the Schedule shall be placed in the GRIA where the Company will manage according to the Wakalah principle as defined by the Company and in accordance with Shariah principles. The Company will charge up to 40% 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 other Takaful Participants in time of misfortune.
13. At each financial year-end, the Actuary will assess the surplus position of the Risk Fund. The Company will charge a Surplus Administration Charge (SAC) of 50% of the gross distributable surplus arising at the end of the financial year. However, the Company may at its discretion and where appropriate charge 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. Both the threshold and the treatment of such amount 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.

14. This Takaful Certificate and the Proposal all endorsements hereon including the schedules hereto shall be construed in accordance with the laws of Malaysia.

In the event that there is a conflict between a term in the Proposal and a term in the Takaful Certificate herein, the provision in the Takaful Certificate shall prevail in so far as it relates to the matters set fourth in the Takaful Certificate.

15. The Company shall bear all its own operating expenses. Takaful Participants shall bear necessary expenses incurred for their benefits as allowed by the regulator.
16. 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.

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

We will make sure that your case is examined thoroughly. 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 of Financial Services (644393P) 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
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CLAUSES/ENDORSEMENT/WARRANTIES
(Not included in the Takaful Certificate unless specified in the Schedule)

This Takaful Certificate is subject to the following Warranty/Clause:

EP01 EMPLOYEES TO EMPLOYEES ENDORSEMENT

If any person under a contract of service or apprenticeship with the Takaful Participant shall sustain bodily injury by accident or disease caused during the Period of Takaful and arising of and in the course of his employment by the Takaful Participant in the Business stated in the Schedule the Company will at the request of the Takaful Participant indemnify any other employee of the Takaful Participant engaged in such Business against liability at law to pay all costs and expenses incurred with its written consent.

Provided that the employee claiming to be indemnified shall as though he were the Takaful Participant observe, fulfill and be subject to the terms of the Takaful Certificate in so far as they can apply.

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

EP14 CONTRACTORS AND SUBCONTRACTORS CONTINGENT LIABILITY

It is hereby declared and agreed that the Takaful Certificate extends to cover legal liability of the Takaful Participant for death and bodily injury or loss or damage to property arising from an accident as a result of the Takaful Participant's contingent liability arising out of work or operation by independent contractors or subcontractors engaged by the Takaful Participant in connection with the Takaful Participant's business. Provided that if the claim so submitted is covered by any other specific takaful, then this Takaful Certificate shall not cover the same except only as regards any excess beyond the limit of liability covered by such more specific coverage. Subject otherwise to the terms and conditions exclusions and provisos of the Takaful Certificate.

EP09 STRIKE, RIOTS AND CIVIL COMMOTION

It is agreed and understood that otherwise subject to the terms, exclusion, provisions and conditions contained in the Takaful Certificate or endorsed thereon and subject to the Takaful Participant having paid the agreed extra Takaful Contribution this Takaful Certificate shall extend to include loss of or damage to the interests Takaful Participant directly arising from or caused by strikes, riots and civil commotions which for the purpose of this clause shall mean:-

- 1) The act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not) not being an occurrence mentioned in the exclusion below.
- 2) The action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequence of any such disturbance.
- 3) The willful act of any striker or locked out worker done in furtherance of a striker or in resistance to a locked out.
- 4) The action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequence of any such act.

Exclusion

Provided always that the company shall not be liable for any loss of or damage to the interests Takaful Participant occasioned by or through or in consequence, directly or indirectly, any of the following occurrences:-

- (A) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war.
- (B) Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution military or usurped power.
- (C) Acts of terrorism committed by a person or persons acting on behalf of or in connection with any organization.

For the purpose of this condition, "Terrorism" means the use of violence for political ends and includes any use of violence for the purpose of puffing the public or any section of the public in fear.

In any action, suit or other proceeding, where the company alleges that by 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.

W2

This Takaful Certificate does not indemnify the Takaful Participant in respect of any claim arising in connection with the use of woodworking machinery driven by steam, gas, water, electricity or other mechanical power. The expression "woodworking machinery" shall not be deemed to include:- Lathes, Frat-saws, Boring machines, Sanding machines, Mechanically-driven portable tools applied to the work by hand other than Pendulum and Swing Saws,

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

W15

This Takaful Certificate does not indemnify the Takaful Participant in respect of any claim arising in connection with

- (a) the construction, alteration or repair of buildings involving the use of at any stage of mechanically driven machinery other than mortar mills, atone crushers, concrete mixers and friction hoists controlled by a motor with a lifting capacity not exceeding 10cwt. and hoisting directly from one position only.
- (b) any work or demolition (except the demolition of buildings not exceeding 30 ft. in height from the lowest point of the foundation to the highest point of the building, including chimneys, when such demolition is carried out by workmen in the direct employ of the Takaful Participant and forms part of contract for reconstruction, alteration or repair).

N.B. Replacement of damaged parts such as old timber or broken tiles does not come within the meaning of demolishing and reconstructing in respect of buildings of any height.

- (c) construction, alteration or repair of towers, steeples, blast furnaces, chimney shafts, viaducts, bridges, docks, railways, canals or tunnels, wells over 20 ft. in depth or any welt sinking, other than artesian or tube wells.
- (d) blasting operations, quarrying or sand or gravel getting.
Subject otherwise to the terms and conditions of this Takaful Certificate.

W60

It is hereby understood and agreed that subject otherwise to the Terms, Exceptions and Conditions of the Takaful Certificate the indemnity herein granted is extended to cover the legal liability of the Takaful Participant to workmen in the employment of subcontractors performing work for the Takaful Participant while engaged in the business and occupation in respect of which within Takaful Certificate is granted, but only so far as regards under

The Workmen's Compensation Ordinance 1952
(Federation of Malaya)
and
Common Law Only

including subsequent amendments to the said Ordinance and Enactment passed prior to the date of this endorsement.

The Takaful Contribution in respect in respect of such extended takaful to be calculated as follows.

At the rate on the total
earnings during each period of takaful
of workmen engaged by such sub-contractors.

It is further declared and agreed that the Company shall not be liable for any claim arising in connection with any workmen employed by nominated sub-Contractor(s) through an agreement entered into directly between the Principles and the nominated Sub-Contractor(s),

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

W77

In consideration of Takaful Contribution being paid on the total earnings of the employees described in the Schedule hereunder, not being workmen as defined in the Workmen's Compensation Ordinance, 1952, Workmen's Compensation (Amendment) Ordinance, 1956, Workmen's Compensation (Amendment) Act 1976, Modification of Laws (Workmen's Compensation) (Extension and Modification) Order 1981 It is hereby agreed that the within Takaful Certificate is extended to indemnify the Takaful Participant in respect of his liability at Common Law for accidents to such employees arising out of and in the course of employment.

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

W85

This Takaful Certificate does not indemnify the Takaful Participant in respect of any claim arising in connection with

- (a) the use of explosives;
- (b) the making of sewers or other excavations exceeding in any part a depth of 10 ft. from the surface.
- (c) tunneling

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

EP08 CONTRIBUTION WARRANTY (60 days)

It is a fundamental and absolute Special Conditions of this contract of takaful that the Takaful Contribution due must be paid and received by the Company within sixty (60) days from the inception date of this Takaful Certificate.

If this condition is not complied with, then this contract is automatically cancelled and the Company shall be entitled to the pro rata Takaful Contribution for the period they have been on risk.

Where the Takaful Contribution payable pursuant to this warranty is received by an authorized agent of the Company, the payment shall be deemed to be received by the Company for the purposes of this warranty and the onus of proving that the Takaful Contribution payable was received by a person, including a takaful agent, who was not authorized to receive such Takaful Contribution shall lie on the Company.

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

EP10 JURISDICTION

The Company shall not be liable to pay for

1. Compensation or damages in respect of judgement not delivered or obtained from a court of competent jurisdiction within Malaysia.
2. The costs and expenses of litigation recovered by any claimant from the Takaful Participant which are not incurred and recoverable in Malaysia.

Subject otherwise to the terms, conditions, exclusions and provisos of the Takaful Certificate.

EP15 LIMITS OF INDEMNITY

Notwithstanding anything herein contained to the contrary, the total amount payable by the Company for compensation and all costs and expenses in respect of

- a) any and all claims out of one sudden occurrence or series of sudden occurrences consequent on or attributable to one source or original cause shall not exceed RM_____ irrespective of the number of employees who may sustain personal injury consequent on or attributable to the same source or original cause.
- b) all personal injury caused during anyone Period of Takaful, irrespective of the number of employees who may sustain personal injury, shall not exceed RM_____

For the purpose of establishing the total amount payable by the Company in respect of one Period of Takaful, it is understood that for any claim where personal injury is caused during a period which extends outside such Period of Takaful, the amount of compensation costs and expenses indemnifiable arising out of claim shall be limited to no more than proportion of the total amount of compensation, costs and expenses for the claim as the length of such Period of Takaful (or part thereof as applicable) bears to the total length of the period during which such personal injury is caused.

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

EP13 INTERPRETATION OF BUSINESS - EXCLUDING OFFSHORE WORK

For the purpose of this Takaful Certificate it is understood and agreed that Business shall not include any work undertaken on any offshore rig or platform nor any work related travel undertaken on any vessel or aircraft to or from any offshore rig or platform.

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

EP12 WORK AWAY CLAUSE

This Takaful Certificate is extended to include the Takaful Participant's liability as within defined in respect of accidents arising out of the engagement of the actual progress of work undertaken by the Takaful Participant or the service of the Takaful Participant in course of the business within the Territorial Limits but away from the defined premises.

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

EP03 TEMPORARY VISITS OVERSEAS CLAUSE

Notwithstanding anything in the within Takaful Certificate contained to the contrary, this Takaful Certificate extends to cover legal liability of the Takaful Participant as within defined in respect of travel out of the territorial limits anywhere in the world except the United States of America and Canada by Employees and/or Directors of the Takaful Participant.

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

EP04 LOSS NOTIFICATION CLAUSE

Notwithstanding anything contained herein to the contrary it is agreed that this takaful will not be prejudiced by any inadvertent delays errors or omission in notifying the Company of any circumstances or event giving rise or likely to give rise to a claim under this Takaful Certificate.

Provided that

- a) the loss/damage must be fully substantiated
- b) the Company's Liability shall not be increased by such delays, errors or omission
- c) in no circumstances shall the Company be liable for any loss or damage not notified to them within thirty (30) days after the event giving rise to a claim.

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

EP05 CROSS LIABILITY CLAUSE

The inclusion for more than one corporation, person, organization, firm or entity as a Named Schedule in this Takaful Certificate shall not in anyway effect the rights of any such corporation, person, organization, firm or entity either as respects any claim, demand, suit or judgement made or brought by, or in favour of any other Named Participant, or by, in favour, of any employee of such other Takaful Participant. This Takaful Certificate shall cover each corporation, person, organization, firm or entity in the same manner as though a separate Takaful Certificate has been issued to each; but nothing herein contained shall operate to increase the Company's liability as set forth elsewhere in this Takaful Certificate beyond the amounts for which the Company would have been liable if only one person or interest had been named as Takaful Participant.

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

EP06 CO TAKAFUL CLAUSE

This Takaful Certificate issued on a coinsurance basis and any reference to the term "the Company" appearing in the schedule of this Takaful Certificate or in any endorsement attached hereto shall mean the Companies specified in the Takaful Certificate schedule each of which severally agrees to indemnify the Takaful Participant in the event of loss as within defined for the proportion set against its name or such other proportion as may be substituted therefore by memorandum signed by or on behalf of the Companies.

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

EP11 AUTOMATIC RENEWAL

This Takaful Certificate is deemed automatically renewed and the appropriate Takaful Contribution charged upon expiry unless otherwise instructed.

W86

This Takaful Certificate does not indemnify the Takaful Participant in respect of any claim arising in connection with

- (a) the use of explosives;
- (b) quarrying;

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

W192

This Takaful Certificate does not indemnify the Takaful Participant in respect of any claim arising in connection with felling, sawing or carting of trees other than light trees not exceeding 20 feet in height to be used for scaffolding or carrying poles.

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

W194

In consideration of Takaful Contribution being paid on the total payment to Contractors who contract to provide labour only, it is hereby agreed that in the event of accidents sustained by such Contractors or workmen engaged by such Contractors whilst working under contract with the Takaful Participant in connection with the work in respect of which this is granted, the Company will not raise the defense that there is no contract of service between the Takaful Participant and such Contractors or workmen engaged by such Contractors.

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

W197

In consideration of Takaful Contribution being paid on the total payments made to Contractors the Company agrees that the defence will not be raised to a claim to compensate under the Workmen's Compensation Law mentioned in the within Takaful Certificate and subsequent amendments passed prior to the date of this endorsement that the Contractor is not a workmen within the meaning of the said Workmen's Compensation Law.

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

W231

Notwithstanding anything stated to the contrary in this Takaful Certificate, and subject to Condition 8 being deleted in this Takaful Certificate, it is understood and agreed that if the wages herein stated are less than the actual wages (as defined in the Workmen's Compensation Ordinance currently in force) paid or payable to the workmen hereby covered corresponding to the period of Takaful Certificate, the liability of the Company in respect of any claim under this Takaful Certificate shall be proportionately reduced and the Takaful Participant shall be considered as his own takaful operator for the difference.

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

XXX – 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.