

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
(Formerly known as Takaful Ikhlas Berhad)

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

IKHLAS PREFERRED TERM TAKAFUL

Date: 01/12/2018

1) What is this product about?

This plan offers takaful protection for [20] years. It pays a lump sum death benefit if the Person Covered dies, suffers total and permanent disability (TPD) or diagnoses with any of the 36 critical illnesses as defined in the Takaful Certificate during the term of the Takaful Certificate.

You may participate in this plan if you are between the age of 17 and above. Age is based on age next birthday.

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 below:

Takaful Benefit	Sum Covered (RM)
Death	500,000
Total and Permanent Disability (TPD)	500,000
Accelerated Critical Illness (CI)	500,000
Surrender or maturity	No value will be payable

Note:

1. TPD is based on "Own or Suited Occupation" definition and the Takaful Benefit is payable subject to an elimination period of six (6) months, provided that:

- The TPD claim is confirmed by the appointed Physician.
- The Takaful Contributions are not overdue.

The maximum amount of the TPD Sum Covered payable from all Takaful Certificates written with the Company on the life of the same Person Covered shall not exceed RM2,000,000. TPD is covered up to age 70 years old.

The maximum amount of the CI Sum Covered payable from all Takaful Certificates written with the Company on the life of the same Person Covered shall not exceed RM1,500,000.

2. Term of the contract: [20] years.

3. The list of 36 Critical Illnesses covered is as below:

List of 36 Critical Illnesses			
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

Please read the Takaful Certificate for details of the Takaful Benefits.

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

The total Takaful Contribution that you have to pay and the Takaful Certificate terms and conditions may vary depending on the underwriting requirements of the Company:

The estimated total Takaful Contribution that you have to pay	:	RM 3921 annually
Contribution duration	:	Until age [55]

The renewal Takaful Contribution is NOT GUARANTEED and the Company reserves the right to revise the Takaful Contribution rate applicable at the time of Takaful Certificate anniversary based on the emerging claims experience of the product. The Company shall give the Takaful Participant a three (3) months written notice in the event of revision of Takaful Contribution. The Takaful Contribution could be revised due to deterioration in claims experience. The terms and conditions are not exhaustive and the Takaful Contribution rates may be reviewed under other justified circumstances.

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

- **Wakalah Fee**

Wakalah Fee as a percentage of the Takaful Contribution will be charged. Please refer to the Takaful benefit illustration for the Wakalah Fee amount.

- **Tabarru'**

The tabarru' amount is the remaining balance of Takaful Contribution after deduction of Wakalah Fee. The amount will be allocated into the Risk Fund.

- **Commission**

Commission amount is part of the Wakalah Fee. Please refer to the Takaful benefit illustration for the commission amount.

- **Reinstatement Fee**

RM15 for each reinstatement will be imposed. This fee may be subject to any taxes, levies or charges imposed by the relevant authorities in Malaysia at the prevailing rate unless otherwise stated.

- **Stamp Duty**

RM10 stamp duty is imposed, additional to the first Takaful Contribution for each Takaful Certificate.

Note: reinstatement refers to a situation where you reinstate your Takaful Certificate after it has lapsed. Please refer to the Takaful Certificate for details regarding reinstatement.

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

- a) Importance of disclosure – Takaful Participant must disclose all material facts such as medical condition, and state age correctly. The Company has the right to repudiate liability in the event that Takaful Participant failed to disclose relevant information that would affect the decision to accept or reject the risk, and on the terms to be applied to the Takaful Participant.
- b) Cooling-Off Period - Takaful Participant may cancel the Takaful Certificate by returning the Takaful Certificate within fifteen (15) days after received the Takaful Certificate. The Takaful Contribution that you have been paid (less any medical charges - if any) will be refunded to the Takaful Participant. The Company shall cancel the Takaful Certificate immediately upon receipt of the cancellation letter and shall be deemed not effective from the date of issuance.
- c) TPD benefit will expire on the Takaful Certificate anniversary date immediately after the Person Covered's 70th birthday.
- d) It is important for the Takaful Participant to retain receipts as proof of payment of Takaful Contributions.
- e) Please contact the Company if the Takaful Participant does not receive the Takaful Certificate after fourteen (14) days from the date of participation.

- f) Notification of claim must be given in writing to the Company within thirty (30) days after occurrence of any claim. The Company, upon receipt of notice 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 ninety (90) days from the date of the events covered.

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

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

Exclusions applicable to Death

This Takaful Certificate does not cover any death caused directly or indirectly, wholly or partly, by any one of the following occurrences:

- a) Suicide; or
- b) Dies as a result of Human Immune Deficiency Virus (HIV), Acquired Immune Deficiency Syndrome (AIDS) or other sexually transmitted diseases; or
- c) Under the influence of alcohol or drugs other than in accordance with the direction of a registered medical practitioner.

Major exclusions applicable to TPD

This Takaful Certificate does not cover any TPD caused directly or indirectly, wholly or partly, by any one of the following occurrences:

- a) Self-inflicted injury or any attempt thereof while sane and insane; or
- b) War, invasion, act of foreign enemy, hostilities or war-like operations (whether war be declared or not) or civil war; or
- c) Mutiny, riot, military or popular rising, insurrection, rebellion, revolution, martial law or state of siege any of the events or causes which determine the proclamation or maintenance of martial law or state of siege; or
- d) Disability arising prior to inception of coverage; or
- e) Pre-existing condition.

Major exclusions applicable to CI

This Takaful Certificate does not cover any CI caused directly or indirectly, wholly or partly, by any one of the following occurrences:

- a) War, invasion, act of foreign enemy, hostilities or war-like operations (whether war be declared or not) or civil war; or

b) Mutiny, riot, military or popular rising, insurrection, rebellion, revolution, martial law or state of siege any of the events or causes which determine the proclamation or maintenance of martial law or state of siege; or

c) Any pre-existing conditions arising prior to inception of coverage.

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

8) Can I cancel my Takaful Certificate?

Participating in a family takaful plan is a long-term financial commitment. If you do not pay your Takaful Contribution within the grace period, your certificate may lapse. You may opt to cancel the Takaful Certificate by giving a written notice to the Company.

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

It is important that the Takaful Participant informs the Company of any change in contact details to ensure that all correspondences reach the Takaful Participant in a timely manner.

10) Where can I get further information?

Should you require additional information about family takaful, please refer to the *insuranceinfo* booklet on 'Family Takaful', available at all our branches or you can obtain a copy from our takaful agent or visit www.insuranceinfo.com.my

If you have any enquiries, please contact us at:

Takaful Ikhlas Family Berhad

(Formerly known as Takaful Ikhlas Berhad)

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

Tel No: +603-2723 9999

Fax No: +603-2723 9998

Website : www.takaful-ikhlas.com.my

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

11) Other types of family takaful cover available.

Please contact us/ your representative for other similar types 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 PLAN THAT BEST SUITS YOUR PERSONAL CIRCUMSTANCES. YOU SHOULD READ AND UNDERSTAND THE TAKAFUL CERTIFICATE AND DISCUSS WITH THE AGENT OR CONTACT THE TAKAFUL OPERATOR 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 SHALL CONTINUE UNTIL THE TIME YOUR CONTRACT OF TAKAFUL IS ENTERED INTO, VARIED OR RENEWED WITH US.

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 01/12/2018