

PRODUCT DISCLOSURE SHEET

TAKAFUL IKHLAS FAMILY BERHAD

(Formerly known as Takaful Ikhlas Berhad)

(Read this Product Disclosure Sheet before you decide to participate in the “*IKHLAS* Wanita Elegance Takaful”. Be sure to also read the general terms and conditions).

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

IKHLAS WANITA ELEGANCE TAKAFUL

Date: 01/12/2018

1) What is this product about?

This plan is specially designed to provide protection against death, total and permanent disablement, female specific cancer, and other female illnesses of the Person Covered prior to the maturity of the Takaful Certificate.

There are 2 types of plans under IKHLAS Wanita Elegance Takaful, which are:

- a) *IKHLAS* Wanita Elegance Takaful with Maternity Benefit
- b) *IKHLAS* Wanita Elegance Takaful without Maternity Benefit

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?

This plan with initial Lifetime Limit of RM50,000 covers:

- | | | | |
|--|---|---|--------------|
| a) Natural Death or Total and Permanent Disablement (TPD) ¹ | : | RM200,000.00 | ² |
| b) Female Specific Cancer Benefits ³ | : | Up to RM200,000 | ² |
| c) Other Female Illnesses Benefits | : | 200,000.00 | ² |
| • Systemic Lupus Erythematosus (SLE) with Lupus Nephritis ⁴ | | | |
| • Rheumatoid Arthritis with Complications ⁴ | | | |
| d) Other Female Illnesses Benefits | : | Reimbursement of up to RM200,000 of balance of Lifetime Limit | |
| • Facial Reconstructive Surgery due to Accident | | | |
| • Skin Grafting due to Burns | | | |
| • Skin Grafting due to Skin Cancer ⁴ | | | |
| • Breast Reconstructive Surgery due to Accident | | | |
| e) Other Female Illnesses Benefits | : | Reimbursement up to RM60,000 of initial Lifetime Limit or balance of Lifetime Limit, whichever is lower | |
| • Carcinoma In-Situ (Breast or Cervix Uteri) ⁴ | | | |
| • Loss of Female Reproductive Organ due to Accident | | | |
| • Osteoporotic Fracture - Hip or Vertebral ⁴ | | | |

- f) Maternity Benefit : RM60,000 of initial Lifetime Limit or balance of Lifetime Limit, whichever is lower
- g) Living Benefits : Maximum of RM20,000 of the initial Lifetime Limit or balance Lifetime Limit, whichever is lower. 1 event per year, up to 5 events per life time of Takaful Certificate
- h) Accidental Death or TPD : RM200,000.00 ²
- i) Death or TPD caused solely and directly by accidents while travelling in public conveyance or as victim from act of crime. : RM200,000.00 [on top of item(a) and (h)] ²
- j) Takaful Certificate Maturity Benefit
Amount accumulated in the PIA / PRIA, inclusive of investment income from the PIA / PRIA and net distributable surplus from the Risk Fund, if any, is payable upon maturity of the Takaful Certificate.
- k) Takaful Certificate Surrender Benefit
Amount accumulated in the PIA / PRIA, inclusive of investment income from the PIA/ PRIA and net distributable surplus from the Risk Fund if any, after deducting the Administration Fee of up to RM50, will be payable upon surrender of the Takaful Certificate.
- l) Top-up Option
Top-up Takaful Contribution is allowed from the commencement of this Takaful Certificate. The amount of top-up shall be subject to a minimum of RM50 per top-up. This top-up amount shall be wholly allocated to the PIA.
- m) Cash Withdrawal
Partial cash withdrawals from the PIA, subject to a maximum of 30% of PIA, are allowed after the Takaful Certificate has been in force for a minimum period of five (5) years. Subsequent withdrawals must satisfy a minimum gap period of two (2) years between withdrawals. Only three (3) withdrawals are allowed during the lifetime of the Takaful Certificate. A transaction fee of maximum of RM50 is chargeable from the PIA for each withdrawal transaction.

Note:

- ¹ TPD for *IKHLAS* Wanita Elegance Takaful is based on "Own or Suited Occupation" definition and the benefit is payable subject to an elimination period of six (6) months, provided that:
- The TPD claim is confirmed.
 - The Takaful Contributions are not overdue.
- ² Claim amount will be based on balance of Lifetime Limit. Any claim made under *IKHLAS* Wanita Elegance Takaful will reduce the Lifetime Limit.
- ³ Subject to a waiting period of thirty (30) days from the Takaful Certificate inception and a survival period of 30 days.
- ⁴ Subject to a waiting period of thirty (30) days from the Takaful Certificate inception.

Please read Takaful Certificate for more information about product 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, riders, occupational class and Sum Covered. Your Takaful Contribution is as follows:

Person Covered Age	:	31 Years Old
Takaful Participant Age	:	-na- Years Old
Occupational Class	:	1
Term	:	25 Years
Sum Covered	:	RM200,000.00
Annual Takaful Contribution	:	<u>RM7,976.00</u>

The renewal Takaful Contribution is NOT GUARANTEED and the Company reserves the right to revise the Takaful Contribution rate applicable specifically to each Person Covered 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 or portfolio withdrawal. The Takaful Contribution 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 Takaful Contribution rates may be reviewed under other justified circumstances.

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

a) Wakalah Fee*

Years	1	2	3	4	5	6	7 and above
Amount	6,702.08	5,376.04	3,601.38	3,481.74	2,245.46	2,245.46	1,388.04
% of Gross Annual Takaful Contribution	84.03%	67.40%	45.15%	43.65%	28.15%	28.15%	17.40%

* The Wakalah Fee inclusive of the commission.

An administration fee of RM72 shall be charged annually to each Takaful Participant under this Takaful Certificate. Each top-up transaction on Takaful Contributions shall be subject to 5.25% fee of the gross Takaful Contribution of top-up amount.

b) Commission

Years	1	2	3	4	5	6	7 and above
Amount	4,386.80	3,589.20	2,073.76	1,994.00	797.60	797.60	0.00
% of Gross Annual Takaful Contribution	55.00%	45.00%	26.00%	25.00%	10.00%	10.00%	0.00%

c) Tabarru charge is deducted from the PIA/ PRIA. Tabarru' will increase as the Person Covered and/or Takaful Participant grow older. Details of the tabarru' amount and other charges for this rider are illustrated in the benefit illustration.

d) Surrender Charge of up to RM50.

e) RM 10.00 stamp duty is imposed for each Takaful Certificate.

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 your age, occupation and health condition correctly. The Company has the right to repudiate liability in the event that you failed to disclose relevant information that would affect the decision to accept or reject the risk, and on the terms to be applied to you.

- b) Cooling-Off Period - you may cancel your Takaful Certificate by returning the Takaful Certificate to the Company within fifteen (15) days after you have received the Takaful Certificate. The Takaful Contribution that you have paid (less any medical charges - if any) will be refunded to you. The Company shall cancel the Takaful Certificate immediately upon receipt and shall be deemed not effective from the date of issuance.
- c) Waiting period for the plan related to the Medical and Health Takaful is thirty (30) days from the commencement date.
- d) The actual investment income may fluctuate based on market conditions. As a result, the amount accumulated in the PIA/ PRIA may rise above or fall below the total Takaful Contribution made into PIA/ PRIA (possibly leading to early Takaful Certificate lapsation).
- e) Investment profit arising from PIA/ PRIA, if any, shall be returned to the Takaful Participant (through PIA/ PRIA) after deducting an Investment Performance Fee of 30% from the profit. However, the Company may at its discretion deduct less than 30% from the profit as Investment Performance Fee.
- f) The Company will charge a Surplus Administration Charge (SAC) of 50% of the gross distributable surplus declared at the end of each Financial Year. The net distributable surplus (after deducting SAC) from the Risk Fund will be allocated in full (100%) to the Takaful Participant.
- g) 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 or pre-existing conditions of the new Takaful Certificate.
- h) It is important for you to receive receipts and keep them as proof of payment of Takaful Contributions.
- i) If you do not receive the Takaful Certificate after fourteen (14) days from the date of participation, please contact us.
- j) 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.
- k) You may refer to the Company's official website at www.takaful-ikhlas.com.my for list of our panel hospitals or clinics.

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?

a. Exclusion on Death

Should the Person Covered, whether sane or insane commits suicide within one (1) year from the effective date, dies as a result of Acquired Immune Deficiency Syndrome (AIDS) or other sexually transmitted diseases, no benefit shall be payable.

The Company shall refund the amount accumulated in the PIA / PRIA, inclusive of investment income from the PIA / PRIA and net distributable surplus from the Risk Fund, if any.

b. Major Exclusion (Other than Death)

- i. Any elective surgery, cosmetic or plastic surgery (unless necessitated by injury or illness);
- ii. Any pregnancy resulting from fertility treatment, including in-vitro fertilisations;
- iii. Elective termination of pregnancy other than for medical reasons;
- iv. Pregnancy before inception of Takaful Certificate and pregnancy occurring within ninety (90) days from date of inception / renewal of Takaful Certificate;
- v. War, invasion, act of foreign enemy, hostilities or war-like operations (whether war be declared or not) or civil war;
- vi. 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;
- vii. Any act of terrorism. For this purpose an act of terrorism means an act, including but not limited to the use of force or violence and/or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government or organization and/or to put the public, or any section of public in fear;
- viii. Cause by or consequent upon suicide or attempted suicide or willful self injury or indulgence in alcohol or narcotics or drugs or insanity or arising from venereal disease;
- ix. Disability sustained by the Person Covered whilst entering, operating or servicing, ascending or descending from or any other activities relating to and including sky diving, parachuting, bungee jumping, hang-gliding or ballooning or any other aerial device, contraption, conveyance except while the Person Covered is in an aircraft operated by a commercial passenger airline on a regular scheduled passenger trip over its established passenger route;
- x. Disability arising prior to inception of coverage;
- xi. Any breach of the law by the Person Covered or any assault provoked by him;
- xii. Involvement in any underwater activity necessitating the use of artificial breathing apparatus;
- xiii. Injury caused by nuclear fission, nuclear fusion, nuclear weapons material or radioactive contamination;
- xiv. Acquired immune deficiency syndrome (AIDS) and any AIDS related conditions.

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?

Participating in a family Takaful plan is a long-term financial commitment. If you do not pay your Takaful Contributions within the grace period, your Takaful Certificate may lapse. The cash amount that the Takaful operator will pay you when you cancel the Takaful Certificate before the maturity period will be much less than the total amount of Takaful Contribution that you have paid.

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 on Family Takaful and/or Medical and Health Takaful, please refer to *insuranceinfo* booklet on 'Family Takaful' and/or 'Medical and Health Takaful'. You can obtain a copy from our Takaful agent or visit www.insuranceinfo.com.my

If you have any enquiry, please contact us at:

Takaful Ikhlas Family Berhad

(Formerly known as Takaful Ikhlas Berhad)

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Website : www.takaful-ikhlas.com.my

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11) Other types of similar Takaful cover available.

- NIL -

IMPORTANT NOTE:

PARTICIPATING IN A FAMILY TAKAFUL PLAN IS A LONG TERM FINANCIAL COMMITMENT. YOU SHOULD SATISFY YOURSELF THAT THIS TAKAFUL CERTIFICATE WILL BEST SERVE YOUR NEEDS. 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 effective as at: 01/12/2018