

## PRODUCT DISCLOSURE SHEET

(Read this Product Disclosure Sheet before you decide to participate in the **IKHLAS FLEXI-EB TAKAFUL**. Be sure to also read the general terms and conditions.)

**TAKAFUL IKHLAS BERHAD**  
(Registered under Islamic Financial Services Act 2013 and regulated by Bank Negara Malaysia)

**IKHLAS FLEXI-EB TAKAFUL**

Date: 21/01/2015

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

This Takaful scheme is designed to provide protection against Death, Total Permanent and Disablement, Immediate Death Expenses and other riders attached, for members (Person Covered) of the covered group within the term of the Takaful Certificate. This plan also has saving element, which the profit will be distributed back to the Takaful Participants.

This Scheme is per unit basis and the Summary of the scheme is as follows:

Unit	Death		TPD		Critical Illness	Hospital Benefit	PPD	Immediate Death Expenses			Saving %
	Natural	Accident	Natural	Accident				Participant	Spouse	Child	
1	10,000	20,000	10,000	20,000	5,000	10	10,000	2,000	1,500	1,000	10%
2	20,000	40,000	20,000	40,000	10,000	20	20,000	2,000	1,500	1,000	10%
3	30,000	60,000	30,000	60,000	15,000	30	30,000	2,000	1,500	1,000	10%
4	40,000	80,000	40,000	80,000	20,000	40	40,000	2,000	1,500	1,000	10%
5	50,000	100,000	50,000	100,000	25,000	50	50,000	2,000	1,500	1,000	10%
6	60,000	120,000	60,000	120,000	30,000	60	60,000	2,000	1,500	1,000	10%
7	70,000	140,000	70,000	140,000	35,000	70	70,000	2,000	1,500	1,000	10%
8	80,000	160,000	80,000	160,000	40,000	80	80,000	2,000	1,500	1,000	10%
9	90,000	180,000	90,000	180,000	45,000	90	90,000	2,000	1,500	1,000	10%
10	100,000	200,000	100,000	200,000	50,000	100	100,000	2,000	1,500	1,000	10%
11	110,000	220,000	110,000	220,000	55,000	110	110,000	2,000	1,500	1,000	10%
12	120,000	240,000	120,000	240,000	60,000	120	120,000	2,000	1,500	1,000	10%
13	130,000	260,000	130,000	260,000	65,000	130	130,000	2,000	1,500	1,000	10%
14	140,000	280,000	140,000	280,000	70,000	140	140,000	2,000	1,500	1,000	10%
15	150,000	300,000	150,000	300,000	75,000	150	150,000	2,000	1,500	1,000	10%
16	160,000	320,000	160,000	320,000	80,000	160	160,000	2,000	1,500	1,000	10%
17	170,000	340,000	170,000	340,000	85,000	170	170,000	2,000	1,500	1,000	10%
18	180,000	360,000	180,000	360,000	90,000	180	180,000	2,000	1,500	1,000	10%
19	190,000	380,000	190,000	380,000	95,000	190	190,000	2,000	1,500	1,000	10%
20	200,000	400,000	200,000	400,000	100,000	200	200,000	2,000	1,500	1,000	10%
21	210,000	420,000	210,000	420,000	105,000	210	210,000	2,000	1,500	1,000	10%
22	220,000	440,000	220,000	440,000	110,000	220	220,000	2,000	1,500	1,000	10%
23	230,000	460,000	230,000	460,000	115,000	230	230,000	2,000	1,500	1,000	10%
24	240,000	480,000	240,000	480,000	120,000	240	240,000	2,000	1,500	1,000	10%
25	250,000	500,000	250,000	500,000	125,000	250	250,000	2,000	1,500	1,000	10%

## 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 Takaful IKHLAS, Tabarru' will be allocated into the Risk Fund.
- **Wakalah** – shall mean agency. In this context, it refers to a contract between the Company and the Takaful Participant where the Takaful Participant authorises the Company to manage the fund on his/her behalf, which allows the Company to charge a Wakalah fee.

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

### a) Death Benefit

Should the Person Covered at any time while the Individual Takaful Certificate is in force dies, the Company will pay the Sum Covered consistent with the number of units participated as per specified in the Individual Takaful Certificate to the Master Certificate Holder to be delivered to Nominee named by the Person Covered.

Two (2) times Sum Covered will be payable upon accidental death.

### b) Total and Permanent Disability (TPD)

In the event of TPD, the Company shall pay the Sum Covered consistent with the number of units participated as per specified in the in the Individual Takaful Certificate to the Master Certificate Holder to be delivered to the Person Covered.

Two (2) times Sum Covered will be payable if TPD is a result from accident.

#### Conditions:

TPD is based on "Any Occupation" definition and the benefit is payable subject to an elimination period of six (6) months, provided that:

- (i) The total permanent disability claim is confirmed
- (ii) The Takaful Contributions are not overdue

TPD coverage will expire upon Person Covered attaining age 65 at Takaful Certificate anniversary.

### c) Accelerated Critical Illness

In the event of the Person Covered is diagnosed from any of the Covered Critical Illness as specified in the Master Takaful Certificate and survives for at least thirty (30) days from the date of the diagnosis, the Company will, upon receipt of satisfactory proof of the said diagnosis, pay the Sum Covered consistent with the number of units participated as per specified in the Individual Takaful Certificate to the Master Certificate Holder to be delivered the Person Covered.

The Sum Covered of the Basic Takaful Certificate will then be reduced, by the amount of payment made under this Supplementary Takaful Certificate.

**d) Hospital Benefit**

In the event of Person Covered is confined to a government Hospitals inclusive of Government teaching Hospitals or Hospitals approved by the Company, on the recommendations and approval of a legally qualified Physician, the Company shall pay the daily hospital allowance at the rate shown in the Individual Takaful Certificate to the Master Certificate Holder to be delivered the Person Covered, in respect of the whole time of confined.

The Hospital benefit will only be paid if the participant is hospitalised more than six (6) hours.

**e) Permanent Partial Disability**

In the event of Person Covered suffers a lost by physical separation or the total loss of the use of any limb or organ of the body or the total and irrecoverable loss of sight as a result of an accident, the Company, upon receipt and approval of proofs, shall pay indemnity for the following losses under the Schedule of Indemnity provided that such losses shall result within twelve (12) month from the date of accident. The indemnity amount is as a percentage of the Permanent Partial Disability (PPD) coverage as specified in the Schedule of Indemnity as per Master Takaful Certificate.

Person Covered can make more than one (1) claim under the PPD benefit, provided the total amount paid out does not exceed 100% of the Sum Covered.

The Sum Covered of the Basic Takaful Certificate will then be reduced, by the amount of payment made under this Supplementary Takaful Certificate.

**f) Immediate Death Expense**

Immediate Death Expense benefit as per specified in the Individual Takaful Certificate, will be payable in the event of death of a Person Covered. This benefit is payable within 24 hours of presentation of claim supported by certified copy of Police Report and Death Certificate.

**g) Termination**

Upon termination of the Takaful Certificate, the accumulated in the PIA and PRIA, inclusive of investment income from the PIA and PRIA and net distributable surplus from the Risk Fund, if any, will be payable to the Master Takaful Certificate Holder to be delivered to Person Covered, if any.

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

The Takaful Contribution amount will depend on the number of unit participate. Your Takaful Contribution is as follows:

Number of Unit : 5  
 Annual Takaful Contribution : RM600.00

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

<u>Types</u>	<u>%</u>
Wakalah Fee*	20% of Takaful Contribution or RM120
Commission	10% Takaful Contribution or RM60

\* The Wakalah fee is inclusive of the commission.

**Note:** The charges imposed by Takaful IKHLAS may not include any future taxes (including the Goods and Services Tax (GST)). Upon implementation of the GST, Takaful IKHLAS has the right to recover from the Takaful Participant any taxes required by law.

**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. Takaful IKHLAS 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 within 15 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) Amount accumulated in the PIA and PRIA - The actual investment income may fluctuate based on market conditions. As a result, the amount accumulated in the PIA and PRIA may rise above or fall below the total Takaful Contribution made into PIA and PRIA (possibly leading to early Takaful Certificate lapsation).
- d) Investment profit arising from PIA and PRIA, if any, shall be returned to the Takaful Participant (through PIA and PRIA) after deducting an Investment Performance Fee of 30% from the profit. However, the Company may at its discretion deduct less than 30% Investment Performance Fee from the profit.
- e) The Company will charge a Surplus Administration Charge (SAC) of 50% of the gross distributable surplus arising at the end of each Financial Year. The net distributable surplus arising (after deducting SAC) from the Risk Fund will be allocated in full (100%) to the Takaful Participant.

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. Pre-Existing Condition**

No benefit shall be payable if the death or permanent disablement or critical illness or hospitalise is due to Pre-Existing Condition unless the Person Covered has been covered for more than twelve (12) months from the Effective Date of the coverage and the Person Covered has duly disclosed such injury or illness and has been accepted in writing by the Company prior to the inception of the coverage.

**b. Exclusion on Death**

Should the Person Covered, whether sane or insane commits suicide within one 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.

**c. Other Major Exclusions**

- i. Self inflicted injury or any attempt thereof while sane or insane;
- ii. Military or naval service in time of declared or undeclared war or while under orders for war like operations or restoration of public order;
- iii. Entering, operating or servicing, ascending or descending from or with any aerial device or 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 or when the Person Covered is a passenger of a fully licensed aircraft or helicopter services operating in areas not

- serviced by a regular scheduled passenger aircraft;
- iv. If the Person Covered is found to be infected by any Human Immunodeficiency Virus (HIV) or Acquired Immune Deficiency Syndrome (AIDS) or other sexually transmitted diseases;
  - v. If the Person Covered is under the influence of alcohol or drugs other than in accordance with the direction of a registered medical practitioner;
  - vi. If the Person Covered participates in a riot, or commits a criminal offence;
  - vii. If the Person Covered is found to be involved in the act of terrorism where an act of terrorism shall mean 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 or in connection with any organization(s) or government(s) committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public in fear.

**Note:** This list is non-exhaustive. Please refer to the Takaful Certificate under General Exceptions for the full list of exclusion 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 insurance info booklet on 'Family Takaful' and/or 'Medical and Health Takaful', available at all our branches or you can obtain a copy from our Takaful agent or visit [www.insuranceinfo.com.my](http://www.insuranceinfo.com.my)

If you have any enquiry, please contact us at:

**Takaful IKHLAS Berhad**

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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 MUST CHOOSE THE TYPE OF TAKAFUL CERTIFICATES 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.**

*The information provided in this disclosure sheet is valid effective as at: 21/01/2015*