

<p>PRODUCT DISCLOSURE SHEET</p> <p>(Read this Product Disclosure Sheet before you decide to participate in the “<i>IKHLAS</i> Family Income Benefit Secure Takaful Rider”. Be sure to also read the general terms and conditions).</p>	<p>TAKAFUL IKHLAS BERHAD</p> <p>(Licensed under Islamic Financial Services Act 2013 and regulated by Bank Negara Malaysia)</p> <hr/> <p>IKHLAS FAMILY INCOME BENEFIT SECURE TAKAFUL RIDER</p> <hr/> <p>Date: 27/12/2017</p>
<p>1) What is this product about?</p> <p>This rider provides monthly income benefit to the Person Covered or the Person Covered next of kin for the remaining duration under the Takaful Certificate in the event of death, Total and Permanent Disability (TPD) and/ or being diagnosed as suffering from any critical illnesses (as specified in the Takaful Certificate) prior to the Takaful Certificate’s maturity.</p>	
<p>2) What are the Shariah concepts applicable?</p> <ul style="list-style-type: none"> • 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. 	
<p>3) What are the covers / benefits provided?</p> <p>a) Death Benefit</p> <p>In the event of death of the Person Covered arising from all causes, the monthly income benefit is payable to the Person Covered’s beneficiary or next of kin throughout the remainder of the term under the Takaful Certificate.</p> <p>b) Total and Permanent Disability (TPD) Benefit</p> <p>In the event of TPD of the Person Covered arising from all causes, the monthly income benefit is payable to the Person Covered throughout the remainder of the term under the Takaful Certificate.</p> <p>Conditions:</p> <p>The disability benefit is payable subject to the following conditions:</p> <ol style="list-style-type: none"> i. TPD is based on “Own or Suited Occupation” definition. ii. The TPD claim is confirmed. iii. The Takaful Contributions are not overdue. iv. The disability benefit is payable after satisfying a qualifying period (waiting period) that such disability must last for a continuous period of not less than six (6) months in duration. v. Additional mortality and/ or occupational loadings to be added as appropriate to the Person Covered’s profile and TPD definition. Extra loadings shall be computed as a multiple factor to the minimum net rate. No discount whatsoever will be given as these are the minimum net rates. 	

c) Critical Illness Benefit

In the event Person Covered is diagnosed of suffering from any one of the critical illnesses (as specified in the Takaful Certificate), the monthly income benefit is payable to the Person Covered throughout the remainder of the term under the Takaful Certificate.

d) Takaful Certificate Maturity Benefit

Amount accumulated in the PRIA, inclusive of investment income from the PRIA and net distributable surplus from the Risk Fund, if any, is payable upon maturity of the Takaful Certificate.

e) Takaful Certificate Surrender Benefit

Amount accumulated in the PRIA, inclusive of investment income from the PRIA and net distributable surplus from the Risk Fund, if any, is payable upon the surrender of the Takaful Certificate.

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 and Sum Covered. Your Takaful Contribution is as follows:

Sum Covered	:	RM100.00	Monthly Income
Gender	:		Male
Age	:		35
Term	:		30
<u>Yearly Takaful Contribution</u>	:		<u>RM329.62</u>

The renewal Takaful Contribution is NOT GUARANTEED and Takaful IKHLAS 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 portfolio. Takaful IKHLAS shall give the Takaful Participant a three (3) months written notice in the event of revision of Takaful Contribution or product 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. 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*

Year	Wakalah Fee	Commission
1 st Year	75.50% of Annual Takaful Contribution or RM248.86	55.00% of Annual Takaful Contribution or RM181.29
2 nd Year	64.00% of Annual Takaful Contribution or RM210.96	45.00% of Annual Takaful Contribution or RM148.33
3 rd Year	44.25% of Annual Takaful Contribution or RM145.86	26.00% of Annual Takaful Contribution or RM85.70
4 th Year	42.75% of Annual Takaful Contribution or RM140.91	25.00% of Annual Takaful Contribution or RM82.41
5 th Year	27.25% of Annual Takaful Contribution or RM89.92	10.00% of Annual Takaful Contribution or RM32.96
6 th Year	27.25% of Annual Takaful Contribution or RM89.92	10.00% of Annual Takaful Contribution or RM32.96
7 th Year and above	16.50% of Annual Takaful Contribution or RM54.39	No Commission Payable

* The Wakalah fee is inclusive of the commission.

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

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 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 – thirty (30) days from the commencement date.
- d) Amount accumulated in the PRIA - The actual investment income may fluctuate based on market conditions. As a result, the amount accumulated in the PRIA may rise above or fall below the total Takaful Contribution made into PRIA (possibly leading to early Takaful Certificate lapsation).
- e) Investment profit arising from PRIA, if any, shall be returned to the Takaful Participant (through 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 is important for you to receive receipts and keep them as proof of payment of Takaful Contributions.
- h) If you do not receive the Takaful Certificate after fourteen (14) days from the date of participation, please contact us.
- i) 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 on Death Benefits

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 under this Takaful Certificate.

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

Exclusions on Covered Critical Illness and TPD

This Supplementary Takaful Certificate shall not cover any any critical illness or loss or disability caused directly or indirectly, wholly or partly, by any one of the following occurrences:

- a) Committing, attempting or provoking an assault or a felony or any violation of the law by the Person Covered;
- b) Riot and civil commotion, strikes or terrorist activities;
- c) Suicide or any attempt threat or self-inflicted injury while sane or insane;
- d) War, declared or undeclared, revolution or any warlike operations;
- e) Military or naval service in time of declared or undeclared war or while under orders or warlike operations or restoration of public order;
- f) Making an arrest as an officer of the law;
- g) Violation or attempted violation of the law or resistance to arrest;
- h) Accident occurring while or because the Person Covered is affected by the consumption of alcohol beyond the permitted limit or drug unless taken as prescribed by a qualified medical practitioner;
- i) Illness or disease of any kind due to ptomaine or bacterial infection (except pyogenic infection which shall occur with and through an accidental cut or wound);
- j) Inhalation of poison, gas or fumes (voluntarily or involuntarily taken);
- k) Entering, operating, or servicing, ascending or descending from or any other activities relating to and including sky diving, parachuting, bungee jumping, hand-gliding and 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;
- l) 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;
- m) Any pre-existing conditions arising prior to inception of coverage.

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

8) Can I cancel my Takaful Certificate?

You may cancel your Takaful Certificate by giving a written notice to the Company. Upon cancellation, you are entitled to a certain amount of refund of the Takaful Contribution provided that you have not made a claim under the Takaful Certificate.

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 Berhad

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Fax: +603-2723 9998

Website : www.takaful-ikhlas.com.my

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

11) Other types of similar Takaful cover available.

-NIL-

IMPORTANT NOTE:

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.

The information provided in this Product Disclosure Sheet is valid effective as at: 27/12/2017