PRODUCT DISCLOSURE SHEET

(Read this Product Disclosure Sheet before you decide to participate in the *IKHLAS* Niaga Takaful (Office Niaga). Be sure to also read the general terms and conditions of this Takaful Certificate.)

TAKAFUL IKHLAS BERHAD

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

***IKHLAS* NIAGA TAKAFUL (OFFICE NIAGA)**

Date: dd/mm/yyyy

1) What is this product about?

IKHLAS Office NIAGA is a comprehensive coverage for small and medium industries (SMIs), small and medium entrepreneurs (SMEs), for offices and other similar occupations.

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 – 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 Takaful IKHLAS, the wakalah contract involves a fee *(wakalah bi al-ujrah)* to be paid to Takaful IKHLAS.

Note: *Please refer to the Takaful Certificate for more information.*

3) What are the covers / benefits provided?

Section	Coverage	Sum Covered/ Limits of Liability (RM)		
A	**Fire** Coverage: fire, lightning, riot, strike and malicious damage, bursting and overflowing of water tanks, pipes and apparatus, earthquake and volcanic eruption.	To be determined by the Takaful Participant (total sum covered for this Section should not exceed RM5,000,000. If exceeds this amount, refer to the Company).		
B	**Burglary** Loss of or damage to property covered under Section A as the direct result of Burglary. Minimum protection for Section B, all entrances/ exits including windows must be protected.	**Plan A (RM)**	**Plan B (RM)**	**Plan C (RM)**
		30,000	50,000	80,000

C	**Money** Loss of monies or damage caused by thieves to any safe or strong room belonging to the Takaful Participant at the covered premise. i) Money in the Takaful Participant's Premises: (a) During business hours – in locked safe/strong room/locked drawers/cash boxes (b) After business hours – in locked safe/strong room ii) Money in transit from Takaful Participant's Premises to the bank and vice versa iii) Personal Accident (assault) per person (maximum no. of person – 2)	3,000 2,000 3,000 10,000	10,000 4,000 10,000 10,000	15,000 6,000 15,000 10,000
D	**Public Liability** Indemnification of legal liability to third parties for costs and expenses in respect of bodily injuries/ deaths and/or property damages, sustained in connection with the business of the Takaful Participant.	150,000 Any one accident 500,000 Any one period	200,000 Any one accident 1,000,000 Any one period	300,000 Any one accident 1,000,000 Any one period
E	**Plate Glass** Replacement of the broken glass including cost of any necessary temporary boarding pending the replacement.	3,000	5,000	10,000
F	**Employer's Liability** Indemnification of legal liability to employees for compensation, costs and expenses in respect of bodily injury/ sickness/ death sustained out of and in the course of his employment by the Takaful Participant in the business.	100,000	150,000	200,000
G	**Group Personal Accident** On death and permanent disablement. (Limited to 6 named persons. If more than 6 named persons to be covered, additional Takaful Contribution would be applicable).	10,000 per person	10,000 per person	10,000 per person

Note: *Please refer to the* Takaful *Certificate for the specific terms and conditions applicable to the benefits stated above.*

Duration of cover is for one year. As such, you need to renew your Takaful Certificate annually.

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

The total Takaful Contribution that you have to pay is based on the sum covered selected, trade/occupation classification, building classification, and the underwriting requirements of the Company.

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

The following charges are applicable:

What you have to pay in addition to the Takaful Contribution amount :-

- Goods and Services Tax (GST) : 6% of Takaful Contribution
- Stamp duty : RM10.00

What is included in the Takaful Contribution amount :-

- Wakalah Fees -
  - ✓ Commissions : up to max. 15% of Takaful Contribution
  - ✓ Management Expenses : 15% of Takaful Contribution

What you have to pay if you cancel the Takaful Certificate :-

- Cancellation Fee : RM10.00 + GST

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

Importance of disclosure

- You must disclose all material facts that you know or ought to know; otherwise your Takaful Certificate may be invalidated.
- For Employer's Liability coverage, you must maintain proper records of each Employee and declare their wages and earnings truthfully, otherwise in the event of claims, the average condition in the Takaful Certificate shall apply.
- If there is any change in any relevant changes you are to notify us immediately.
- You must take all ordinary and reasonable precaution for the safety of the property covered.

Takaful Contribution Warranty

- It is fundamental and absolute special condition of this Certificate 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/ Endorsement/ renewal Certificate.
- If this condition is not complied, this Takaful Certificate is automatically cancelled and the Company shall be entitled to the pro rata Takaful Contribution on the period they have been on risk.

Amount to be Covered

- You must ensure that your property is covered at the appropriate amount.
- You may select to cover your property on market value or reinstatement value basis:
  (a) **Market value basis** – we will pay the cost of repairing the damaged property less the amount for Wear and Tear and Depreciation.
  (b) **Reinstatement value basis** – we will pay the full cost of repairing the damaged property without any deductions being made for Wear and Tear and Depreciation, provided that the sum covered is adequate to cover the total cost of reinstating the property.

- If the amount covered on your property is less than the actual value at the time of loss, you are deemed to be responsible for the difference and bear a proportional share of the loss.
- Excess, being the amount you have to bear before we indemnify you.

Claims Procedure

- On the discovery of any event which may give rise to a claim under the Takaful Certificate you shall forthwith give written notice to the Company stating all particulars then known to you, notify the police immediately, take all practical steps to discover any guilty person and recover the property lost, within thirty (30) days after the event of within such further period as the Company may agree, supply at the request of and free of expense to the Company all such proofs, information and other evidence with respect to the claim as the Company may reasonably require.

Surplus

- The Company shall 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 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 RM30 per Takaful Certificate, the amount shall be retained in the Risk Fund.

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

This Takaful Certificate is not intended to and does not cover:

Fire and Allied Perils

(a) Loss by theft during or after the occurrence of a fire.
(b) Loss or Damage to property occasioned by its own fermentation, natural heating or spontaneous combustion (except as may be provided in accordance with Exclusion 2(f)) or by its undergoing any heating or drying process.
(c) Loss or Damage occasioned by or through or in consequence of the burning of property by order of any public authority.
(d) Loss or Damage occasioned by or through or in consequence of subterranean fire.
(e) Loss or Damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material.
(f) Loss or Damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purposes of this exclusion only, combustion shall include any self-sustaining process of nuclear fission.

Burglary

loss or Damage of or to:

(a) Money of securities.
(b) glass if more specifically covered.
(c) any part of the property while in the Open or in any outbuilding, unless specified in the Schedule or by Endorsement.
(d) any cash registered when the Premise are closed for Business unless such cash register has been left Open.
(e) gaming amusement or vending machines or the contents thereof.
(f) Business books, documents and manuscripts, unless specified in the Schedule of by Endorsement.
(g) computer systems records.

Money

(a) loss due to robbery or theft by any director, partner or Employee of the Takaful Participant.
(b) loss due to the use of counterfeit Money.
(c) or shortage due to clerical or accounting errors or omissions or to depreciation in value.
(d) loss of Money from machines operated by coins tokens or currency notes.
(e) loss of Money from any vehicle left without an occupant.
(f) or destruction of or Damage to Money being sent by post.

Public Liability

(a) Injury or Damage caused by or arising in connection with the ownership possession or use by or on behalf of the Takaful Participant of mechanically propelled vehicles locomotives aircraft aerial devices hovercraft or water-borne craft.
(b) Injury to any Employee or any claim arising under any workmen's compensation law.
(c) Damage to
    i) any structure or land due or alleged to be due to vibration or to the withdrawal or weakening of support
    ii) property owned, leased, rented or occupied by the Takaful Participant
    iii) property held in trust by or in the custody or control of the Takaful Participant other than Premise at which the Takaful Participant is undertaking work in connection with the Business
    iv) that part of any property worked upon by the Takaful Participant or any person acting on behalf of the Takaful Participant which arises out of such work.

Plate Glass

in respect of breakage occasioned by or traceable to:
(a) construction of or structural alterations to the Premise.
(b) alterations to or removal of any of the glass.
(c) settlement or expansion or contraction of the glass or frames or fittings due to climatic conditions.

Employer's Liability

(a) the Takaful Participant's liability to Employees of contractors to the Takaful Participant.
(b) any liability 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.

Group Personal Accident

Death or Disablement or any other loss caused directly or indirectly by:-
(a) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, mutiny or usurped power, strike, riot, civil commotion, military or popular uprising where the Person Covered directly or indirectly participates or is involved howsoever in such activities;
(b) any act of terrorism;
(c) insanity, suicide (whether sane or insane) or any attempt thereat by the Person Covered;
(d) pre-existing physical or mental defect or infirmity to the Person Covered;
(e) bacterial or viral infections, any disease or sickness, medical or surgical treatment (except such as may be necessitated solely by injuries covered by this Takaful Certificate and performed within the time provided in the Takaful Certificate) to the Person Covered;
(f) pregnancy, childbirth, caesarean operation, abortion, miscarriage or any complications thereof to the Person Covered; except miscarriage due to bodily injury as a direct result of an accident;
(g) provoked murder or assault on the Person Covered;
(h) any breach of Civil or Shariah Law and principles by the Person Covered;

(i) pre-existing disablement or Bodily Injury to the Person Covered;
(j) from misuse or abuse of substance, alcohol and/or drugs by the Person Covered; unless the drug is taken in accordance with an authorized medical prescription;
(k) from the committing of any criminal acts or any other causes prohibited by Shariah Law and principles.

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?

You may cancel your Takaful Certificate by giving written notice to us. Upon cancellation, you are entitled to a refund of the pro rata Takaful Contribution for the unexpired period of cover. No refund of Takaful Contribution is allowed if there is 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 about *IKHLAS* Niaga Takaful (Office Niaga), please contact us at:

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

Tel: 03-2723 9696
Fax No: 03-2723 9998

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

11) Other similar types of cover available.

- *IKHLAS* Niaga Takaful (Clinic Niaga)
- *IKHLAS* Niaga Takaful (Retail Niaga)
- *IKHLAS* Niaga Takaful (Commercial Niaga)

IMPORTANT NOTE:

YOU SHOULD ENSURE THAT YOUR PROPERTY IS COVERED AT THE APPROPRIATE AMOUNT AS IT WILL AFFECT THE AMOUNT YOU CAN CLAIM. YOU SHOULD READ AND UNDERSTAND THE TAKAFUL CERTIFICATE AND DISCUSS WITH THE AGENT OR CONTACT TAKAFUL OPERATOR DIRECTLY FOR MORE INFORMATION.

PURSUANT TO PARAGRAPH 4(1) OF SCHEDULE 9 OF THE ISLAMIC FINANCIAL SERVICES ACT 2013, IF YOU ARE APPLYING FOR THIS PRODUCT FOR A PURPOSE RELATED TO YOUR TRADE, BUSINESS OR PROFESSION, YOU HAVE A DUTY TO DISCLOSE ANY MATTER THAT YOU KNOW TO BE RELEVENT TO OUR DECISION IN ACCEPTING THE RISKS AND DETERMINING THE RATES AND TERMS TO BE APPLIED AND ANY MATTER A REASONABLE PERSON IN THE CIRCUMSTANCES SHOULD BE EXPECTED TO KNOW TO BE RELEVANT, OTHERWISE IT MAY RESULT IN AVOIDANCE OF YOUR TAKAFUL CERTIFICATE, REFUSAL OR REDUCTION OF YOUR CLAIM(S), CHANGE OF TERMS OR TERMINATION OF YOUR TAKAFUL CERTIFICATE.

THE ABOVE DUTY OF DISCLOSURE SHALL CONTINUE UNTIL THE TIME YOUR TAKAFUL CERTIFICATE IS ENTERED INTO, VARIED OR RENEWED WITH US.

YOU ALSO HAVE A DUTY TO TELL US IMMEDIATELY IF AT ANY TIME AFTER YOUR TAKAFUL CERTIFICATE HAS BEEN ENTERED INTO, VARIED OR RENEWED WITH US ANY OF THE INFORMATION GIVEN IN THE PROPOSAL FORM (OR WHEN YOU APPLIED FOR THIS PRODUCT) IS INACCURATE OR HAS CHANGED.

The information provided in this product disclosure sheet is valid as at dd/mm/yyyy