PRODUCT DISCLOSURE SHEET
(Read this Product Disclosure Sheet before you decide to participate in the IKHLAS Skim Takaful Gadaijanji Berkumpulan Lembaga Pembiayaan Perumahan Sektor Awam. Be sure to also read the general terms and conditions.)

1) What is this product about?

This product provides protection on Death or Total and Permanent Disability (TPD) to the Participant (who is the borrower) on the outstanding financing amount financed by Lembaga Pembiayaan Perumahan Sektor Awam.

2) What are the Shariah concept applicable?

Tabarru’ – shall mean donation for the purpose of solidarity and cooperation among the Participants and to be used to help 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 Participants where the Participant authorises the Company to manage the fund on his/her behalf, which allows the Company to charge a Wakalah fee.

3) What are covers/ benefits provided?

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Death</td>
<td>Upon death of the Participant, this takaful coverage will:</td>
</tr>
<tr>
<td></td>
<td>• Pay a Prevailing Sum Covered as per Individual Takaful Certificate to Lembaga Pembiayaan Perumahan Sektor Awam.</td>
</tr>
<tr>
<td></td>
<td>• Pay a funeral expenses as per the Individual Takaful Certificate to the beneficiary of the Participant.</td>
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<tr>
<td></td>
<td>In addition, the balance in Personal Risk Investment Account (PRIA), if any, also will be payable to the Participant.</td>
</tr>
<tr>
<td>Total and Permanent Disability</td>
<td>Upon the Participant are Total and Permanent Disability (TPD) as defined in the Master Certificate, the Company will pay the pre-TPD Benefit as specified the Individual Participant's Certificate.</td>
</tr>
<tr>
<td></td>
<td>If after six (6) months, the Participant is medically declared as Total and Permanent Disability (TPD), the Company will pay a Prevailing Sum Covered as stated in the Table of Prevailing Sum Covered to the Lembaga Pembiayaan Perumahan Sektor Awam.</td>
</tr>
<tr>
<td></td>
<td>In addition, the balance in Personal Risk Investment Account (PRIA), if any, also will be payable to the Participant.</td>
</tr>
<tr>
<td></td>
<td>The maximum amount of the TPD Sum Covered payable from all certificates written with the Company on the life of the same Participant shall not exceed RM2,000,000.</td>
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<tr>
<td></td>
<td>The TPD benefits shall automatically terminate upon the Participant reaching the maximum coverage age of 65 years old (next birthday).</td>
</tr>
</tbody>
</table>
Maturity | Upon maturity of the Certificate, Participant will receive the balance amount in the PRIA, if any.
---|---
Surrender | Upon surrender of the Certificate, Participant will receive the balance amount in the PRIA, if any.

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

The total Takaful Contribution that you have to pay varies, depending on the amount of financing arranged. In addition, there are also other factors determining the amount of Takaful Contribution, such as Entry Age, Financing Amount, Profit Rate, Financing Term and Deferment Period. For example:

- Entry Age: 43 years
- Financing Amount: RM350,000
- Profit Rate: 4.00% p.a.
- Financing Term: 32 years (Inclusive of deferment period)
- Deferment Period: 2

**Takaful Contribution**: RM50,621

The Takaful Contribution above assume that the proposed Participant has no risks/ habits that may require additional loading on the Takaful Contribution.

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

<table>
<thead>
<tr>
<th>Type</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wakalah Fee*</td>
<td>25% of Takaful Contribution or RM12,655.25</td>
</tr>
<tr>
<td>Commission</td>
<td>10% of Takaful Contribution or RM5,062.10</td>
</tr>
<tr>
<td>Stamp Duty**</td>
<td>RM10.00</td>
</tr>
</tbody>
</table>

*The Wakalah fee is inclusive of the commission.
**Stamp Duty is applicable to Master Takaful Certificate only.

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 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.
- Assignment of Individual Certificate - As the Individual Certificate is issued under the Group Mortgage Takaful Scheme with the Grantee specified in the Master Certificate being named as the Participant, no assignments of Individual Certificates shall be allowed under this Master Certificate.
- Investment profit arising from PRIA, if any, shall be returned to the 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% Investment Performance Fee from the profit.
- Cooling-Off Period (Right of Cancellation) - Provided that a prior written notice is given by the Participant, within fifteen (15) days from the date of receipt of this Certificate, any Participant may return this Certificate to the Company and the Company shall cancel it immediately upon receipt of the document and refund the Takaful Contribution less any medical expenses incurred by the Company (if any). Once a Certificate is returned to the Company and cancelled by the Company, it shall be deemed not effective from the date of issuance.
- It is important for you to receive receipts and keep them as proof of payment of Takaful Contributions.
If you do not receive the Takaful Certificate after fourteen (14) days from the date of participation, please contact us.

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.

The Coverage Term and Financing Term are inclusive of Deferment Period, if any. Takaful IKHLAS will only be liable for any Death or Total and Permanent Disability claim occurring within the Coverage Term.

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

7) What are the major exclusions under the Certificate?

   a) Exclusion on Death

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

   b) Exclusion on Death and Permanent Disability (TPD)

   This Certificate shall not cover any disability caused directly or indirectly, proximately or remotely occasioned by or contributed or traceable to or arising out of or in connection with the following occurrences:

   i. self-inflicted injury or any attempt thereat while sane or insane; or

   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; or

   iii. entering, operating, servicing or descending from or with any aerial device or conveyance except while the Participant is in an aircraft operated by a commercial passenger airline on a regular scheduled passenger trip over its established passenger route; or

   iv. if the Participant is found to be infected by any Human Immunodeficiency Virus (HIV) or Acquired Immune Deficiency Syndrome (AIDS) or other sexually transmitted diseases; or

   v. if the Participant is under the influence of alcohol or drugs other than in accordance with the direction of a registered medical practitioner; or

   vi. if the Participant participates in a riot, or commits a criminal offence; or

   vii. if the Participant 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 there of, 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 Certificate for full list of exclusions under this Certificate.

8) Can I cancel my Certificate?

   If the Participant wish to cancel this certificate, a written notice, original Mortgage Group Takaful Certificate and proof of release claims from the Grantee shall be submitted to the Company. Balance in the PRIA including surplus (if any), less all related expenses will be payable to the Participant.
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, please refer to *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](http://www.insuranceinfo.com.my).

   If you have any enquiries, please contact us at:

   Putrajaya Branch,
   Takaful Ikhlas Berhad
   1st Floor, Blok Selatan,
   Perbendaharaan 2, Kompleks Kementerian Kewangan,
   No.7, Persiaran Perdana, Presint 2,
   Pusat Pentadbiran Kerajaan Persekutuan,
   62592 Putrajaya.

   Tel: +603 8890 3100
   Fax: +603 8890 5100
   Website: [www.takaful-ikhlas.com.my](http://www.takaful-ikhlas.com.my)
   E-mail: ikhlas care@takaful-ikhlas.com.my

11) **Other types of cover available?**

   *IKHLAS* Mortgage Reducing Term Takaful

**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.

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 disclosure sheet is valid as at *dd/mm/yyyy*.