

**PRODUCT DISCLOSURE SHEET**

(Read this Product Disclosure Sheet before you decide to participate in the “M-Edu Takaful”. Be sure to also read the general terms and conditions.)

**MANAGED BY: TAKAFUL IKHLAS FAMILY BERHAD**

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

**M-Edu Takaful**

Date: 11/09/2020

**1. What is this product about?**

This is an ordinary family takaful regular contribution plan that provides takaful protection for **[term]** years. The sum covered will be payable to the takaful participant if the person covered dies or suffers total and permanent disability (TPD) during the term of the certificate.

In the event the takaful participant opts to attach any optional riders to the basic takaful certificate, additional takaful contribution will be paid on top of the basic takaful contribution.

**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 all takaful participants in times of misfortune. The rates will be based on gender, attained age, occupational class rating and other factors. The tabarru' takes into effect when you contribute to 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?**

**Takaful Benefit and Sum Covered Offered As Per Below:**

Takaful Benefit	Sum Covered (RM)	Coverage Term	Description
Death benefit (All causes)	[BSC]	[Basic Term]	Basic sum covered will be payable to the takaful participant upon approval of death claim of the person covered.
TPD benefit	[BSC]	[Basic Term]	Total and Permanent Disability (TPD) sum covered will be payable to the takaful participant upon approval of TPD of the person covered. For more details about this coverage, please refer to <b>Appendix TPD</b> .

**Optional Riders**

Takaful Term for Payor (Level) Rider	[Term Rider for payor SC]	[Term Rider for payor Term]	The rider sum covered will be payable to the nominee upon approval of death claim of the takaful participant or payable to the takaful participant upon approval of TPD of the takaful participant. The rider sum covered is level throughout the takaful certificate term and will be payable on top of the basic sum covered. For more details about this rider, please refer to <b>Appendix TPD</b> .
Takaful Critical Illness Rider (Accelerated)	[Acc CI Rider SC]	[Acc CI Rider Term]	The rider sum covered will be payable to the takaful participant upon approval of critical illness of the person covered. Upon payment of accelerated rider sum covered, the basic sum covered will reduce accordingly. For more details about this rider, please refer to <b>Appendix Critical Illness</b> .
Takaful Critical Illness Rider (Additional)	[Add CI Rider SC]	[Add CI Rider Term]	The rider sum covered will be payable to the takaful participant upon approval of critical illness of the person covered. For more details about this rider, please refer to <b>Appendix Critical Illness</b> .
Takaful Payor Savings Rider	[Payor Rider SC] x remaining contribution term	[Payor Rider Term]	The future takaful contribution will be waived in the event of death, TPD and/or the takaful participant is diagnosed to have suffered from any of the covered critical illness. For more details about this rider, please refer to <b>Appendix Critical Illness</b> and <b>Appendix TPD</b> .
Takaful Hospital Income Rider	[HI Rider SC]	[HI Rider Term]	This rider provides daily hospital income when the person covered is hospitalised due to any causes. For more details about this rider, please refer to <b>Appendix Takaful Hospital Income Rider</b> .



Wakalah Fee for Rider: Takaful Term for Payor (Level) Rider

Years	1	2	3	4	5	6	7	8 & Above
Amount	WF Rider Amt 2	WF Rider Amt 2	WF Rider Amt 2	F Rider Amt	F Rider Amt	WF Rider Amt	WF Rider Amt	WF Rider Amt 2
% of annual takaful contribution	WF Rider 2	WF Rider 2	WF Rider 2	WF Rider 2	WF Rider 2	WF Rider 2	WF Rider 2	WF Rider 2

Wakalah Fee for Rider: Takaful Critical Illness Rider

Years	1	2	3	4	5	6	7	8 & Above
Amount	WF Rider Amt 3	WF Rider Amt 3	WF Rider Amt 3	F Rider Amt	F Rider Amt	WF Rider Amt	WF Rider Amt	WF Rider Amt 3
% of annual takaful contribution	WF Rider 3	WF Rider 3	WF Rider 3	WF Rider 3	WF Rider 3	WF Rider 3	WF Rider 3	WF Rider 3

Wakalah Fee for Rider: Takaful Hospital Income Rider

Years	1	2	3	4	5	6	7	8 & Above
Amount	WF Rider Amt 4	WF Rider Amt 4	WF Rider Amt 4	F Rider Amt	F Rider Amt	WF Rider Amt	WF Rider Amt	WF Rider Amt 4
% of annual takaful contribution	WF Rider 4	WF Rider 4	WF Rider 4	WF Rider 4	WF Rider 4	WF Rider 4	WF Rider 4	WF Rider 4

Wakalah Fee for Rider: Takaful Payor Savings Rider

Years	1	2	3	4	5	6	7	8 & Above
Amount	WF Rider Amt 5	WF Rider Amt 5	WF Rider Amt 5	F Rider Amt	F Rider Amt	WF Rider Amt	WF Rider Amt	WF Rider Amt 5
% of annual takaful contribution	WF Rider 5	WF Rider 5	WF Rider 5	WF Rider 5	WF Rider 5	WF Rider 5	WF Rider 5	WF Rider 5

- The wakalah fee is inclusive of commission and management expenses.
- 5.00% wakalah fee will be charged for every top-up.

b) Tabarru' Charges

Tabarru' charges are deducted monthly from the Personal Investment Account (PIA) and Participant Risk Investment Account (PRIA) to the risk fund. The tabarru' charges will increase as the person covered and/or takaful participant grow older. Details of the tabarru' charges and other charges are given in the benefit illustration. The tabarru' charges are NOT GUARANTEED and the company reserves the right to revise the tabarru' charges. The company shall give the takaful participant a thirty (30) days written notice in the event of such revision. The tabarru' charges 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 tabarru' charges rates may be reviewed under other justified circumstances.

c) Partial Withdrawal Fee\*

A partial withdrawal fee of RM50 will be imposed on each cash withdrawal transaction.

d) Surrender Fee\*

A surrender fee of RM50 will be deducted from PIA. If the amount of PIA at the time of surrender is less than RM50, the full amount will be taken as surrender fee and no amount is payable upon surrender.

e) Reinstatement Fee\*

RM15 will be charged for each reinstatement.

f) Stamp Duty

RM10 stamp duty is imposed for each takaful certificate.

g) Surplus Administration Charge

A Surplus Administration Charge (SAC) of up to fifty percent (50%) of the gross distributable surplus declared at the end of each financial year will be imposed.

h) Investment Performance Fee

An Investment Performance Fee (IPF) will be charged to any investment income arising from the PIA and PRIA. The IPF percentage is charged up to thirty percent (30%) of the investment income derived from the PIA and PRIA. The balance of investment income will be allocated to the PIA and PRIA, if applicable.

\* These fee may be revised in the future and will also be subjected to any taxes, levies or charges imposed by the relevant authorities in Malaysia.

**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 but not limited to your age, occupation and health condition correctly. This will enable your representative to advise on the appropriate product that serve your needs and circumstances.
- Cooling-off period – you may cancel your takaful certificate by returning the takaful certificate to the company within fifteen (15) days after the takaful certificate is delivered to you. The company shall refund the takaful contribution paid by you less any expenses incurred by the company for your medical examination and the takaful certificate will be cancelled.
- Grace period - a period of thirty-one (31) days from the takaful contribution's due date to pay for the next takaful contributions. During this period, the takaful certificate will remain in force.

- d) If we do not receive takaful contribution on the due date and provided the amount in the PIA and PRIA are sufficient, **the amount in the PIA and PRIA will continue to be deducted** for tabarru' charge until the amount in the PIA and PRIA is insufficient to pay for the charges. **In such event, your takaful certificate will lapse.** The chances of your takaful certificates lapse will increase if partial withdrawal was exercised before.
- e) It is a requirement that all withdrawal will be subject to sustainability test to ensure that the withdrawal is not detrimental to your future takaful benefits, and that the future takaful contributions in the PIA and PRIA are sufficient to cover tabarru' charges and any other charges throughout the term of your takaful certificate. The results of the sustainability tests will be disclosed and communicated to you to enable you made an informed decision on withdrawal.

Partial cash withdrawal from the balance in the PIA is allowed when the takaful certificate has reached the minimum term of five (5) years. For each takaful certificate, only five (5) withdrawals are allowed during the lifetime of the person covered where the minimum interval imposed is two (2) years between each withdrawal. The amount allowed being withdrawn is subjected to a maximum of fifty percent (50%) from the PIA at such time. Each transaction is subject to a partial withdrawal fee as stated under section 5.

- f) 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 of pre-existing conditions of the new takaful certificate.
- g) Notification of claim must be given to the company within thirty (30) days after occurrence of any claim. The company, upon receipt 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 thirty (30) days from the date of events

Note: This list is non-exhaustive. Please refer to the takaful certificate for the full list of the terms and conditions under this takaful certificate.

#### **7. What are the major exclusions under the takaful certificate?**

The death benefit shall not be payable should the person covered or takaful participant (if applicable) dies directly or indirectly as a result of committing suicide whether sane or insane within twelve (12) months from the takaful certificate date or reinstatement date, whichever is later.

In such event, the amount accumulated in the PIA and/or PRIA will be refunded.

The above exclusions are for death benefit only, please refer to Appendix TPD for exclusions applicable for TPD coverage .

#### **8. Can I cancel my takaful certificate?**

Participating in a regular takaful contribution plan is a long-term commitment and it is not advisable to hold the takaful certificate for a short period of time in view of the high initial costs. It may not be advantageous to cancel or surrender or replace an existing takaful certificate with a new one. You will lose all the benefits which you are entitled and the surrender value you will receive is less than the total takaful contribution you have paid.

If you find that this plan that you have chosen is no longer appropriate, yes you may surrender the takaful certificate by giving a written notice to us. The company shall refund the accumulated amount in the PIA and PRIA, if any, after deducting the surrender fee. The takaful certificate including all attaching riders to this basic plan (if any) will cease thereafter.

#### **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 (including that of the nominee) to ensure that all correspondences reach you and/or nominee in a timely manner.

#### **10. Where can I get further information?**

Should you require additional information about family takaful, please refer to the *insuranceinfo* booklet on 'Family Takaful'. You can obtain a copy from our takaful representative or visit [www.insuranceinfo.com.my](http://www.insuranceinfo.com.my).

If you have any enquiry, please contact us at :

##### **Takaful Ikhlas Family Berhad (Registration No. 200201025412)**

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

Tel: +603-2723 9696

Fax: +603-2723 9998

Website : [www.takaful-ikhlas.com.my](http://www.takaful-ikhlas.com.my)

E-mail: [ikhlascare@takaful-ikhlas.com.my](mailto:ikhlascare@takaful-ikhlas.com.my)

**11. Other types of similar takaful cover available.**

Please contact the nearest MBSB Bank branches for further information.

**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 YOUR REPRESENTATIVE OR CONTACT TAKAFUL IKHLAS FAMILY BERHAD 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 TAKAFUL CERTIFICATE, REFUSAL OR REDUCTION OF YOUR CLAIM(S), CHANGE OF THE TERMS OR TERMINATION OF YOUR TAKAFUL CERTIFICATE.**

**THE ABOVE DUTY OF DISCLOSURE IS REQUIRED UPON PROPOSAL STAGE OR ANY ENDORSEMENT.**

**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.**

## **Appendix TPD**

### **Coverage**

The TPD sum covered for basic plan, Takaful Term for Payor (Level) Rider (if applicable) and future contribution for Takaful Payor Savings Rider (if applicable) will be payable if the person covered or takaful participant suffers a TPD for at least six (6) consecutive months. The TPD sum covered/future contribution is payable from the risk fund. This benefit will be terminated upon approval date of TPD.

The maximum amount of TPD claim payable from risk fund for all takaful certificates written with the company on the life of the same person covered shall not exceed Ringgit Malaysia Two Million (RM2,000,000) for adult or Ringgit Malaysia Five Hundred Thousand (RM 500,000) for child age sixteen (16) and below.

If the person covered suffers TPD before age five (5), the TPD sum covered will be payable as per the following schedule:

<b>Age at TPD (Next Birthday)</b>	<b>Percentage of Benefit Payable</b>
1 Year	20%
2 Years	40%
3 Years	60%
4 Years	80%
5 Years and above	100%

### **Waiting Period**

Waiting period of six (6) months is applied to TPD claims. TPD benefit will not be payable if TPD is not continuous for six (6) consecutive months.

### **Exclusions on TPD**

The TPD benefit shall not be payable if TPD caused directly or indirectly by any of the followings:-

- i) Attempted suicide or a self-inflicted injury act by the person covered or takaful participant while sane or insane; or
- ii) Result of drug abuse or under influence of alcohol; or
- iii) Participation in any criminal act, riot, civil commotion, insurrection, war, (whether declared or not), revolution or any warlike operations, act of foreign enemies, any act of terrorism and chemical warfare; or
- iv) Engaging in professional sports, scuba diving, racing or any kind aerial flights other than as a crew member of or as a fare-paying passenger on a licensed passenger-carrying commercial aircraft operating on a regular scheduled route or any dangerous activities or sports (including bungee jumping, hang-gliding, ballooning, parachuting and sky-diving), unless we agree in special endorsement; or
- v) HIV or Acquired Immune Deficiency Syndrome (AIDS) and any AIDS related conditions.

## Appendix Critical Illness

### Coverage

Critical illness benefit for Takaful Critical Illness Rider (if applicable) and future contribution for Takaful Payor Savings Rider (if applicable) shall be payable if the person covered or takaful participant is diagnosed or undergoes any of critical illnesses defined in definition of critical illness, while this rider is in force, and survives for at least thirty (30) days from the date of the diagnosis or surgery. The rider sum covered/future contribution is payable from the risk fund. This benefit will be terminated upon payment of hundred percent (100%) of the rider sum covered.

The critical illness sum covered is payable in accordance to the following table:

Critical Illness (CI)	The CI Benefit Payable
<i>Angioplasty and other invasive treatments for coronary artery disease</i>	The amount payable is ten percent (10%) of the Takaful Critical Illness Rider sum covered or RM25,000, whichever is lower. Angioplasty and other invasive treatments for coronary artery disease is not covered under Takaful Payor Savings Rider.
Other 35 CI	The amount payable is hundred percent (100%) of Takaful Critical Illness Rider sum covered / future contribution or the balance, as the case may be.

The maximum amount of CI sum covered payable from all takaful certificates written with the company on the life of the same person covered shall not exceed Ringgit Malaysia One Million and Five Hundred Thousand (RM1,500,000) for adult or Ringgit Malaysia Five Hundred Thousand (RM 500,000) for child age sixteen (16) and below.

If the person covered is diagnosed with covered critical illness before age five (5), the Takaful Critical Illness Rider sum covered will be payable as per the following schedule:

Age at CI is Diagnosed (Next Birthday)	Percentage of Benefit Payable
1 Year	20%
2 Years	40%
3 Years	60%
4 Years	80%
5 Years	100%

### List of Covered CI

1 Stroke - resulting in permanent neurological deficit with persisting clinical symptoms	19 Major Organ/ Bone Marrow Transplant
2 Heart Attack - of specified severity	20 Loss of Speech
3 Kidney Failure – requiring dialysis or kidney transplant	21 Brain Surgery
4 Cancer – of specified severity and does not cover very early cancers	22 Heart Valve Surgery
5 Coronary Artery By-Pass Surgery	23 Loss of Independent Existence
6 Serious Coronary Artery Disease	24 Bacterial Meningitis – resulting in permanent inability to perform activities of daily living
7 Angioplasty and other invasive treatments for coronary artery disease	25 Major Head Trauma - resulting in permanent inability to perform activities of daily living
8 End-Stage Liver Failure	26 Chronic Aplastic Anemia - resulting in permanent bone marrow failure
9 Fulminant Viral Hepatitis	27 Motor Neuron Disease – permanent neurological deficit with persisting clinical symptoms
10 Coma – resulting in permanent neurological deficit with persisting clinical symptoms	28 Parkinson's Disease – resulting in permanent inability to perform activities of daily living
11 Benign Brain Tumor – of specified severity	29 Alzheimer's Disease/Severe Dementia
12 Paralysis of limbs	30 Muscular Dystrophy
13 Blindness – permanent and irreversible	31 Surgery to Aorta
14 Deafness – permanent and irreversible	32 Multiple Sclerosis
15 Third Degree Burns – of specified severity	33 Primary Pulmonary Arterial Hypertension – of specified severity
16 HIV Infection Due to Blood Transfusion	34 Medullary Cystic Disease
17 End-Stage Lung Disease	35 Cardiomyopathy – of specified severity
18 Encephalitis – resulting in permanent inability to perform activities of daily living	36 Systemic Lupus Erythematosus With Severe Kidney Complications



### **Waiting Period**

No CI benefit is payable if the following critical illnesses are existed or diagnosed within the waiting period which is the first sixty (60) days from the rider commencement date or reinstatement date, whichever is later:

- i) Angioplasty and other invasive treatments for coronary artery disease; or
- ii) Coronary Artery By-Pass Surgery; or
- iii) Cancer - of specified severity and does not cover very early cancers; or
- iv) Serious Coronary Artery Disease; or
- v) Heart Attack – of specified severity

Other than the above, thirty (30) days waiting period shall apply, except for accidental causes.

### **Major Exclusions on CI**

The CI benefit shall not be payable if critical illness caused directly or indirectly by any of the followings: -

- i) Caused by or consequent upon attempted suicide or wilful self-injury or indulgence in alcohol or narcotics or drugs or insanity or arising from venereal disease; or
- ii) Any breach of the law by the person covered or takaful participant or any assault provoked by him; or
- iii) Any pre-existing conditions arising prior to the rider commencement date or reinstatement date, whichever is later; or
- iv) If the disease is diagnosed within the waiting period except for accidental causes.

Note: This list is non-exhaustive. Please refer to the rider certificate for the full list of exclusions under this rider certificate.

### **Appendix Takaful Hospital Income Rider**

#### **Coverage**

In the event that the person covered is confined to a government or a licensed approved medical centre or a hospital approved by the company, the daily hospital benefits will be payable subject to the hospital day for which the hospital makes a daily room and board charge. This rider sum covered is payable from the risk fund. The payment is subject to the following maximum number of days:

- i) one hundred and eighty (180) days per event of hospitalisation; and
- ii) three hundred and sixty-five (365) days in aggregate arising from all causes of hospitalisation. This aggregate limit applies for the lifetime of the person covered and rider coverage will cease afterwards.

#### **Waiting Period**

No benefit is payable if the hospitalisation existed or diagnosed within the waiting period which is the first thirty (30) days from the rider commencement date or reinstatement date, whichever is later except for any injuries arising from an accident.

#### **Major Exclusions on Hospitalisation**

This rider benefit shall not be payable if the hospitalisation caused directly or indirectly by any of the followings:-

- i) Cause by or consequent upon attempted suicide or wilful self-injury or indulgence in alcohol or narcotics or drugs or insanity or arising from venereal disease; or
- ii) Disability arising prior to rider commencement date or reinstatement date; or
- iii) Any breach of the law by the person covered or any assault provoked by him; or
- iv) Any treatment or test in connection with AIDS or presence of any Human Immunodeficiency Virus infection and all sexually transmitted diseases; or
- v) Day care treatment, cosmetic or plastic surgery, dental care and treatment, gender transformation and exploratory or experimental surgery; or
- vi) Relating to pregnancy or childbirth; or
- vii) Tests or treatment related to infertility, contraception, sterilization, circumcision or any abortion performed due to psychological or social reasons, and consequence thereof; or
- viii) This rider shall not cover hospital confinements within waiting period except for accidental causes. Any hospitalisation outside of Malaysia shall not be covered under this rider takaful certificate.

Note: This list is non-exhaustive. Please refer to the rider certificate for the full list of exclusions under this rider certificate.