
TAKAFUL MORTGAGE (NON-PARTICIPATING POLICY) CERTIFICATE

WHEREAS the Certificate Holder (hereinafter called **'the Participant'**) described in the Schedule hereto (hereinafter called **'the Schedule'**) by a written Proposal and Declaration has applied to Insurans Islam TAIB Family Takaful Sdn. Bhd. (hereinafter called **'the Company'**) for the takaful coverage hereinafter mentioned for the Participant and has paid or agreed to pay the takaful contribution stated in the Schedule as consideration for the said takaful coverage.

NOW THIS CERTIFICATE WITNESSETH that if the takaful contribution stated in the Schedule is duly paid to the Company, then during the period of takaful as described in the Schedule:-

- (a) in the event of death of the Participant; and/or
 - (b) in the event that the Participant sustains Total Permanent Disability*,
- as a result of accident or disease or illness or unknown cause, then the Company will pay to the financier of the Participant stated in the Schedule (hereinafter called **'the Financier'**) the appropriate benefit(s) as specified in the Schedule which is based on the Table of Reducing Sum Covered for the purpose of settling the amount still owing to the Financier under the financing provided by the Financier stated in the Schedule (hereinafter called **'the Facility'**) subject to the terms, limitations, exclusions and conditions contained in this Certificate, Schedule and any endorsements to this Certificate (hereinafter collectively referred to as **'the Terms of this Certificate'**).

* *This contract of takaful does not provide takaful coverage for Total Permanent Disability sustained by the Participant unless it is specifically mentioned in the Schedule.*

The following shall make up the whole of this contract of takaful:-

- (a) this Certificate together with the Schedule;
- (b) the written Proposal and Declaration and any other statements in writing relating to this takaful coverage given by the Participant and/or the Financier at the time of the Participant's application for this takaful coverage (which form the basis of this contract);
- (c) any subsequent written notice given by the Company to the Participant and/or the Financier.

TERMS AND CONDITIONS

1. THE CONTRACT

This Certificate, the Schedule and any endorsement to this Certificate shall be read together as one contract and any word or expression to which specific meaning has been attached to any part of this Certificate or the Schedule or any endorsement to this Certificate shall bear such specific meaning wherever it may appear.

2. CONDITION PRECEDENT TO LIABILITY

The due observance and fulfillment of the Terms of this Certificate by the Participant and the truth of the statements and answers in the Proposal and Declaration shall be conditions precedent to any liability of the Company to make any payment under this Certificate.

3. THE PARTICIPANT

During the period of takaful, the Participant must be between 18 and 70 years of age (at the next birthday).

4. THE BENEFIT

The benefit payable by the Company under this contract of takaful is based on the Table of Reducing Sum Covered for the purpose of settling the amount still owing to the Financier under the Facility at the time of the Participant's death or when the Participant sustains Total Permanent Disability Provided That:-

- (a) the Company shall not be liable to pay for any overdue amount owing to the Financier; and
- (b) this contract of takaful does not provide takaful coverage for Total Permanent Disability sustained by the Participant unless it is specifically mentioned in the Schedule.

5. PERIOD OF TAKAFUL

The period of takaful is equivalent to the period of financing by the Financier under the Facility Provided That in the event the period of financing is increased after the commencement date of this takaful coverage, the Company shall not be liable to pay any benefit under this contract of takaful and this contract of takaful shall automatically be terminated.

6. TERRITORIAL LIMIT

This takaful coverage is a worldwide coverage.

7. RECORDS AND REPORTS

The Participant shall keep a record of the essential particulars of this takaful plan. The Participant shall immediately furnish to the Company such information concerning or relating to him / her and/or the Facility as may be reasonably required for the purpose of administering this takaful plan. The Participant shall allow the Company to inspect such records at any reasonable time.

8. NON DISCLOSURE OF FACTS

This Certificate shall become void and the Company shall not be liable to pay the takaful benefit under this contract of takaful in the event of misrepresentation, misdescription or non-disclosure of fact(s) by the Participant.

9. EVIDENCE OF AGE

The Company reserves the right at any time to require that the age of the Participant under this contract of takaful be proven to its satisfaction.

The proof of age is required before the Company pays any benefit under this contract of takaful.

10. PAYMENT OF TAKAFUL CONTRIBUTION

The takaful contribution payable by the Participant shall be paid in one lump sum and shall be credited into the Participants' Special Accounts of the Family Takaful Fund below mentioned.

11. PAYMENT OF BENEFITS

(a) The Company shall only pay the benefits payable under this Certificate upon satisfactory proof that such benefits are payable.

(b) Unless otherwise agreed in writing by the Company, all takaful benefits payable by the Company under this contract of takaful shall be made payable to the Financier.

12. ALTERATION OF CERTIFICATE

This Certificate may, at any time, be amended and changed upon written request being made by the Participant and agreed to by the Company but any amendment shall be without prejudice to any claim arising prior to the date of the change and subject to such terms and provisions the Company may imposed.

No change in this Certificate shall be valid unless evidenced by endorsement signed by an authorised officer of the Company.

13. SURRENDER

Upon the receipt by the Company of a written notification from the Financier on the early settlement of the Facility, this Certificate / contract of takaful shall be terminated automatically Provided That such notification is duly signed by an authorized officer of the Financier.

The Participant may terminate / cancel this Certificate / contract of takaful by giving a written notice to the Company together with a written notification from the Financier duly signed by an authorized officer of the Financier supporting such termination or cancellation.

For the avoidance of doubt, the Participant shall not be entitled to receive any surrender benefit or any kind of benefit.

14. NON ASSIGNMENT

This Certificate and the benefits under this Certificate is not assignable by the Participant.

15. MISSTATEMENT OF AGE

If, at the correct age, the Participant would not have been eligible for coverage under this Certificate, no benefit will be payable.

If the Participant shall be found to be older than as stated in the Proposal and Declaration Form, this Certificate shall not be void on that account if the Participant is still within the age stated in Clause 3 above but any claim payable under this Certificate shall be pro-rated based on the ratio of the actual takaful contribution paid to the takaful contribution that should have been charged.

16. PREVENTION OF ACCIDENT, DISEASE AND ILLNESS

The Participant shall take all reasonable precautions to safeguard himself / herself against accidents, diseases and illnesses and shall comply with all statutory obligations.

17. ARBITRATION

All differences arising out of this Certificate shall be referred to the decision of an Arbitrator to be appointed in writing by the parties in difference or if they cannot agree upon a single Arbitrator to the decision of two (2) Arbitrators one to be appointed in writing by each of the parties within one (1) calendar month after having been required in writing to do so by either of the parties and in case the Arbitrators do not agree to the decision of an Umpire appointed in writing by the Arbitrators before entering on the reference. The Umpire shall sit with the Arbitrators and preside at their meetings and the making of an Award shall be a condition precedent to any right of action against the Company.

If the Company offers an amount in settlement or disclaims liability for any claim hereunder, and such claim is not within twelve (12) calendar months from the date of such an offer or disclaimer referred to arbitration under the provisions herein contained, then the claim shall for all purposes be deemed to be abandoned and the Company shall have no liability in respect of it.

18. JURISDICTION

The Company shall not be liable under this contract of takaful in respect of judgments that are not in the first instance delivered by or obtained from a Court of competent jurisdiction within Brunei Darussalam.

19. **TABARRU' (DONATION)**

The takaful contributions payable by the Participant under this contract of takaful shall be regarded as tabarru' (donation) and is for the purpose of solidarity, brotherhood and co-operation among participants and for assisting the Participant in the event of mishaps or untimely death of the Participant subject to the terms and conditions set by the Company.

The takaful contributions received from the Participant under this contract of takaful shall be placed into the relevant Participants' Special Account of Family Takaful Fund ('the Fund') and that the Fund shall be managed by the Company.

The Company shall be entitled to do the following:-

- (a) invest all the money in the Fund or any part thereof as it deems fit at its absolute discretion in accordance with the Syariah principles;
- (b) pay all benefits and approved claims under this contract of takaful out of the Fund;
- (c) pay all expenses incurred by the Company in investing the Fund (including but not limited to all costs and expenses incurred for the retakaful of the takaful coverage under the contract of takaful) out of the Fund; and
- (d) pay all expenses that are necessary to manage the Fund (including but not limited to all costs and expenses incurred by the Company in managing the investment of the Fund or any part thereof) out of the Fund.

Any net profit made from the Fund shall also be regarded as tabarru' (donation) and shall be credited into the said Participants' Special Accounts.

The takaful benefits shall be paid from the said Participants' Special Accounts.

In this contract of takaful, the Participant shall **not be entitled** to any surrender benefits or any kind of benefits on early termination / cancellation / surrender of this takaful coverage.

20. **DISTRIBUTION OF NET SURPLUS**

If at the maturity period of takaful stated in the Schedule there is a net underwriting surplus in the fund include the profit from the investment of the fund, the said surplus shall be shared between the Participant Fund and the Company in accordance with the principle of Al-Mudharabah in the proportion of 99% to the Company and 1% to the Participant Fund. The participant profit (Mudharabah) shall be distributed to the participants (after the allocation of deficit reserve and equalization reserve based on the actuarial valuation) provided always that no claim under this contract of takaful by the participant and/or the Wasi of the Participant and/or the person covered has been made and/or no benefits under this contract of takaful has been revised by the participant and or the person covered and/or his/her their respective Wasi.

21. NOTICE

Any notice or communication between the parties shall be in writing.

Any notice required to be served to the Participant shall be deemed to be sufficiently served if the same is delivered personally to the address of the Participant at his/her last known address in Brunei Darussalam or if by post then by prepaid registered letter addressed to the Participant at his/her last known address in Brunei Darussalam and such notice shall be deemed to have been served in the normal course of post.

Any notice required to be served to the Company shall be delivered personally by hand or by registered post to its Head Office address as stated herein or at such other address as the Company shall notify the Participant in writing from time to time.

22. GOVERNING LAW

This contract of takaful is governed by the laws of Brunei Darussalam.

23. LANGUAGE VERSION

In the event of any discrepancy between the English and Bahasa Melayu versions of this contract of takaful, the English version shall be definitive for all purposes of this contract of takaful.

GENERAL EXCLUSIONS

The Company shall not be liable to the Participant under this contract of takaful for claims arising either directly or indirectly as a result of:-

1. War, invasion, act of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, riot, civil commotions assuming the proportions of or amounting to an uprising, military uprising, insurrection, rebellion, revolution, military or usurped power.
2. Any act of any person acting on behalf of or in connection with any organization actively directed towards the overthrow by force of any Government or to the influencing of it by terrorism or violence.
3. Nuclear fission, nuclear fusion, nuclear weapons material, ionizing, radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of the exclusion combustion shall include any self-sustaining process of nuclear fission.
4. Any breach of the law by the Participant or any assault provoked by him / her.

5. Suicide, attempted suicide or self-inflicted injuries by the Participant whilst sane or insane.
6. Acquired Immuno-Deficiency Syndrome (AIDS) or Human Immunodeficiency Virus (HIV) or any HIV related illness including AIDS Related Complex (ARC) and/or any mutant derivative or variations howsoever this syndrome has been acquired or may be named.
7. Any unlawful act(s) and other causes prohibited by the law and/or the Syariah.
8. Terrorism and Sabotage.
9. Any pandemic and related causes.
10. Participation in or training for any dangerous or hazardous sport or competition, hobbies or activities (such as racing, glider flying, hunting and other comparably dangerous and risky activities) or riding or driving in any form of race or competition.
11. Under the influence of alcohol, misuse of drugs and/or hallucinogenic substances.

COVERAGE

1. **DEFINITION**
Death, as used in the Clause, shall mean die, whether caused by accident or illness or disease or unknown cause.
2. **AMOUNT OF BENEFITS AND PAYMENT OF CLAIMS**
The amount payable in respect of all claims made for Death of the Participant shall be based on the Table of Reducing Sum Covered the amount still owing to the Financier under the financing provided by the Financier stated in the Schedule.

ENDORSEMENT

The following endorsement only apply to this Certificate when specifically mentioned in the Schedule and are subject otherwise to the Terms of this Certificate.

E1. TOTAL PERMANENT DISABILITY

1. **DEFINITION**
Total Permanent Disability shall mean disability, whether caused by bodily injury or disease or illness, which wholly prevents the Participant from engaging in any business or occupation or performing any work for compensation or profit, and the disability must continue uninterruptedly for a period of at least six (6) months.

The loss of both arms or both legs or of one arm and one leg or both eyes shall be considered Total Permanent Disability, without prejudice to other causes of Total Permanent Disability. Loss shall mean with regard to arms and legs, dismemberment by physical separation at or above the wrist and ankle; with regard to eyes, total and irrevocable loss of sight.

The word “disability” whenever it hereafter appears, means Total Permanent Disability as above defined and limited.

2. ADDITIONAL EXCLUSIONS

In addition to the General Exclusions mentioned above, the Company shall not be liable to the Participant if Total Permanent Disability occurred either directly or indirectly from any of the following causes:-

- (a) Aviation, gliding or any other form of aerial flight other than as a fare paying passenger of a recognized airline or charter service.
- (b) Injury caused by nuclear fission, nuclear fusion, nuclear weapons material or radioactive contamination.
- (c) Cosmetic or plastic surgery, any dental work, treatment or surgery, eye or ear examination, except to the extent that any of them is necessary for the repair or alleviation of damage to the Participant caused solely by accident.

3. AMOUNT OF BENEFITS & PAYMENT OF CLAIMS

Subject to the other provisions of this Certificate, the Company will pay the benefits for Total Permanent Disability after the Company is satisfied with proof that the Participant has suffered / incurred Total Permanent Disability during the period of takaful.

This takaful coverage shall terminate in the event of a valid claim made for the benefit for death of the Participant or for the benefit payable under Total Permanent Disability, whichever occurs earlier.

4. NOTICE AND PROOF OF CLAIM

The Participant and/or his / her representatives must within ninety (90) days from the date of the occurrence of the disability give to the Company a written notice of the injury or sickness or condition upon which a claim may be based. The written notice must state the particulars of the Participant and the circumstances of the injury, disease and/or illness (as the case may be).

Failure to furnish the aforesaid written notice within the aforesaid period shall not invalidate any claims if it is shown not to have been reasonably possible to furnish such notice and that such notice was furnished as soon as was reasonably possible.

Provided Always That where the Participant suffers / suffered Total Permanent Disability as defined in this contract of takaful, affirmative proof / evidence must be submitted to the Company within nine (9) months from the date of occurrence of the disability. The Company shall not be liable to make any payment of benefits if affirmative proof / evidence is not submitted within the said period.

All documents, information and evidence required by the Company shall be furnished at the expenses of the Company and shall be in such form and of such nature as the Company may prescribe.

Before the Company makes any payment of the benefit under this contract of takaful, the Company shall have the right and opportunity through its medical representatives to examine the Participant when and as often as it may reasonable require during the course of a claim hereunder.

CLAIMS

1. NOTICE OF CLAIM

In the event of death of the Participant, the representative of the Participant or the claimant must within ninety (90) days from the date of occurrence of the death give a written notice to the Company.

The aforesaid written notice to the Company must state:-

- (a) the particulars of the Participant; and
- (b) the circumstances of the death, injury, disease and/or illness (as the case may be).

Failure to furnish the aforesaid written notice within the aforesaid period shall not invalidate any claims if it is shown not to have been reasonably possible to furnish such notice and that such notice was furnished as soon as reasonably possible.

2. EXAMINATION

Before the Company makes any payment of the benefit(s) under this contract of takaful, the Company shall have the right and opportunity through its medical representatives to examine the Participant when and as often as it may reasonably require during the course of a claim hereunder and, in case of death, to investigate the circumstances of death.

3. **PROOF OF CLAIM**

In the event of an occurrence upon which a claim under this Certificate or contract of takaful may be based, the Participant and/or his / her representatives must provide to the Company in writing such detailed particulars and evidence as may be reasonably required by the Company including but not limited to all reports, certificates and information relating to the accident, injury, disease and/or illness (as the case may be).

4. **PAYMENT OF CLAIM**

Unless otherwise agreed by the Company, any payments under this Certificate shall be payable to the Financier or to such person(s) as agreed by the Company in writing, and the Financier (or the recipient(s) of such payments, as the case may be) shall be liable for any estate duty which may become payable in respect thereof.

Any receipt or discharge which the Financier (or the Participant or the aforesaid recipient, as the case may be) may give to the Company for any benefit under this Certificate shall be deemed a final and complete discharge of all liability of the Company.

5. **OTHER TAKAFUL**

If at the time any claim arises under this Certificate and should there be any other subsisting takaful whether effected by the Participant or by any other person(s) covering the same loss, damage or liability, the Company shall not be liable to pay or contribute more than its rateable proportion of any claim for such loss, damage or liability.

6. **RESTRICTIONS**

If no notice of claim is received by the Company during the period of takaful, then the Company shall not be liable to indemnify, pay or compensate the Participant under this contract of takaful for any claim whatsoever.

7. **FRAUDULENT CLAIMS**

If the Participant or any person acting on his / her behalf makes any claim under this contract of takaful knowing the claim to be fraudulent or exaggerated or make false declaration in support of any claim, then this contract of takaful shall become void and all benefits shall be forfeited. The Company reserves the right to take legal action against the Participant in such event, and there shall not be a refund of the takaful contribution.

8. **LEGAL PROCEEDINGS**

No action at law or in equity shall be brought to recover under this contract of takaful prior to the expiration of one (1) year from the date of commencement of occurrence.

CLAIMS CONTACT DETAILS

Please contact:

**Claims Division
Insurans Islam TAIB Family Takaful Sdn Bhd
Head Office, Unit 6 , Block A
Bangunan Setia Kenangan II,
Kiulap BE1518
Negara Brunei Darussalam**

Telephone No: 2223006 Ext 101/109