

# Product Disclosure Sheet

## DETERIORATION OF STOCK TAKAFUL SCHEME



Insurans Islam TAIB  
General Takaful Sdn Bhd  
Unit 5, 6 & 7, Ground Floor  
Bangunan Suria, Kiulap  
Bandar Seri Begawan BE1518  
P. O. Box 2526  
BSB General Post Office  
Bandar Seri Begawan BS8675  
Negara Brunei Darussalam  
☎ 222-3004

### Important Note

Read this Product Disclosure Sheet before you decide to take up the Product. Be sure to also read the general terms and conditions. Seek clarification from us if you do not understand any part of this document or general terms.

For the purposes of this Product Disclosure Sheet:

Insurans Islam TAIB General Takaful Sdn Bhd shall be referred to as "IITGT" or "Us".

"Participant" shall be referred to as "the participant" or "You".

### 1. What is this Scheme about?

Deterioration of Stock Takaful Scheme (this "Scheme") provides coverage for the individuals or company/business owners against damage to stock of perishable cold goods stored in a cold storage machine which is indemnifiable under the Machinery All Risk Takaful Scheme.

### 2. What are the Syariah concepts applicable?

This product applies the Syariah concepts of *Tabarru'* and *Wakalah*.

*Tabarru'* is an agreement by a participant to relinquish as donation, a sum of contribution that he or she agrees to pay into a Takaful fund. Participants give sixty-five per cent (65%) of their contributions as *Tabarru'* with the purpose of providing mutual indemnity to Takaful participants, where the *Tabarru'* acts as mutual assistance and a joint guarantee in the event any fellow participants suffer from a defined loss.

*Wakalah* refers to a contract in which a party as principal (Muwakkil) authorizes another party as his agent (Wakil) to perform a particular task, in matters that may be delegated, either voluntary or with imposition of a fee. The participant will make contribution to the Takaful fund as *Tabarru'*. Subsequently, all the participants in a group will appoint or authorize the IITGT as their agent (Wakil) to manage the Takaful fund for the purpose of executing Takaful activities such as underwriting, risk management and claim management. In this *Wakalah* arrangement, IITGT will charge a fee of thirty-five per cent (35%) from the contribution that has been determined and agreed upon in the proposal form. *Wakalah* fee will not be returned to the participant upon cancellation or surrender.

### 3. What are the coverage provided?

This Scheme provides coverage for the stocks of perishable cold goods from losses caused by unforeseen and sudden physical loss.

Below are the examples of stocks that can be covered but not limited to:

Type of stocks	Example
Food Stock	Fruits, vegetables, dairy products, meats and any frozen food.
Pharmaceutical	Medicine, vaccines, and other pharmaceutical products.
Biomedical Supplies	Items such as blood, tissue samples, and other medical supplies that require cold storage conditions.
Agriculture	Crops, seeds, and other agricultural products that require refrigeration equipment.

### 4. Who can participate?

Any individual or company/business owner who has stocks of perishable cold goods stored in cold storage machines can participate in this Scheme.

#### Note:

Participants must have an active Machinery All Risk Insurance/Takaful policy to participate in this Scheme.

### 5. What are the exclusions under this Scheme?

This Scheme does not cover certain losses, such as:

- Any loss due to shrinkage, inherent defects or diseases, natural deterioration, putrefaction.
- Any loss arising from improper storage, damage to packing material, insufficient circulation of air, non-uniformity of temperature.
- Any loss caused by temporary repair of the refrigeration machinery carried out by other Insurance/Takaful company without IITGT's knowledge.
- Consequential loss, penalties for delay.
- War, nuclear radioactive contamination, wilful act and negligence.
- Fire, direct lightning, chemical explosion, aircraft damage, theft, collapse of buildings, flood or other natural catastrophes.
- Terrorism.

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

### 6. What is the period of Takaful for this Scheme?

Duration of cover is for one (1) year. You need to renew your Certificate annually.

## 7. How much contribution do I have to pay?

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The contribution You have to pay may vary depending on various factors such as sum covered, risk factors and IITGT's underwriting requirements such as:

- Value of the stock being covered;
- Nature of business;
- The potential risks factors;
- The financial capacity of the covered business.

Subject to minimum contribution of B\$50.00.

## 8. What are the fees and charges that I have to pay?

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### In addition to contribution amount

Stamp Duty B\$0.10.

## 9. What are some of the important notes that I should know?

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### Your duty to tell Us

The Takaful coverage under your Certificate is based on the information You have given to Us. Before You enter into a Takaful contract, You have a duty to tell Us fully and faithfully anything that You know, or could reasonably be expected to know, that may affect our decision to cover You and on what terms. Otherwise, You may receive no benefit from your Certificate.

### Takaful Contribution Warranty

You have to pay the full Takaful contribution to Us or our wakil within thirty (30) calendar days from the inception date of your Certificate. Your Certificate will be automatically cancelled if we or our wakil do not receive the contribution at the end of thirty (30) calendar days of the Takaful contribution warranty period.

### Sum Covered

It shall be a requirement of this Certificate that the sum covered is equal to the estimated maximum selling price obtainable for the stored goods during the period of this Certificate, such maximum selling price being indicated in the Schedule submitted by the Participant prior to the commencement of Takaful. The Participant shall be obliged to furnish IITGT not later than ten (10) calendar days after the closing of each month either with copies of the aforesaid stock book or with a duly completed declaration showing the average quantity and value per day of the goods stored during the preceding month (monthly declaration).

The monthly declaration shall be based on the selling price obtainable for the goods. Stock book copies and monthly declarations shall be regarded as forming an integral part of this Certificate.

The sum covered shall be reduced by any indemnity paid under this Certificate for the remaining Certificate period unless it has been reinstated by payment of an additional Takaful contribution on a pro-rata basis. This additional Takaful contribution shall not be taken into account in the final adjustment of Takaful contribution.

### Deductible

It is an amount you have to pay towards the cost of your claims. Deductible is stated in the Schedule and the Certificate.

### Distribution of Surplus

The surplus will be determined at the end of financial period and the surplus (if any) from the Takaful fund will be allocated to Participants' Fund and IITGT with the proportion of seventy per cent (70%) to the Participants' Fund and thirty per cent (30%) to IITGT. The surplus in the Participants' Fund will then be declared and distributed to the eligible participants. Based on *Ju'alah* concept, IITGT is entitled for the surplus distribution from the Takaful fund as a fee for the good performance of IITGT in managing the Takaful fund.

If You have incurred claims or received benefit, your portion of surplus will not be distributed back to You and shall be credited back as *Tabarru'* to the Takaful fund.

If You surrender your Certificate before financial year end, You are entitled for the surplus. The surplus will be calculated based on your contribution and participation period in the Takaful fund.

### Treatment of Small Payment Amount

For any amount due and payable to You from surplus/refund that is B\$5.00 and below, IITGT will donate this amount to charity which will be utilized as '*amal jariah*' on your behalf.

### Contribution Condition

If at the time any claim arises under the Certificate there is any other insurance/Takaful covering the same loss, damage or liability, we shall not be liable to pay or contribute more than its rateable proportion of any claim for such loss, damage or liability.

### Claims Requirement

In the event of any loss or damage, You are required to:

- Inform IITGT within fourteen (14) calendar days, giving an indication as to the nature and extent of the loss or damage.
- Take all steps to minimize the extent of the loss or damage.
- Preserve the parts affected and make them available for inspection by a representative or surveyor of IITGT.
- Furnish all information and documentary evidence as IITGT may require.
- Inform the police immediately (not more than 24 hours) in case of loss or damage known due to burglary.

## **10. What do I need to do if there are changes to my details?**

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It is important that You inform Us of any changes in your details to ensure that all correspondences reach You in a timely manner.

## **11. What happens in the event of cancellation**

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You may cancel your Certificate at any time by giving written notice to Us. Upon cancellation, You are entitled to a pro-rate refund of the contribution provided that You have not made any claims. In the event of Certificate cancellation, the *Wakalah* fee will not be returned to You.

We will not refund anything if there is any benefit payable under your Certificate or if the total refund of the net Takaful contribution (after the *Wakalah* fee) is less than B\$5.00.

## **12. What is a notice of expiry?**

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You will receive a notice of expiry two (2) months before the expiry date of the Certificate. The notice will be sent via postal service and email.

## **13. What happens in the event that a Takaful agent ceases to operate?**

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This will not affect You and we will assume responsibility in enforcing your Takaful Scheme.

## **14. What are the documents that I need to submit to apply for this Scheme?**

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If You are interested to apply for this Scheme, You only need to provide the following documentation:

For new participant:

- Completed Proposal Form.
- Copy of Company Business Registration (Section 16 and 17 – for Sole Proprietor and Partnership).
- Certificate of Incorporation and Form X – for limited companies.
- Copy of previous Deterioration of Stock Takaful Certificate/Insurance Policy (if any).

For renewal participant:

- Completed Renewal Proposal Form.
- Copy of previous Deterioration of Stock Takaful Certificate.

## **15. Where can I get assistance and redress?**

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If You have any queries, You must contact Us as soon as possible. You may contact Us at:

**Insurans Islam TAIB General Takaful Sdn Bhd**  
Unit 5, 6 & 7,  
Bangunan Suria, Kiulap  
Bandar Seri Begawan BE1518  
Negara Brunei Darussalam  
Tel: 222-3004  
E-mail: [enquiries@insuranstaib.com.bn](mailto:enquiries@insuranstaib.com.bn)

If your query or complaint is not satisfactorily resolved by Us, You may contact Financial Consumer Issues, Brunei Darussalam Central Bank via e-mail at [fci@bdcdb.gov.bn](mailto:fci@bdcdb.gov.bn) or visit their address as follows:

**Financial Consumer Issues**  
**Brunei Darussalam Central Bank**  
Level 7, Ministry of Finance and Economy Building  
Commonwealth Drive  
Brunei Darussalam  
Tel: 238-0007

**16. Where can I get further information?**

If You require further information or need assistance on Deterioration of Stock Takaful Scheme. You may contact Us at 222-3004 or visit our website at [www.insuranstaib.com.bn](http://www.insuranstaib.com.bn).

**IMPORTANT NOTE:**

**Deterioration of Stock Takaful Scheme**

YOU SHOULD ENSURE THAT YOUR PROPERTY IS INSURED AT THE APPROPRIATE AMOUNT. YOU SHOULD READ AND UNDERSTAND THE TAKAFUL CERTIFICATE AND DISCUSS WITH THE AGENT OR CONTACT US DIRECTLY FOR MORE INFORMATION.

The terms and conditions indicated in this Product Disclosure Sheet are indicative and not binding on IITGT. The final terms and conditions are stipulated in the Certificate after IITGT's assessment.

I/We hereby confirm having explained the Product Disclosure Sheet (PDS) to the Participant in their preferred language English/Malay.

Signature:

Name:  
I.C. No:  
Date:

I/We hereby received and understand the explanation of the Product Disclosure Sheet (PDS) given in my preferred language in English/Malay.

Signature:

Name:  
I.C. No:  
Date: