



# INSURANS ISLAM TAIB FAMILY TAKAFUL

## AR-RIZQ MAX TAKAFUL PLAN

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**WHEREAS** the person whose name is listed on the Schedule attached (hereinafter referred to as “Schedule”) as the Certificate Holder (hereinafter referred to as “the Participant”) by a written Proposal and Declaration has applied to Insurans Islam TAIB Family Takaful Sendirian Berhad (hereinafter referred to as “the Company”) in accordance with the terms and conditions set forth herein and has agreed that the written Proposal and Declaration is the basis of this Certificate.

**NOW THIS CERTIFICATE WITNESSETH** that if the Takaful contributions stated in the Schedule are duly paid to the Company, the Company will, with satisfactory evidence in consideration of the below:

- I. Any incident upon which the Takaful benefits will be payable;
- II. The right(s) of a person(s) demanding any payment; and
- III. Participant’s date of birth, as stated in the Schedule, if such date has not been previously confirmed, pay the Takaful benefits (including any profit that may be due). It is hereby declared that the terms and conditions contained in this Certificate and any endorsement to this Certificate or Schedule made by the Company shall be deemed to be part of this Certificate.

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

- I. This Certificate together with the Schedule and any endorsements;
- II. The written Proposal and Declaration and any other statements in writing relating to this Takaful coverage given by the Participant at the time of the Participant’s application for this Takaful coverage (which form the basis of this contract); and
- III. Any subsequent written notices given by the Company to the Participant.

### SECTION 1 – DEFINITIONS

#### **DEFINITION:**

Unless otherwise required by the context, the following definitions shall apply:-

#### **1. Accident**

Means bodily injury caused solely by violent, accidental, external and visible means and not by sickness, disease or gradual physical or mental process.

#### **2. Certificate Wording**

Means the entire Certificate comprising of the basic contract, the proposal, personal statements and any declarations made by the Participant and all Supplementary Contracts and endorsements incorporated in the Schedule or endorsed thereon and all written amendments made by the Company.

#### **3. Commencement Date (Start Date)**

Means the date of commencement of cover as shown on the Schedule or Endorsement.

#### **4. Contribution**

Means the amount of Takaful contribution money approved by the Company for the Participant’s contribution in the Takaful Plan.

#### **5. Date of Maturity**

Means the date when the Certificate expires.

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### 6. Hospital

Means any lawfully operating institution, which has twenty-four (24) hours a day nursing services by registered nurses, one or more physicians available at all times and organized facilities for diagnosis and major surgery and shall not primarily be a clinic, a place for alcoholics or drug addicts, a nursing, rest for convalescent home or home for the aged or similar establishment.

### 7. Illness

Means sickness or disease contracted and/or commencing after thirty (30) days following the effective date or date of endorsement, whichever is later.

### 8. Injury

Means bodily injury affected directly and independently of all other causes by accident of which, except in the case of drowning or of internal injury revealed by autopsy, and there is evidence of a visible contusion or wound on the exterior of the body.

### 9. Participant

Means the -Certificate Holder and Payor who participates under this Takaful plan aged from eighteen (18) years old to sixty-eight (68) years old (at the next birthday) and is a Brunei Citizen or Permanent Resident of Brunei Darussalam.

### 10. Participant's Investment Account (PIA) or Participant's Investment Fund (PIF)

Means the account or fund where a portion of the takaful contribution is allocated for the purpose of savings and investment.

### 11. Participant's Risk Fund (PRF)

Means the fund where a portion of the Takaful contribution is allocated for the purpose of *Tabarru'*.

### 12. Period of Takaful

Means the period of Takaful specified in the Schedule, and includes any extensions thereof as may be granted by the Company at its sole discretion.

### 13. Physician

Means a qualified and registered medical practitioner licensed under any applicable laws and acting within the scope of his / her licensing and training. The attending Physician shall not be the Participant or Participant's business partner, employer, employee, agent, or person who is related to the Participant in any way.

### 14. Pre-Existing

Means any injury, disease, illness, condition or symptom:-

- (a) for which treatment or medication or advice or diagnosis has been sought or received or was foreseeable prior to the commencement of this Takaful coverage; or
- (b) which presented signs or symptoms of which the Participant was aware or should reasonably have been aware or which originated or existed prior to the commencement of this Takaful coverage.

The Participant is/are considered to have reasonable knowledge of a Pre-existing illness where:-

- (a) A Participant had received or is receiving treatment;
- (b) Medical advice, diagnosis, care or treatment has been recommended;
- (c) Clear and distinct symptoms are or were evident; or
- (d) Its existence would have been apparent to a reasonable person in the circumstances.

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Notwithstanding anything herein contained to the contrary, if the Participant dies as a result of Pre-existing illness, then:

(a) if death occurs during the deferment period of this Takaful coverage (that is, ninety (90) days from the commencement of this Takaful coverage), the Company shall not be liable to pay any amount of benefits;

(b) if death occurs after the said deferment period, the Company shall pay the amount of benefits specified in the Schedule subject to the Terms in this Certificate and this Clause and upon satisfactory proof.

### 15. Schedule

Means the Schedule to this Certificate and the information that contains the details of Participant, Basic and Supplementary Benefits if any, Contributions, and the Period of Takaful.

### 16. Sum Covered

Means the maximum amount of benefit payable by the Company.

### 17. *Tabarru'*

Means a commitment to donate into a pool or a fund for the purpose of mutual indemnity by all Participants.

### 18. *Wakalah*

Means a contract whereby the Participant appoints the Company as agent (*Wakil*) to administer, manage, invest and distribute the Takaful fund/Participant's Risk Fund in the event of claim and the Participant agrees to pay *Wakalah* Fee for the aforementioned services.

### 20. *Mudharabah*

Means a form of partnership contract, in which the Company provides its skills and work (*Mudharib*) and the Participant (*Rabbul Mal*) provides capital. Profit generated by the venture managed by the *Mudharib* should be shared in accordance to a mutually agreed profit sharing ratio. Any losses from the venture should be borne solely by the *Rabbul Mal* unless the losses are due to the *Mudharib's* misconduct, negligence or breach of contractual terms, upon which the loss should be borne by the *Mudharib*.

## SECTION 2 – 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 BENEFITS

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The maximum limits of benefits payable by the Company for each claim and in the aggregate for one period of Takaful are as stated in the Schedule and/or in the Table of Benefits herein.

### **4. TERRITORIAL LIMIT**

This Takaful coverage is a worldwide coverage.

### **5. RECORDS AND REPORTS**

The Participant shall immediately furnish to the Company any information concerning or relating to the Participant as may be reasonably required for the purpose of administration and/or for the purpose of determining the Takaful contribution rates payable by the Participant. The Participant shall allow the Company to inspect such records on the Participant at any reasonable time.

### **6. CHANGE OF BUSINESS, OCCUPATION, ETC.**

The Participant shall give immediate written notice to the Company of any change in the Participant's address or business or occupation or trade or in any Participant's profession or address.

### **7. 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.

### **8. 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.

### **9. PAYMENT OF BENEFITS**

The Company shall only pay the benefits payable under this contract of Takaful upon satisfactory proof that such benefits are payable.

### **10. ALTERATION OF CERTIFICATE**

This Certificate and the Terms of 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 impose.

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

### **11. PAYMENT AT MATURITY**

Upon the maturity of the Certificate as shown in the Schedule, the Participant shall receive the balances due from his Participant's Investment Account/Participant's Investment Fund and any profits generated from the investments for the said fund.

### **12. TERMINATION OF COVERAGE**

The Takaful coverage for the Participant under this Certificate shall terminate on:-

- I. termination of this Takaful contract; or
- II. the expiry date of the period of Takaful for the Participant as stipulated in the Schedule; or
- III. a valid claim made for the benefit under Death due to bodily injury, illness or disease or an unknown cause, whichever occurs earlier.

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### 13. COOLING OFF PERIOD

Notwithstanding anything herein contained to the contrary, if the Participant should find that this Certificate and this contract of Takaful do not meet the Participant's needs and/or requirements, the Participant may cancel this Certificate and this contract of Takaful within fourteen (14) days after the commencement date of this Certificate. In the event of such occurrence, the Participant shall be entitled to the full refund of the Takaful contribution paid without surplus from the Company provided that no claim has been made prior to the cancellation of this Certificate and this contract of Takaful.

### 14. NON-ASSIGNMENT

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

### 15. MISSTATEMENT OF AGE

If the age of the Participant was misstated in his/her proposal or application form, then no benefit will be payable to the Participant.

### 16. PREVENTION OF ACCIDENT AND DISEASE AND ILLNESS

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

### 17. ARBITRATION

The Participant and the Company shall make every effort to amicably resolve, by direct informal negotiations, any disagreement or disputes arising or relating to this Certificate. If the Participant and the Company are unable to amicably resolve any disagreement or dispute within thirty (30) business days from the date when the negotiation failed, either party shall notify in writing for the disagreement or dispute be referred for resolution by arbitration in accordance with the provisions of the Brunei Darussalam Arbitration Order, 2009. The arbitration tribunal shall consist of a single arbitrator, such person to be agreed between the Participant and the Company, or failing agreement, to be nominated in accordance with the Arbitration Order, 2009. The applicable rules of arbitration shall be the UNCITRAL Rules of Arbitration. The seat and place of arbitration shall be Brunei Darussalam and the language of arbitration shall be English.

All rights and obligations of the Participant and the Company under this Certificate shall continue in full force and effect pending the final outcome of such arbitration. Any reference to arbitration under this clause shall be a submission to arbitration within the meaning of the Arbitration Order, 2009 for the time being in force in Brunei Darussalam.

### 18. CONTRIBUTION WARRANTY

It is a fundamental and absolute special condition of this contract of Takaful that the Takaful contribution due must be paid and received by the Company from the inception date of this Certificate/endorsement Certificate. If this condition is not complied with, then this contract/Certificate/endorsement/ Certificate is automatically cancelled.

### 19. 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.

### 20. PAYMENT OF TAKAFUL CONTRIBUTION

The Takaful contribution as shown in the Schedule, payable by the Participant shall be divided and credited into the following Funds: -

- i. Savings and Investment element of the Takaful contribution shall be credited into the Participant's Investment Account or Participant's Investment Fund in the Family Takaful Fund. No Takaful benefits shall be paid from this Account;
- ii. The *Tabarru'* portion of the Takaful contribution shall be credited into Participant's Risk Fund. The Participants agree to donate this portion of the Takaful contribution and the profits there of credited into the Participant's Risk Fund as *Tabarru'* for the purpose of solidarity and brotherhood among the Participants subject to the terms and conditions expressed herein. Takaful benefits shall be paid from this Account.

### 21. TABARRU', WAKALAH AND MUDHARABAH

The Takaful contribution payable by the Participant under this contract of Takaful shall be managed by the Company based on the concept of *Tabarru'*, *Wakalah* and *Mudharabah*, whereby: -

#### ***Tabarru'***

- a) *Tabarru'* is an agreement by a participant to relinquish as donation, a sum of contribution that the Participant agrees to pay into a Participant Risk Fund.
- b) The participant gives seventy per cent (70%) of their Takaful contribution as *Tabarru'* with the purpose of providing mutual indemnity to Takaful participants, where the *Tabarru'* acts as mutual help and joint guarantee should any fellow participants suffer from a defined loss.

#### ***Wakalah***

- a) The participant will appoint or authorize the Company 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, the Company will charge a fee of thirty per cent (30%) from the Takaful contribution that has been determined and agreed upon in the proposal form.

#### ***Mudharabah***

The Company shall invest the savings and investments paid by the Participant in the Participant's Investment Fund in conformity with the rulings of Syariah. Any profits generated from the investments for shall be distributed in accordance in the following ratio: -

- a. Eighty-seven per cent (87%) shall be credited proportionately into the Participant's Investment Account/Participant's Investment Fund; and
- b. Thirteen per cent (13%) shall be paid to the Company.

Any losses from the investment should be borne solely by the participant (*Rabbul Mal*) unless the losses are due to IITFT's (*Mudharib*) misconduct, negligence or breach of contractual terms, upon which the loss should be borne by IITFT.

Under this contract of *Mudharabah*, the Company shall be entitled to do the following:-

- a) invest all the money in the Participant's Investment Fund or any part thereof as it deems fit at its absolute discretion in accordance with the Syariah principles;
- b) pay all expenses that are necessary to manage the Participant's Investment Fund out of the Participant's Investment Fund.



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### 22. SURRENDER

In any circumstances, the Participant may elect to surrender the certificate. The participant who surrenders the certificate whether by his own election or at his or her own election, shall be deemed to have agreed to relinquish all the balances in his Participant's Risk Fund as referred to in clause 20 (ii) above, and a surrender fee of BND15.00 will be charged from the Participant's Investment Account. The Participant shall not entitle any investment profit upon surrender and will only receive the Participant's Investment Account less the surrender fee.

### 23. SHARE OF SURPLUS

No surplus shall be payable to the Participant. *Tabarru'* portion from the Takaful contribution received by the Company (after deduction of *Wakalah* fee) will remain under the PRF for the purpose of mutual indemnity by all participants.

### 24. RETAKAFUL (REINSURANCE)

The Company shall have the discretion to secure adequate retakaful (reinsurance) from any sources it deems fit for the benefit of the Participant.

### 25. 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 the Participant's last known address in Brunei Darussalam or if by post then by prepaid registered letter addressed to the Participant at the Participant's 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.

### 26. NOMINEE

The Participant may appoint a nominee(s) to become either the Participant's *Wasi*, who is responsible to distribute the benefit(s) received under this Takaful plan to the legal heirs of the Participant upon the death of the Participant, or/and Participant's Beneficiary, who is in receipt of the benefit(s) upon the Participant's death.

Where there is more than one (1) nominee and any particular nominee who is nominated predeceases the Participant and no subsequent nomination made to replace the deceased nominee, upon the death of the Participant, the share of the deceased nominee shall be paid to the estate of the deceased Participant.

In the event of no nomination being made, upon the death of the Participant, the benefits shall be paid to the lawful executor or administrator of Participant's estate. If there is no such lawful executor or administrator of the Participant's estate, the benefits shall be paid to a proper claimant up to the maximum amount in accordance to the prevailing Laws of Brunei Darussalam at the time of claim.

If the nominee dies after the death of the Participant but before payment of benefits have been effected, the Takaful benefits shall be paid to the estate of the deceased nominee if the nominee is a Beneficiary.

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The Participant may from time to time revoke any such nomination and/or name any other nominee(s) with written notification duly received and registered by the Company. Other than revocation via written nomination, subsequent nomination and death of nominee or all nominees during the lifetime of the Participant, a nomination shall not be revoked by a will or by any act, event or means.

The Company shall not in any circumstances be bound or concerned to ensure the application of any Takaful benefits which it has paid in respect of this nomination.

### 27. GOVERNING LAW

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

## SECTION 3 – COVERAGE

### A. DEATH

- (i) In the event the Participant dies before the Date of Maturity of the Certificate as stated in the Schedule, the Company will pay to the Nominee the following Takaful benefits:-
- a. All balances payable to the deceased Participant from the PIF/PIA prior to the date of the Participant's death as stated in Clause 20 (i) above; and
  - b. Sum covered as stated in the Schedule.
- (ii) The payment of Takaful benefits from the PRF is subject to the following conditions:-
- a. The information and particulars disclosed and declared by the Participant in the Proposal and Declaration are true and correct;
  - b. The death of the Participant is not due to or arising from exclusions;
  - c. The Participant has not requested to surrender this Certificate prior to the date of his death;

## SECTION 4 – EXCLUSION

### A. DEATH

The Company shall not pay Takaful benefit if the death of the Participant resulted either directly or indirectly from:

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 the Participant.
5. Suicide, attempted suicide or self-inflicted injuries by the Participant whilst sane or insane.
6. Pre-existing illness (unless otherwise stated).
7. Acquired Immuno-Deficiency Syndrome (AIDS) or Human Immunodeficiency Virus (HIV) or any HIV

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related illness including AIDS Related Complex (ARC) and/or any mutant derivative or variations howsoever this syndrome has been acquired or may be named.

8. Any unlawful act(s) and other causes prohibited by the law and/or the Syariah Principles.
9. Any involvement and/or participation of the Person Covered in any terrorism and/or sabotage activity.

### SECTION 5 – CLAIMS PROCEDURE

#### 1. NOTICE OF CLAIM

Unless otherwise stated, written notice of an occurrence upon which a claim under this Certificate may be based must be given to the Company within ninety (90) days of such occurrence.

#### 2. EXAMINATION

Before the Company makes any payment of any 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.

The Participant shall ensure:-

- (a) from time to time submit the medical examination as required by the Company in connection with any claim;
- (b) in the case of death of the Participant, that the Company's medical representative is allowed to conduct a postmortem examination of the body of the Participant if it is required by the Company.

#### 3. PROOF OF CLAIMS

All the documents, information and evidence required by the Company (including but not limited to all reports, certificate and information relating to the accident, injury, disease and /or illness, as the case may be) shall be furnished to the Company. In the event the Company requests for further information which may incur a cost, this cost shall be at the Company's expense.

#### 4. PAYMENT OF CLAIMS

Any payments under this Certificate shall be payable to the Participant or the nominee.

Any benefits which the Participant or the nominee may receive under this Certificate shall be deemed a final and complete discharge of all liability of the Company.

#### 5. RESTRICTIONS

Unless otherwise stated, 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, or the nominee under this contract of Takaful for any claim whatsoever.

#### 6. FRAUDULENT CLAIMS

If the Participant or any person acting on the Participant's 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, and/or any person acting on his/her behalf in such event, and there shall not be a refund of the Takaful contribution.

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### 7. LEGAL PROCEEDINGS

No action at law or in equity shall be brought to recover prior to the expiration of one (1) year from the date of commencement of occurrence, or otherwise stated in the policy schedule.

### 8. SETTLEMENT DISPUTE

(a) Claims, under which a Participant or the nominee has received the settlement amount and signed off receipt for the payment, cannot be contested if the period of time from the date the payment is issued to the Participant or the nominee, to the date when a dispute is raised, exceeds fourteen (14) days.

(b) Should there be any disputes on claims which have already been settled, the Participant and the Company shall endeavor to make every effort to amicably resolve these disputes, by direct informal negotiation. If the Participant and the Company are unable to amicably resolve any disagreement or dispute within thirty (30) days from the date when such disagreement or dispute arose, the parties may submit such disagreement or dispute to arbitration under the provisions herein contained.

### CLAIMS CONTACT DETAILS

Please contact:

#### Claims Division

Insurans Islam TAIB Family Takaful Sdn Bhd

Head Office, Bangunan Setia Kenangan II,

Unit 6, Block A, Kiulap

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