

PRIVILEGES AND CONDITIONS

GLOSSARY (Clause 1)

1. DEFINITIONS AND INTERPRETATIONS

“**Certificate Anniversary**” means the anniversary of the Commencement Date.

“**Certificate Year**” means to a period which starts on the Commencement Date or any Certificate Anniversary and ends on the day before the following Certificate Anniversary.

“**Commencement Date**” means the Commencement Date as specified in Takaful Schedule A. This reflects where coverage starts when there is no backdating applied. Where backdating is applied, the Commencement Date will be earlier than the Effective Date.

“**Contribution**” means the contribution specified in Takaful Schedule A or in any subsequent endorsement issued by Us.

“**Effective Date**” means the date the coverage starts as specified in Takaful Schedule A.

“**Investment Loss/ Profit**” means the loss or profit arising from managing the investment of the *Tabarru'* Fund(s) in Shariah-compliant securities and activities.

“**Ju'alah**” means compensation for a given service, where the Participant will share the the Underwriting Surplus with Us on a pre-agreed ratio.

“**Maturity Date**” means the definition the coverage ceases as specified in Takaful Schedule A.

“**Misrepresentation**” means the definition ascribed to it under the Islamic Financial Services Act 2013 and which includes innocent, reckless or deliberate misrepresentation.

“**Mudharabah**” means We, act as an entrepreneur (*Mudharib*) that manages the collected funds based on an investment mandate with a set of predefined ethical guidelines and Participant as capital provider (*Rabbul Mal*). In return, We will share the profit with the Participant on the investment return based on pre-agreed ratio.

“**Participant**” means the Certificate Owner as specified in Takaful Schedule A.

“**Person Covered**” means the person provided with the coverage under this Certificate as specified in Takaful Schedule A.

“**Qard**” means an interest-free loan provided by Us in the event of deficit in the *Tabarru'* Fund. The *Qard* is repayable from the future Underwriting Surplus of the *Tabarru'* Fund.

“**Sum Covered**” means the Basic Sum Covered shown in Takaful Schedule A or in a subsequent endorsement issued by Us-

“**Tabarru**” means a portion of Your Contribution allocated into the *Tabarru'* Fund as donation that You willingly relinquish in order to help and provide assistance to fellow Participants in need.

“**Tabarru' Fund**” means a pool of funds established for the purpose of solidarity and cooperation among the Participants in *Tabarru'* Fund for misfortune events (payment of claims).

“**Takaful Operator**”, “**Our**”, “**Us**” or “**We**” means Great Eastern Takaful Berhad 201001032332 (916257-H).

“**Unexpired Tabarru**” means the portion of *Tabarru'* to be refunded for the remaining months upon surrender.

“**Underwriting Surplus**” means the surplus arising from the *Tabarru'* Fund after claims payable and an appropriate amount is held back for contingency purposes, if any.

“**Wakalah**” means the contract of agency based on principle of *Wakalah bi al-ujrah* (or “**Upfront Charge**” or “**Unallocated Contribution**”) where the charge imposed upfront according to the percentage of Contribution paid as Participant appoints Us to manage *Tabarru'* Fund. The amount will be deducted from *Tabarru'* Fund.

“**You**” or “**Your**” means the Participant named in Takaful Schedule A.

If not specifically provided, the following interpretations will apply to this Certificate:

- 1.1 Any reference to a “business day” is to a day (not being a Saturday, Sunday or a Public Holiday in Kuala Lumpur, Malaysia) that Our Head Office is open for business in Malaysia and any reference to a “day”, “week”, “month” or “year” is to that day, week, month or year in accordance with the Gregorian calendar.
- 1.2 All schedules, annexures, endorsements and attachments to this Certificate shall form part of

this Certificate. If there is any conflict between the schedules, Annexures or attachments of this Certificate with the Endorsement or Privileges and Conditions, the Endorsement or Privileges and Conditions (whichever is applicable), will prevail. Where there is any conflict or discrepancy between the Endorsement and the Privileges and Conditions, the Endorsement shall prevail.

- 1.3 Any reference to the masculine form shall include the feminine, and likewise, the singular word shall include the plural and vice versa unless otherwise prescribed

BASIS OF CONTRACT (Clause 2)

2. TAKAFUL CERTIFICATE

- 2.1 This Certificate is issued in consideration of the Contribution payment received by Us and pursuant to:
- 2.1.1 the answers given by You and/or the Person Covered in Your application or Proposal for Family Takaful ("Proposal") or any subsequent questionnaires given by Us on any matters relating to Your Proposal and any disclosures made by You between the time of submission and the time this Takaful Certificate takes effect; and
- 2.1.2 any other reports and questionnaires;
(collectively referred to as "Material Information").
- Such Material Information shall form part of this contract of Takaful between Us and You. However, in the event of any pre-contractual misrepresentation made in relation to such Material Information, the remedies in Schedule 9 of the Islamic Financial Services Act 2013 will apply.
- 2.2 It is Your duty to take reasonable care not to make any Misrepresentation when answering the questions or confirming or amending any matter previously disclosed before this Certificate is renewed or varied.
- 2.3 You must inform Us of any changes to the information provided in Your answers or in respect of any matter previously disclosed to Us if such changes had taken place after You have submitted the application for renewal or variation but before this Certificate is renewed or varied.
- 2.4 This Certificate may be varied with the consent in writing of Our Chief Executive Officer or any person appointed by Our Board of Directors by way of special provision or Endorsement ("the Document") to this Certificate. Any subsequent variation to this Certificate will be notified to you with a notice in writing and in accordance with the "Notices and Correspondence" clause below.

CONTRIBUTION AND CHARGES (Clauses 3 - 6)

3. CONTRIBUTION

- 3.1 The Contribution will be allocated into the Tabarru' Fund. The Contribution may be increased by You based on the attained age next birthday of the Person Covered at each Certificate Anniversary.
- 3.2 All Contribution due under this Certificate are to be paid to Us on or before each Contribution due date.
- 3.3 In the event of non-payment of contribution while this Certificate is in force, the certificate will lapse immediately after Grace Period ends.

4. UPFRONT CHARGE

- 4.1 The Upfront Charge is the amount deducted upfront from the *Tabarru'* Fund (as a percentage of Contribution less Service Tax and/or other taxes, if any) and is used to meet Our direct distribution cost and management expenses.
- 4.2 If the Contribution is paid on annual, half-yearly or quarterly basis and in the event this Certificate is surrendered or terminated due to any provisions before the date of the next

Contribution due, the Upfront Charge (other than the first year Upfront Charge) less actual expenses incurred will be refunded.

4.3 Management expenses include Stamp Duty of Ringgit Malaysia ten (RM10).

5. TABARRU'

5.1 We will deduct Tabarru' from the contribution paid based on the payment mode selected at the beginning of each contribution due.

5.2 Tabarru' amount equals to the remaining contribution paid after Upfront Charge will be channelled to Tabarru' Fund, using the following formula:

Tabarru' = Contribution Paid x 0.9

6. ALLOWANCES TO VARY THE CHARGES

We may vary the Contribution, *Tabarru'* Rates and other charges ("Rates and Charges") under this Certificate by giving at least three (3) months' advance written notice ("Notice Period") to You in accordance with the 'Notices and Correspondence' Clause. Any revision whether to increase the Rates and Charges will take effect on the Certificate Anniversary immediately following the expiry of the Notice Period, unless and otherwise you disagree in writing and inform us within the Notice Period of your intention to surrender or terminate this Certificate.

LAPSE AND REINSTATEMENT (Clauses 7 - 8)

7. GRACE PERIOD AND TERMINATION

7.1 You are allowed up to thirty (30) days from each of the Contribution due dates to pay for Your subsequent contributions under this Certificate ("the Grace Period").

7.2 If any claim occurs during the Grace Period whilst this Certificate is in force but before the contributions are paid, this Certificate will be valid and effective as though the contributions had been paid. However, any amount of indebtedness under this Certificate will be deducted from the claim proceeds payable to You.

7.3 Upon expiry of the Grace Period, this Certificate will lapse.

8. REINSTATEMENT

8.1 If this Certificate is terminated due to lapse or any breach, You may reinstate this Certificate within three (3) months from the date of termination, at Our discretion and subject to the following conditions:

8.1.1 Your written application for reinstatement is received by Us;

8.1.2 the Person Covered is within the allowable age limit as determined by Us at the time of reinstatement;

8.1.3 You must pay all outstanding contributions to Us which has accumulated up to the date of reinstatement; and

8.1.4 any other conditions that We may need to impose.

8.2 We will approve, reject or impose additional conditions in writing on Your application for the reinstatement at Our discretion.

8.3 In the event of any misrepresentation made in relation to Your application for reinstatement and where this Certificate has been in effect for two (2) years or less from the date of any reinstatement,

8.3.1 We may, at Our discretion, void the Certificate if the misrepresentation made is classified as:

8.3.1.1 a deliberate or reckless misrepresentation; or

8.3.1.2 a careless or innocent misrepresentation in which We would not have reinstated this Certificate; or

8.3.1.3 a careless or innocent misrepresentation in which We would have reinstated this Certificate.

- 8.3.2 If this Certificate is invalidated or void pursuant to Clause 8.3.1.1 above, Our liability shall be limited to the refund of the unearned Upfront Charge, less any indebtedness under this Certificate. Investment Profit and/or Underwriting Surplus, if any, will be forwarded to any charitable organisation(s) approved by Our Shariah Committee.
- 8.3.3 If this Certificate is invalidated or void pursuant to Clause 8.3.1.2 above, Our liability shall be limited to the refund of the following, if any:
- 8.3.3.1 unearned Upfront Charge;
 - 8.3.3.2 Tabarru' (excluding Underwriting Surplus, if any); and
 - 8.3.3.3 Investment Profit.
- less any indebtedness under this Certificate. Underwriting Surplus, if any, will be forwarded to any charitable organisation(s) approved by Our Shariah Committee.
- 8.3.4 If this Certificate would have been reinstated pursuant to Clause 8.3.1.3 above, We may, at Our sole and absolute discretion:
- 8.3.4.1 vary any of the terms and conditions of this Certificate and treat this Certificate as if it had been reinstated on the varied terms and conditions; and
 - 8.3.4.2 reduce proportionately the amount to be paid on a claim in accordance with Our relevant policy at the material time.
- 8.4 In the event of any misrepresentation made in relation to Your application for reinstatement and this Certificate has been in effect for more than two (2) years from the date of any reinstatement,
- 8.4.1 We may, at Our discretion, void the Certificate if the misrepresentation made is classified as a deliberate or reckless misrepresentation, in which We would not have reinstated this Certificate.
 - 8.4.2 If this Certificate is invalidated or void pursuant to Clause 8.4.1 above, Our liability shall be limited to the refund of the unearned Upfront Charge, less any indebtedness under this Certificate. Investment Profit and/or Underwriting Surplus, if any, will be forwarded to any charitable organisation(s) approved by Our Shariah Committee.

CERTIFICATE OPTIONS (Clauses 9 - 10)

9. INCREASE/REDUCTION OF SUM COVERED

You are not allowed to increase the Sum Covered but you may decrease the Sum Covered subject to the following conditions and other conditions that We may impose:

- 9.1 any request for decrease in the Sum Covered can be made anytime subject to the minimum contribution and must be within the Sum Covered limit as determined by Us; and
- 9.2 decrease in the Sum Covered will take effect from the next Contribution due date; and
- 9.3 the Contribution will be reduced upon decrease in Sum Covered, and the change in the Contribution will take effect when the change in the Sum Covered becomes effective.

10. SURRENDER

You may surrender this Certificate and We will refund the following:

- 10.1 the unearned Upfront Charge from Our fund (other than the first year Upfront Charge). In the event the Certificate is surrendered or terminated before the next Contribution date is due and where the Contribution is paid annually, half-yearly or quarterly, the Upfront Charge less actual expenses incurred will be refunded; and;
- 10.2 the unexpired Tabarru' from the Tabarru' Fund. In the event the Certificate is surrendered before the next Contribution date is due and where the Contribution is paid annually, half-yearly or quarterly, the amount of Tabarru' refund shall be equal to a percentage of Tabarru' contribution based on the duration of the Certificate that has been enforced and contribution payment mode.

Duration not exceeding	Refund Annual Tabarru' Charge	Refund Annual Charge	Semi-Tabarru'	Refund Quarterly Tabarru' Charge	Refund Monthly Tabarru' Charge
1 month	90%	85%		65%	No refund
2 months	85%	65%		35%	No refund
3 months	75%	50%		No refund	No refund
4 months	65%	35%		65%	No refund
5 months	60%	15%		35%	No refund
6 months	50%	No refund		No refund	No refund
7 months	40%	85%		65%	No refund
8 months	35%	65%		35%	No refund
9 months	25%	50%		No refund	No refund
10 months	15%	35%		65%	No refund
11 months	10%	15%		35%	No refund
>11 months	No refund	No refund		No refund	No refund

This Certificate shall be terminated upon payment of the surrender value and all benefits and rights under this Certificate shall cease.

TAKAFUL FUNDS PROVISIONS (Clauses 11 - 13)

11. TABARRU' FUND

- 11.1 Based on the Shariah concept of *Tabarru'*, You will donate a portion of Contribution into the *Tabarru'* Fund for the purpose of mutual help. *Tabarru'* Fund is owned by a pool of Participants and managed by Us for the purpose of claims payment on the events covered under this Certificate.
- 11.2 Based on the Shariah contract of *Mudharabah*, You as capital provider appoint Us as entrepreneur to undertake Shariah-compliant investment activities for the *Tabarru'* Fund on Your behalf. In return, We will share a predetermined percentage share of the investment profit.

12. INVESTMENT PROFIT/LOSS

- 12.1 Any Investment Profit or Investment Loss, from the *Tabarru'* Fund shall be calculated and distributed annually, after each financial year.
- 12.2 Any Investment Profit from the *Tabarru'* Fund based on *Mudharabah* concept, will be shared between You and Us in the proportion of 50% and 50% respectively. Your allocated amount will be credited into Your bank account (net tax).
- 12.3 Any Investment Loss in the *Tabarru'* Fund will be carried forward and accounted for before arriving at Underwriting Surplus or deficit in the following year.

13. UNDERWRITING SURPLUS

- 13.1 The Underwriting Surplus shall be calculated and distributed annually, after each financial year.
- 13.2 Any Underwriting Surplus that is distributable will be determined after a suitable proportion of it is held back for contingency purpose before it is shared between You and Us in the proportion of 50% and 50% respectively.
- 13.3 Any unutilised amount of Underwriting Surplus held back for contingency purpose, will be included in the calculation of the Underwriting Surplus for the next financial year.
- 13.4 The Underwriting Surplus (if any) will not be distributed if in Our judgement, the surplus should remain in the *Tabarru'* Fund to maintain the ability to meet future liabilities or to meet Your reasonable expectations not specifically provided for in Our actuarial valuation.

- 13.5 In the event of any deficit from the *Tabarru'* Fund, there will be no Underwriting Surplus distribution for the respective financial year. Under such circumstance, the deficit will first be funded by the amount allocated for contingency purposes. If the *Tabarru'* Fund is still in deficit, the *Qard* will be arranged. The *Qard* will be carried forward to the following financial year and any surplus will be used to pay off *Qard* (if any) to Us before it is being distributed.

BENEFITS AND CERTIFICATE CONDITIONS (Clause 14 - 15)

14. DEATH BENEFIT

- 14.1 Whilst this Certificate is in force and subject to Our terms and conditions, the Sum Covered from the *Tabarru'* Fund, if any, shall be payable in full if the death of the Person Covered occurs.
- 14.2 Notification of death must be accompanied by documentary evidence of death.
- 14.3 The amount of any indebtedness under this Certificate will be deducted from the claim proceeds payable.
- 14.4 This Certificate will be terminated upon death of the Person Covered and all benefits and rights (except the amount payable under Clause 14.1 above and other provisions for payment of benefits, if any, under this Certificate) under it shall cease.

15. BEREAVEMENT ALLOWANCE

- 15.1 Whilst this Certificate is in force and subject to Our terms and conditions, upon death of the Person Covered, We shall pay the Bereavement Allowance which is RM5,000 of the Sum Covered will be payable in advance from the *Tabarru'* Fund in full.
- Provided that:**
- 15.1.1 The required documentary evidence of death and/or other evidence satisfactory to Us are submitted to Us accordingly; and
- 15.1.2 the Bereavement Allowance payable under this Clause is subject to a maximum of RM5,000 on any one person under this Certificate and all certificates issued by Us which provides Bereavement Allowance on the same Person Covered.
- 15.2 For the avoidance of doubt, payment of the Bereavement Allowance does not constitute an admission of liability by Us to pay the Death Benefit and any other benefit(s) under this Certificate and all certificates issued by Us on the same Person Covered.

OTHER PROVISIONS (Clauses 16 - 28)

16. CONFIRMATION OF AGE

- 16.1 You must prove the true age of the Person Covered to Us before We are required to pay any benefit under this Certificate unless this information has been previously verified and confirmed by Us to be correct.
- 16.2 We are entitled to adjust the Sum Covered, and the surplus or profit allotted to, or reduce the contribution, under this Certificate, according to the true age of the Person Covered if it was incorrectly stated in the Proposal.

17. CERTIFICATE MATURITY

This Certificate shall be terminated on the Maturity Date and all benefits and rights under it shall cease.

18. SUICIDE

If the Person Covered, whether sane or insane, commits suicide within one (1) year from the Effective Date or from the date of any reinstatement, whichever is later, this Certificate shall be void and Our liability shall be limited to the refund of the total amount deducted for *Tabarru'*.

19. INDISPUTABILITY

- 19.1 We will not dispute the validity of this Certificate during the lifetime of the Person Covered after two (2) years from the Effective Date, or from the date of any reinstatement, whichever is later, unless there is fraud.
- 19.2 In the event that this Certificate is invalidated or void for any reason (except for the reason specified under Clause 18 above), Our liability shall be limited to the refund of unearned Upfront Charge. less any indebtedness under this Certificate. Investment Profit and/or Underwriting Surplus, if any, will be forwarded to any charitable organisation(s) approved by Our Shariah Committee.

20. REMEDIES FOR MISREPRESENTATION

- 20.1 This Clause shall only apply if the duration of this Certificate is two (2) years or less from the Effective Date.
- 20.2 We may, at Our discretion, void the Certificate in the event of any pre-contractual Misrepresentation made by You on all Material Information in applying for this Certificate, if such Misrepresentation is classified as:
- 20.2.1 a deliberate or reckless Misrepresentation; or
 - 20.2.2 a careless or innocent Misrepresentation, in which We would not have issued or renewed this Certificate; or
 - 20.2.3 a careless or innocent Misrepresentation, in which We would have issued or renewed this Certificate.
- 20.3 If this Certificate is invalidated or void pursuant to Clause 20.2.1 above, Our liability shall be limited to the refund of the unearned Upfront Charge less any indebtedness under this Certificate. Investment Profit and/or Underwriting Surplus, if any, will be forwarded to any charitable organisation(s) approved by Our Shariah Committee.
- 20.4 If this Certificate is invalidated or void pursuant to Clause 20.2.2 above, Our liability shall be limited to the refund of the following, if any:
- 20.4.1 unearned Upfront Charge;
 - 20.4.2 Tabarru' (excluding Underwriting Surplus, if any);and
 - 20.4.3 Investment Profit.
- less any indebtedness under this Certificate. Underwriting Surplus, if any, will be forwarded to any charitable organisation(s) approved by Our Shariah Committee.
- 20.5 If this Certificate would have been issued or renewed pursuant to Clause 20.2.3 above, We may, at Our discretion:
- 20.5.1 vary any of the terms and conditions of this Certificate and treat this Certificate as if it had been issued or renewed on the varied terms and conditions; and
 - 20.5.2 reduce proportionately the amount to be paid on a claim in accordance with Our relevant policy at the material time.

21. NOTICE OF ASSIGNMENTS

A written notice of assignment, if applicable, on this Certificate is deemed as being notified to Us, if it is delivered to Us at Our offices and acknowledged by Us in writing. Our acknowledgment on your notice of assignment does not constitute validation of such assignment. Notwithstanding this, we may accept your notice of assignment and affect such assignment placed under this Certificate.

22. CHANGE OF NOMINEES

You may make changes to Your nomination by informing to Us in writing. The change will take effect from the date We receive the notice in writing from You.

23. ACCEPTANCE OF INSTRUCTIONS

We will only accept instructions, requests or notices when such forms, documents, information and consents as required by Us are received.

24. RESIDENCES, OCCUPATION AND TRAVEL

This Certificate is free from restrictions as with regards to residence, occupation and travel.

25. NOTICES AND CORRESPONDENCE

- 25.1 Any notice, request, instruction or correspondence to Us and You shall be in writing. Your mailing address, email address or handphone number will be as stated in the proposal for Family Takaful unless there is notification of any changes to Us.
- 25.2 Any notice, request, instruction or correspondence given by Us to You shall be conclusively deemed to have been received as follows:
- 25.2.1 for personal delivery, on the day of delivery;
 - 25.2.2 for ordinary post, or pre-paid registered post, seven (7) days after the date of posting, if posted to an address in Malaysia, and fourteen (14) days, if posted outside of Malaysia;
 - 25.2.3 for delivery via email or short message services, on the day of delivery;
 - 25.2.4 for publishing in a local daily newspaper, on the day of publishing; or
 - 25.2.5 for electronic posting on Our official website or other website, the later of the day of electronic posting or the day of delivery of a separate notification to You of such electronic posting via any effective means provided under Clauses 25.2.1, 25.2.2, 25.2.3, or 25.2.4 respectively, as determined by Us from time to time.
- 25.3 With the conditions as stated in Clauses 25.1 and 25.2 above, in the case that any notice, request, instruction or correspondence is returned undelivered to You after We have made at least two (2) consecutive attempts at delivery, We may, at Our discretion and at Your own risk, withhold all subsequent notice, request, instruction or correspondence until We have been notified by You of Your new mailing address or email address or handphone number.

26. GOVERNING LAW

- 26.1 This Certificate shall be governed by the laws of Malaysia and the courts of Malaysia shall have exclusive jurisdiction for any dispute arising out of or in relation to this Certificate.
- 26.2 We shall have the right at any time, by giving advance written notice to You in accordance with the 'Notices and Correspondence' Clause, to amend the terms and conditions of this Certificate in compliance with any legislative changes, statutory modifications or amendments which may be enacted from time to time.

27. SANCTION LIMITATION AND EXCLUSION

We reserve the right not to:-

- 27.1 provide Takaful coverage, including all the benefits in relation to or in connection with such Takaful coverage nor deemed to provide such Takaful coverage (and where payment has been made by you under the certificate, such payment shall not be deemed as received and accepted by us); or
- 27.2 be obligated to pay any sums, including but not limited to payment of claims, refund of contributions, surrender or cancellation of payments, if providing the Takaful coverage or payment of such sum(s) would expose us to any sanction, prohibition, restriction or contravention of any laws and/or regulations, administered by any governmental, regulatory or competent authority, or any law enforcement in any country.

27. CHARITY LIMIT

In the event whereby the amount payable under Your Certificate(s) in a calendar year amounts to RM10 or below due to the lapse, surrender, termination or maturity of Your Certificate(s) (inclusive of all products), We will channel such amount to any charitable organisation(s) approved by Our Shariah Committee. However, if You disagree, You must submit a formal written request to Us.

END OF PAGE

SAMPLE

Great Eastern Takaful Berhad

ENDORSEMENT TOTAL AND PERMANENT DISABILITY (ADULT)

ENDORSEMENT NO. TE050 (D TPDA)

1. DEFINITIONS

For the purpose of this Endorsement, the following words or expressions, wherever mentioned in this Endorsement, shall have the following meanings unless otherwise stated. Any word or expression not specifically defined in this Endorsement shall have the same meaning as ascribed to it in this Certificate:-

“Activities of Daily Living” means all of the following:

- (a) Transfer
Getting in and out of a chair without requiring physical assistance.
- (b) Mobility
The ability to move from room to room without requiring any physical assistance.
- (c) Continence
The ability to voluntarily control bowel and bladder functions such as to maintain personal hygiene.
- (d) Dressing
Putting on and taking off all necessary items of clothing without requiring assistance of another person.
- (e) Bathing/Washing
The ability to wash in the bath or shower (including getting in or out of the bath or shower) or wash by any other means.
- (f) Eating
All tasks of getting food into the body once it has been prepared.

“Certificate” means the basic Certificate to which this Endorsement is attached.

“Maturity Date” means the maturity date of this Certificate as specified in Takaful Schedule A, on which the coverage of the Person Covered under this Certificate has ceased accordingly.

“Medical Practitioner” means a surgeon or physician qualified by degree in western medicine, who is legally licensed and duly qualified to practise medicine and surgery authorised in the geographical area of his practice, and who also possesses a current Annual Practising Certificate issued by the Malaysian Medical Council.

“Total and Permanent Disability” or **“TPD”** is defined as a state of incapacity which:

- (a) Becomes total and permanent where at all times on or after occurrence of such condition, there is not any work, occupation or profession that the Person Covered can ever sufficiently do or follow to earn or obtain any wages, compensation or profit; or
- (b) is caused by any of the following:
 - (1) Total and irrecoverable loss of sight of both eyes; or
 - (2) total and irrecoverable loss of use of two limbs at or above the wrist or ankle; or
 - (3) total and irrecoverable loss of sight of one eye and loss of use of one limb at or above the wrist or ankle; or
- (c) renders the Person Covered disabled to such an extent as to be totally and permanently unable to perform at least three (3) of the listed Activities of Daily Living even with the use of mechanical equipment, special devices or other aids and adaptations in use for disabled persons.

For the purpose of this benefit, the word “permanent” means beyond the hope of recovery with the medical knowledge and technology at the time of the admission of claim. The resultant permanent functional impairment is to be verified by a Medical Practitioner and duly concurred by the Takaful Operator’s medical officer.

2. TOTAL AND PERMANENT DISABILITY BENEFIT

While this Certificate is in force and subject to its terms and conditions, if the Person Covered suffers TPD prior to the Certificate Anniversary on which he attains the age of seventy (70) years next birthday, the Takaful Operator will calculate Sum Covered of TPD upon notification of the disability. Upon admission of the claim, the Takaful Operator will pay the Sum Covered upon Disability in accordance with the terms and conditions of Clause 2 below.

Provided that:

- 2.1 TPD of the Person Covered must be certified by a Medical Practitioner appointed by the Takaful Operator, to have continued for at least six (6) consecutive months from the date of disability. Satisfactory documentary proof must also be provided to the Takaful Operator evidencing such continuing disability for at least six (6) consecutive months at the time of the first lump sum payment and on each subsequent annual payment.
- 2.2 If the Person Covered ceases to be under TPD, the Takaful Operator shall discontinue payments as stated in Clause 2.3 below and this Certificate shall continue under such terms and conditions as the Takaful Operator may decide at Our discretion.
- 2.3 The payment of Sum Covered under this Certificate shall be made in the following manner:
 - 2.3.1 one lump sum payment up to a maximum of RM 1,000,000; and
 - 2.3.2 two equal annual payments for any Sum Covered exceeding RM 1,000,000 but not exceeding RM 2,000,000, the first of which will be made one year after the date of the lump sum payment stated in Clause 2.3.1 above.This is however further subject to Clause 2.4 below.
- 2.4 The payment to be made under Clause 2.3 above are subject to the following conditions where the total amount of Sum Covered payable shall be limited to an amount not exceeding:
 - 2.4.1 RM 1,000,000 in aggregate under this Certificate and all individual and credit-related certificates including endorsement and annexure, if any, (but excluding any group certificates) issued by the Takaful Operator which provide for Total and Permanent Disability Benefit on the same Person Covered, during the first year where the Total and Permanent Disability claim is admitted by the Takaful Operator; and
 - 2.4.2 RM 2,000,000 in aggregate under this Certificate and all individual and credit-related certificates including endorsement and annexure, if any, (but excluding any group certificates) issued by the Takaful Operator which provide for the Total and Permanent Disability Benefit on the same Person Covered after the Total and Permanent Disability claim is admitted by the Takaful Operator.
- 2.5 Upon payment of each annual Sum Covered as provided under Clause 2.3 above, the Sum Covered will be reduced accordingly.
- 2.6 On maturity of this Certificate, the Takaful Operator will pay the balance of any unpaid annual payments as provided under Clause 2.3 above and any remaining Sum Covered as maturity benefit in one lump sum, if applicable.
- 2.7 On the death of the Person Covered occurring before the final annual payments as provided under Clause 2.3 above, the Takaful Operator will pay the balance of the annual payments (if any) still remaining unpaid in one lump sum.
- 2.8 Prior to payment of benefit payable under Clause 2, the amount of any indebtedness on this Certificate as well as any withdrawal made from the date of disability shall first be deducted from the benefits payable.
- 2.9 Any Contribution paid after the Claim Event Date will be refunded to the Participant.

3. EXCLUSIONS

The Takaful Operator will not be liable to pay any benefit under this Certificate if TPD of the Person Covered:

- 3.1 Has existed prior to or on the Effective Date or on the date of any reinstatement, whichever is the later; or
- 3.2 is caused directly or indirectly by self-inflicted injuries, while sane or insane; or
- 3.3 is caused by bodily injury sustained as a result of parachuting or skydiving, or engaging in aerial flights other than as a crew member or as a fare-paying passenger of a licensed commercial airline operating on a regular scheduled route; or
- 3.4 is resulted from the Person Covered committing, attempting or provoking an assault or a felony or from any violation of law by Person Covered; or

3.5 is resulted from war, whether declared or undeclared.

4. CONDITIONS

In addition to the terms and conditions of this Certificate, the Takaful Operator will pay TPD benefit as provided in Clause 2 above only if all of the following conditions are met:

- 4.1 The due observance and fulfilment of the terms and conditions of this Certificate by the Person Covered and You, and in so far as they relate to anything to be done or complied with by the Person Covered and You shall be conditions precedent to any liability of the Takaful Operator.
- 4.2 You must notify the Takaful Operator in writing of any claim as soon as it is practicable. In any case, You must produce satisfactory proof of TPD of the Person Covered on forms furnished by the Takaful Operator within one-hundred eighty (180) days from the date of commencement of TPD.
- 4.3 The TPD for which the claim is made must be diagnosed by a Medical Practitioner and must be supported by clinical, radiological, histological and laboratory evidence acceptable to the Takaful Operator; all such medical evidence must be furnished by the claimant at own expense before each annual payment, and in such form that the Takaful Operator may require.
- 4.4 If required by the Takaful Operator, the Person Covered must undergo medical examination(s) by a Medical Practitioner appointed by the Takaful Operator in connection with the TPD for which the claim is made.
- 4.5 At the time of each annual payment, You must submit this Certificate to the Takaful Operator to have the payment endorsed.
- 4.6 Any valid claim under this Endorsement shall extinguish all other rights, options, values and benefits under this Certificate including any benefits payable on survival of the Person Covered.
- 4.7 This Certificate shall terminate as soon as the full Sum Covered has been advanced and all the annual payments have been made.

5. TERMINATION

This Endorsement shall automatically be cancelled on the earliest of the following dates:

- 5.1 If a claim under Clause 2 above is admitted; or
- 5.2 on the Certificate Anniversary on which the Person Covered attains the age of seventy (70) years next birthday; or
- 5.3 upon death of the Person Covered; or
- 5.4 on the Expiry Date of this Certificate; or
- 5.5 when the Takaful Operator receives Your request for termination in writing; or
- 5.6 when this Certificate is surrendered; or
- 5.7 when this Certificate lapse, becomes void or is terminated in any other manner.

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