

## Houseowner / Householder Takaful Certificate

**WHEREAS** the Participant by a Proposal and Declaration which shall be the basis of this Contract and is deemed to be incorporated herein has applied to **ETIQA TAKAFUL BERHAD** (hereinafter called the "Takaful Operator") for the Takaful cover hereinafter contained and has paid or agreed to pay the Contribution as consideration for such Takaful.

**NOW THIS CERTIFICATE WITNESSETH** that in respect of events occurring during the Period of Takaful and subject to the limitations exceptions and conditions contained herein or endorsed hereon (hereinafter collectively referred to as the Terms of this Certificate):

**THE TAKAFUL OPERATOR** will by payment or at its option by reinstatement or repair **INDEMNIFY** the Participant against loss or damage to the property covered caused by any of the undermentioned Perils:

### Perils

1. **FIRE, LIGHTNING, THUNDERBOLT, SUBTERRANEAN FIRE.**
2. **EXPLOSION.**
3. **AIRCRAFT** and other aerial devices and/or articles dropped therefrom.
4. **IMPACT** with any of the buildings by any road vehicles or animals not belonging to or under the control of the Participant or any member of his family.
5. **BURSTING OR OVERFLOWING OF DOMESTIC WATER TANKS, APPARATUS OR PIPES** excluding:
  - a) in respect of each and every loss the amount stated in the **LIMITS OF LIABILITY**.
  - b) destruction or damage occurring while the Private Dwelling House is left untenanted.
6. **THEFT** but only if accompanied by actual forcible and violent breaking into or out of a building or any attempt thereat.

**PROVIDED** that in the event of the Private Dwelling being left without an inhabitant therein for more than ninety (90) days whether consecutively or not in any one Period of Takaful the cover against this Peril shall, unless otherwise agreed by Endorsement hereon, be entirely suspended in respect of any period or periods during which the Private Dwelling may be unoccupied in excess of the aforesaid ninety (90) days.

7. **HURRICANE, CYCLONE, TYPHOON, WINDSTORM** subject to the following Excess Clause.
8. **EARTHQUAKE, VOLCANIC ERUPTION** subject to the following Excess Clause.
9. **FLOOD** but excluding loss or damage caused by subsidence or landslip; subject to the following Excess Clause.

### Excess Clause

As regards loss or damage (other than by fire) to the Buildings of the Private Dwelling House but not the Contents directly caused by any Peril to which this Clause is hereinbefore stated to apply, the Takaful Operator's liability shall be limited to its rateable proportion of the amount by which such loss or damage exceeds the amount stated in the **LIMITS OF LIABILITY**. This Clause shall separately apply to:

- i) each building, for which purposes all covered buildings at the same premises specified in the Schedule address will be regarded as one building.
- ii) each incident giving rise to such loss or damage and for the purposes hereof an incident shall not be considered to have terminated until there have been seven (7) consecutive days' freedom from the Peril concerned and only thereafter shall the Clause apply afresh.

### Section I - Buildings

The Takaful Operator will indemnify the Participant against loss or damage caused by any of the abovementioned Perils to the Buildings of the Private Dwelling House which expression shall include all domestic offices, stables, garages and out-buildings used solely in connection therewith and on the same premises including fixtures and fittings therein and the walls, gates and fences around and pertaining thereto.

In the case of Certificates issued to cover the buildings of blocks of flats the reference in this Certificate to 'Private Dwelling House' shall be deemed to mean the Private Flat or Apartment.

### Section II – Contents

- A. LOSS OR DAMAGE TO CONTENTS** The Takaful Operator will indemnify the Participant against loss or damage caused by any of the abovementioned Perils to the Contents which expression shall include household goods and personal effects of every description (except as aftermentioned) being the property of the Participant or any member of his family normally residing with him whilst contained in the Private Dwelling which expression shall include the Private Dwelling House, Flat or Apartment

and all domestic offices, stables, garages and out-buildings used solely in connection therewith and on the same premises specified in the Schedule.

Provided that:

- a) No part of the structure or ceiling, wallpapers or the like is covered under this Section.
- b) No one article (furniture, pianos, organs, household appliances, radios, television sets, video recorder sets, Hi-Fi equipment and the like excepted) shall be deemed of greater value than five (5) percent of the Total Sum Covered on Contents unless such article is specially declared as a separate item.
- c) The total value of platinum, gold and silver articles, jewellery and furs shall be deemed not to exceed one-third of the Total Sum Covered on Contents.
- d) This Section does not cover property more specifically covered, or, unless specially mentioned, deeds, bonds, bills of exchange, promissory notes, cheques, securities for money, stamps, documents of any kind, cash, currency notes, bank notes, manuscripts, medals and coins, motor vehicles and accessories or livestock.
- e) This Section does not cover loss of or damage to contents due to theft by the Participant domestic servants or any member of the Participant's family or household.

**B. PROPERTY TEMPORARILY REMOVED**

This Section extends, except as regards property removed for sale or exhibition or to furniture depositories and subject in every case to the Terms of this Certificate, to cover the same whilst temporarily removed from the Private Dwelling but remaining in the Geographical Area, against all the Perils but excluding Perils 7, 8 and 9 as regards property in transit or on the person, if and so far as such property is not otherwise covered. The liability of the Takaful Operator under this extension will be limited to 15% of the Total Sum Covered on Contents.

**C. DAMAGE TO MIRRORS**

The Takaful Operator will indemnify the Participant against loss or damage to mirrors, other than hand mirrors, by breakage thereof whilst in the Private Dwelling. The liability of the Takaful Operator under this extension is limited to RM500.00 per piece any one incident.

**D. COMPENSATION FOR DEATH OF THE PARTICIPANT**

In the event of fatal injury to the Participant occurring in the Private Dwelling House occasioned by outward and visible violence caused by thieves or by Fire, the Takaful Operator will pay the sum specified in the LIMIT OF LIABILITY or one half of the Total Sum Covered on Contents whichever should be the less provided death ensues within three (3) calendar months of such injury.

It is hereby declared and agreed that if there is more than one (1) Participant named under the Certificate, each of the within-named Participant shall for the purposes of this Takaful, be deemed to be covered against fatal injury as herein provided and the Takaful Operator shall be liable only for a pro-rate proportion of the compensation which otherwise would be payable.

It is also declared and agreed that if the Certificate is issued to a Corporate Participant, all benefits under this Section shall be deleted unless the Participant so nominate a person or persons by Endorsement hereon.

Provided always the liability of the Takaful Operator under this Section during any one Period of Takaful is limited to the sum specified in the Schedule or one-half of the Total Sum Covered on Contents as aforementioned.

**E. SERVANTS' PROPERTY**

The Takaful Operator will grant indemnity through the Participant for loss or damage caused by any of the Perils to clothing and personal effects (other than cash, currency notes, bank notes and stamps) of the Participant's domestic servants, if and so far as such property is not otherwise covered, whilst in the Private Dwelling or any private dwelling, boarding house, lodging house, hotel or inn within the Geographical Area in which such servants are residing with the Participant or any member of his family normally residing with him.

**Section III – Other Contingencies**

**A. LOSS OF RENT**

The Takaful Operator will indemnify the Participant for the undermentioned loss actually the Participant in consequence of the premises specified in the Schedule being so damaged as to be rendered uninhabitable but only in respect of the period necessary for reinstatement and subject to an amount not exceeding in the aggregate ten (10) per cent or up to the limit as endorsed hereon of the Total Sum Covered on Buildings and/or Contents :

- a) as the Owner but not Occupier of the premises, the loss of rent; and/or
- b) as the Occupier of the premises, reasonable additional expense necessarily incurred by him at a hotel, lodging house or boarding house.

The total amount recoverable under this Section shall be in addition to the Total Sum Covered on Buildings and/or Contents, whichever Section applicable.

**B. LIABILITY TO THE PUBLIC**

The Takaful Operator will indemnify the Participant against all sums for which the Participant may be held legally liable :

- a) **Applicable when Section I - Buildings is covered**  
As owner of the Private Dwelling House in respect of accidents caused by a defect in the Buildings of the Private Dwelling House or in the Landlord's fixtures and fittings or in the walls, gates, fences and trees around and pertaining thereto.
- b) **Applicable when Section II - Contents is covered**  
As a private householder occupying the Private Dwelling House in respect of accidents in or about the Private Dwelling House.

Occurring during the Period of Takaful and resulting in :

- 1) Bodily injury to any person not being a member of the Participant's family or household nor at the time of sustaining such injury engaged in the Participant's service.
- 2) Damage to property not belonging to or in the charge of or under the control of the Participant or of a member of his family or household or of a person in his service.

Provided always that the amount payable hereunder in respect of any one accident or series of accidents constituting one occurrence shall not in any case exceed the sum specified in the Schedule.

The Takaful Operator will, in addition, indemnify the Participant in respect of:

- a) Legal costs and expenses recoverable from the Participant by any claimant provided such costs and expenses were incurred before the date (if any) on which the Takaful Operator shall have paid or offered to pay either the full amount of the claim or the total amount recoverable in respect of any one occurrence as hereinbefore provided;
- b) Legal costs and expenses incurred by the Participant with the consent of the Takaful Operator.
- Provided also that the Takaful Operator shall not in any case be liable hereunder in respect of:
- i) Injury or damage arising out of or incidental to:
    - (a) the Participant's profession or business, or
    - (b) the ownership, possession or use by or on behalf of the Participant of any lift, vehicle, vessel or craft of any kind.
    - (c) the carrying out of alterations, additions, repairs or decorations to the Participant's covered premises.
  - ii) Liability arising out of any contract of indemnity which imposes upon the Participant liability which the Participant would not otherwise have been under.

In the event of the death of the Participant the Takaful Operator will in respect of the liability incurred by the Participant indemnify the Participant's personal representatives in the terms of and subject to the limitations of this Section provided that such personal representatives shall as though they were the Participant observe, fulfill and be subject to the Terms of this Certificate so far as they can apply.

This Section shall not apply to any part of the Private Dwelling House used in connection with the profession of the Participant whilst that part of the Private Dwelling House is being so used.

For the purposes of this Section the expression "the Participant" shall be deemed to include the husband or wife of the Participant.

**WARRANTIES**

Restriction of merchandise warranty

Warranty that during the currency of this Certificate no part of the premises described herein be used for the manufacture or deposit or storage of merchandise.

Contribution warranty:

It is fundamental and absolute special condition of this Contract of Takaful that the contribution due must be paid and received by Takaful Operator within sixty (60) days from the inception date of this Certificate / Endorsement / Renewal Certificate.

If this condition is not complied with then this Contract of Takaful is automatically cancelled and the Takaful Operator shall be entitled to the pro rata contribution on the period they have been on risk.

Where the contribution payable pursuant to this Warranty is received by an authorised agent

of the Takaful Operator, the payment shall be deemed to be received by the Takaful Operator for the purpose of this Warranty and the onus of proving that the contribution payable was received by a person, including an agent, who was not authorised to receive such contribution shall lie on the Takaful Operator.

Subject otherwise to the terms and conditions of this Certificate.

## General Exceptions

### EXCLUDED PERILS

This Certificate does not cover:

1. Any loss, damage or other contingency occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences namely:
  - a) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war.
  - b) Mutiny, riot, military or popular rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.
  - c) any act of terrorism:  
For this purpose an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

As regards Section I, IIA, IIB, IIC, IIE and IIIA hereof:

Any loss, damage or other contingency happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be loss, damage or a contingency which is not covered by this Takaful, except to the extent that the Participant shall prove that such loss, damage or other contingency happened independently of the existence of such abnormal conditions.

In any action, suit or other proceeding where the Takaful Operator alleges that by reason of the provisions of this General Exception any loss, damage or other contingency is not covered by this Takaful, the burden of proving that such loss, damage or other contingency is covered shall be upon the Participant.

### EXCLUDED RISKS

2. (i) (a) Loss or damage occasioned by cessation of work; or by confiscation, commandeering, requisition or destruction of or damage to the property by order of the Government *de jure* or *de facto* or any Public Municipal or Local Authority of the country or area in which the property is situated; or occasioned to property by its own fermentation, natural heating or spontaneous combustion or by its undergoing any heating or drying process.
- (b) Loss, damage or other contingency directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material.
- (ii) Loss, damage or other contingency directly or indirectly caused by or arising from or in consequence of or contributed to by ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this Exception 2(ii), combustion shall include any self-sustaining process of nuclear fission.

### CONSEQUENTIAL LOSS

3. Consequential loss or damage of any kind whatsoever except as provided for in Section IIIA hereof.

### EXCLUDED PERILS FOR BUILDING ONLY PERILS

4. As regards buildings only:
  - (a) Loss or damage by hurricane, cyclone, typhoon or windstorm to any building in course of construction, reconstruction or repair unless all outside doors, windows and other openings thereto are complete and protected against such Perils or to metal smoke stacks, awnings blinds, signs and other outdoor fixtures or fittings including gates and fences.

- (b) Loss or damage caused by subsidence or landslip except when this is occasioned by earthquake or volcanic eruption.

## General Conditions

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|-----------------------------------|--|
| <b>TAKAFUL CONTRACT</b>           | 1. This Certificate and the Schedule shall be read together as one Contract and any other word or expression to which a specific meaning has been attached in any part of this Certificate or the Schedule shall bear such specific meaning wherever it may appear.  |
| <b>RIGHTS</b>                     | 2. Unless otherwise expressly stated nothing contained herein shall give any rights against the Takaful Operator to any person other than the Participant. Further, the Takaful Operator shall not be bound by any passing of the interest of the Participant otherwise than by death or operation of law unless and until the Takaful Operator shall by Endorsement hereon declare the coverage to be continued.  |
| <b>THIRD PARTY LIABILITY</b>      | 3. The extension of the Takaful Operator's liability in respect of the property of any person other than the Participant shall give no right of claim hereunder to such person, the intention being that the Participant shall in all cases claim for and on behalf of such person and the receipt of the Participant shall in any case absolutely discharge the Takaful Operator 's liability hereunder.<br><br>4. The accommodation of paying guests, boarders or lodgers not exceeding three (3) in number is permitted without prejudice to the cover granted herein and for the purposes of Section IIIB of this Certificate such paying guests, boarders and lodgers shall be deemed to be members of the Participant's household.<br><br>5. The Total Sum Covered declared by the Participant represents not less than the full value of the covered Buildings and/or Contents and the total liability of the Takaful Operator in respect of loss or damage thereto by all or any of the Perils during any one Period of Takaful shall not exceed the amount stated against each item respectively or in the aggregate the Total Sum Covered specified in the Schedule, or such other sum or sums as may be substituted therefor by Memorandum hereon or attached hereto signed by or on behalf of the Takaful Operator.                    |
| <b>AVERAGE</b>                    | 6. If the property hereby covered shall, at the time of any loss, be collectively of greater value than the Sum Covered thereon, then the Participant shall be considered as being his own Takaful Operator for the difference, and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the Schedule shall be separately subject to this Condition.   |
| <b>CONTRIBUTION</b>               | 7. If at the time of any loss, damage or liability covered by this Certificate there shall be any other Takaful/Insurance(s) covering such loss, damage or liability or any part thereof the Takaful Operator shall not be liable for more than its rateable proportion thereof.   |
| <b>OTHER TAKAFUL / INSURANCES</b> | 8. The Participant shall give notice to the Takaful Operator of any Takaful(s) already effected, or which may subsequently be effected, covering any of the property hereby covered and unless such notice be given and the particulars of such Takaful(s) be stated in or endorsed on this Certificate by or on behalf of the Takaful Operator before the occurrence of any loss or damage, all benefit under this Certificate in respect of the property so covered shall be forfeited.  |
| <b>LOSS NOTIFICATION</b>          | 9. (a) The Participant shall on the happening of any loss or damage to the property covered give immediate notice thereof in writing to the Takaful Operator and shall at his own expense within thirty (30) days after the happening of such loss or damage deliver to the Takaful Operator a claim in writing with such detailed particulars and proofs as may be reasonably required. In the case of loss or damage by theft or any attempt thereat he shall also give immediate notice to the Police.<br><br>(b) If the Takaful Operator shall elect to reinstate any building the Participant shall furnish to the Takaful Operator all such plans, specifications and quantities as the Takaful Operator may reasonably require.<br><br>(c) The Participant shall on receiving notice of any accident or claim arising under Section IIIB give immediate notice thereof in writing to the Takaful Operator and as soon as possible supply full particulars thereof in writing and shall send to the Takaful Operator any writ, summons or other legal process issued or commenced against the Participant and shall give all necessary information and assistance to enable the Takaful Operator to settle or resist any claim or to institute proceedings.<br><br>(d) The Participant shall not incur any expense in making good any damage |

without the written consent of the Takaful Operator and shall not negotiate, pay, settle, admit or repudiate any claim without the like consent.

- RIGHT OF ENTRY / LEGAL PROCEEDINGS** 10 The Takaful Operator shall be entitled:-
- (a) On the happening of any loss of or damage to the property covered to enter any building where the loss or damage has happened and to take and keep possession of the property covered and to deal with the salvage in a reasonable manner and this Certificate or any copy thereof certified by the Takaful Operator shall be proof of leave and licence for such purpose. No property may be abandoned to the Takaful Operator.
- (b) To undertake in the name and on behalf of the Participant the absolute conduct, control and settlement of any proceedings and to take proceedings at its own expense and for its own benefit but in the name of the Participant to recover compensation or secure indemnity from any third party in respect of anything covered by this Certificate.
- FORFEITURE** 11 If any claim under this Certificate shall be in any respect fraudulent or if any fraudulent means or devices are used by the Participant or any one acting on his behalf to obtain any benefit under this Certificate all benefits thereunder shall be forfeited.
- CANCELLATION** 12 The Takaful Operator may by notice in writing to the Participant under registered letter to his last known address give seven (7) days notice of its intention to terminate the Certificate returning on demand a proportion of the contribution corresponding to the unexpired Period of Takaful with profit, if any. The Participant may likewise request to terminate the Certificate by giving notice to the Takaful Operator at its Head Office, and the Takaful Operator shall refund the proportion of the contribution corresponding to the unexpired Period of Takaful, with profit thereof, if any, provided that there has not been any claim made by the Participant during such Period of Takaful.
- ARBITRATION** 13 If any difference arises as to the amount of any loss or damage such difference shall independently of all other questions 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 disinterested persons as arbitrators, of whom one shall be appointed in writing by each of the parties within two calendar months after having been required so to do in writing by the other party. In case either party shall refuse or fail to appoint an arbitrator within two calendar months after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole arbitrator; and in case of disagreement between the arbitrators, the difference shall be referred to the decision of an umpire who shall have been appointed by them in writing before entering on the reference and who shall sit with the arbitrators and preside at their meetings. The death of any party shall not revoke or affect the authority or powers of the arbitrator, arbitrators or umpire respectively; and in the event of the death of an arbitrator or umpire, another shall in each case be appointed in his stead by the party or arbitrators (as the case may be) by whom the arbitrator or umpire so dying was appointed. The costs of the reference and of the award shall be in the discretion of the arbitrator, arbitrators or umpire making the award. And it is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Certificate that the award by such arbitrator, arbitrators or umpire of the amount of the loss or damage if disputed shall be first obtained.
- DUTY OF CARE** 14 The Participant shall use all reasonable diligence and care to keep the premises in a proper state of repair and, where the Participant is the owner of the Private Dwelling house, if any defect therein be discovered shall cause such defect to be made good as soon as possible and shall in the meantime cause such additional precautions to be taken for the prevention of injury, loss or damage as the circumstances may require and the Takaful Operator shall not be liable for injury, loss or damage caused by a defect which the Participant has failed to remedy after having received notice of such defect either from the Takaful Operator or any person or public body.
- REINSTATEMENT LOSS CLAUSE** 15 In the event of a loss, the Takaful hereunder shall be maintained in force for the full Sum Covered and the Participant shall be liable to pay an additional contribution at the rate stated on the Certificate calculated on the amount of loss on pro rata basis from the date of such loss to the expiry of the current Period of Takaful.
- MARKET VALUE** 16 In the event of a loss to the property covered herein, the Takaful Operator shall pay the Participant value or the market value of the Participant's covered property, whichever is the lower subject to the deduction of any excess and amounts which the Participant is required to bear under the Certificate.

For the purpose of this Condition, the term „Market Value“ shall mean the value of the

property covered herein at the time of damage or loss less due allowance for wear and tear and/or depreciation.

The Market Value of the covered property shall for the purpose of this Condition be determined by a valuation obtained by the Takaful Operator from the manufacturer, authorised sole agent or agent, authorised broker, authorised distributor or building contractor of the cost of replacement or reinstatement, subject to the application of appropriate depreciation, of the covered property damaged or lost as it was at the time of the occurrence of such damage or loss.

In the event that there is, at the time of damage or loss no manufacturer, authorised sole agent or agent, authorised broker, authorised distributor or building contractor for the covered property, the valuation shall be obtained from a Loss Adjuster licensed under the Takaful Act 1984 or Registered Valuer under the Valuers and Appraisers Act, 1981 and to be mutually appointed by both parties. The valuation of the covered property by the manufacturer, authorised sole agent or agent, authorised broker, authorised distributor, building contractor, Loss Adjuster licensed under the Takaful Act 1984 or Registered Valuer under the Valuers and Appraisers Act 1981 shall be conclusive evidence in respect of the market value of the covered property in any legal proceedings against the Takaful Operator.

### **Limits Of Liability**

The Takaful Operator shall not be liable:

- (a) Under Peril 5 for the first RM50.00
- (b) under Perils 7, 8 and 9, as provided in the Excess Clause applying thereto, for the first one (1) per cent of the Total Sum Covered on Buildings or RM200.00 whichever shall be the less.

Limit of the amount of the Takaful Operator's liability under Section IID: RM10,000 or one half of the Total Sum Covered on Contents whichever be the less.

Limit of the amount of the Takaful Operator's liability under Section IIIB: RM50,000 any one accident or series of accidents constituting one occurrence in respect of Section I - Buildings and Section II - Contents, each section respectively.

Geographical Area: Malaysia

### **Surplus**

The surplus is determined at the end of each financial year after making deductions for wakalah fee (\_30%\_), payment of claims, Retakaful and provisions for reserves based on the guidelines laid down by the authorities. The Participant are entitled to have a share of the 50% of the surplus reserved for distribution amongst participants after the expiry date of this Certificate provided You have not cancelled this Certificate or made a claim prior to the expiry date stated in the Schedule.

**The Following Warranties / Clauses / Endorsements Are Applicable If Specified In The Schedule**

**AGGREGATE CONDITION OF AVERAGE CLAUSE**

It is hereby noted and agreed that notwithstanding the declaration of individual Sums Covered within the Certificate, Condition 6 of this Certificate will apply as though reference to property therein is in respect of all properties of the same covered at the same location covered therein. Accordingly, the sentence "Every item, if more than one, of the Certificate shall be separately subject to this condition" appearing in the test of Condition 6 is deemed to have been deleted.

**AGREED VALUE ENDORSEMENT FOR ART OBJECTS/PAINTINGS, ANTIQUES AND SUCH LIKE ITEMS**

It is hereby declared and agreed that in the event of the undernoted item(s) of property covered being totally lost, destroyed or damaged by any peril covered against, the liability of the Takaful Operator shall not exceed the corresponding agreed value stated in the Schedule below:

<b>Property Covered</b>	<b>Agreed Value</b>
<b>As specified in the Schedule</b>	<b>As specified in the Schedule</b>

Notwithstanding anything contained in this Certificate to the contrary, where any covered items consist of articles in a pair or set, the Takaful Operator shall not be liable to pay more than the proportionate value of any particular parts which may be lost, without reference to any special value which such article or articles may have as part of such pair or set.

Subject otherwise to the terms exceptions and conditions of the Certificate.

**APPRAISEMENT CLAUSE**

If the aggregate claim for any one loss does not exceed RM5,000 or 5% of the Sum Covered whichever is the lesser amount by the item or items affected no special inventory or appraisal of the undamaged property shall be required.

If two or more buildings be included in a single item, this provision shall apply to the range of buildings and/or contents by the item or items affected.

**ARCHITECTS SURVEYOR'S ENGINEER'S AND CONSULTANTS FEES  
(With Separate Sum Covered)**

The coverage by this item(s) is in respect of Architect's Surveyor's and Consulting Engineer's fees for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in the reinstatement of the property covered consequent upon its destruction or damage by fire or other peril hereby covered against, but not such fees for preparing any claim hereunder. The amount payable for such fees shall not exceed those authorised under the scales of the Associations of the respective professions prevailing at the time of destruction or damage, subject to the limit of the Sum Covered on this item(s).

**ARCHITECTS SURVEYOR'S ENGINEER'S AND CONSULTANTS FEES  
(Without Separate Sum Covered)**

The coverage on buildings, plant and machinery hereby covered includes Architect's, Surveyor's and Consulting Engineer's fees for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in the reinstatement of the property covered consequent upon its destruction or damage by fire or any other peril hereby covered against, but not such fees for preparing any claim hereunder. The amount payable for such fees shall not exceed those authorised under the scales of the Associations of the respective professions prevailing at the time of destruction or damage, subject to the Takaful Operator's maximum liability for any loss damage and fees not exceeding the Sum Covered against each item.

**AUTOMATIC RENEWAL CLAUSE**

This Certificate is deemed to be automatically renewed and the appropriate contribution charged upon expiry unless otherwise instructed.

**AUTOMATIC HOLD COVER (PROPERTIES IN NEW LOCATIONS) CLAUSE**

It is understood and agreed that any additional properties situated in locations within Malaysia not covered by the Certificate which may be acquired by the Participant during the currency of this Certificate is automatically held covered up to 10% of the Certificate limit or RM10 million, whichever is the lower, provided that the Participant shall advise the Takaful Operator within thirty (30) days of any acquisition of any such properties and shall pay the additional contribution from effective date of acquisition.

Subject otherwise to the terms, exceptions and conditions of the Certificate.

**CAPITAL ADDITIONS CLAUSE**

The Takaful hereby extends to cover alterations, additions and improvements (but not appreciation in value in excess of the Sum Covered) to property specified in this Certificate for an amount not exceeding in respect of each item ten percent (10%) of the Sum Covered by each item or RM1,000,000.00 whichever is the less.

The Participant undertakes to advise the Takaful Operator every three (3) months of such alterations, additions and improvements and to pay the appropriate additional contribution thereon.

The Clause is inoperative if the declaration of such alterations, additions and improvements is not received by Takaful Operator within ninety (90) days from the date of such alterations, additions and improvements.

For the purpose of this Clause, the inception date under the Contribution Warranty shall be deemed to be the date of declaration received by the Takaful Operator.

**Note:** In the event that there is more than one location, then the limit may be increased to RM2,000,000, this amount being the aggregate limit for all locations.

#### **CO-TAKAFUL AND LEADER CLAUSE**

It is hereby declared and agreed that notwithstanding anything contained in the within Certificate, or on any Endorsement which make any reference to "the Takaful Operator " shall be deemed to mean the following companies each of which agrees for the proportion set in the manner herein describe:

#### Takaful Operator

#### Proportion

\* As per Certificate Schedule

'*Al-Wakalah*' profit sharing, if any will be made in proportion to **ETIQA TAKAFUL BERHAD** co-takaful share only.

It is further declared and agreed that in the event of claim the following condition shall apply

- (a) An adjuster will be appointed by the leader.
- (b) Excess applicable on 100% Sum Covered and not the proportion of the risk covered by each co-takaful.
- (c) **ETIQA TAKAFUL BERHAD** should be notified on all new claims.
- (d) Claims settlement will be made in proportion to our co-takaful share.

#### **DATE RECOGNITION CLAUSE (For Houseowner/Householder Certificate or Fire Consequential Certificate)**

It is noted and agreed this Certificate is hereby amended as follows :

- A.** The Takaful Operator will not pay for any loss or damage including loss of use with or without physical damage, injury (including bodily injury), expenses incurred or any consequential loss directly or indirectly caused by, consisting of, or arising from, the failure or inability of any computer, data processing equipment, media microchip, operating systems, microprocessors (computer chip), integrated circuit or similar device, or any computer software, whether the property of the Participant or not, and whether occurring before, during or after the year 2000 that results from the failure or inability of such device and/or software as listed above to:
  - 1. correctly recognize any date as its true calendar date;
  - 2. Capture, save or retain, and/or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date other than its true calendar date; and/or
  - 3. Capture, save, retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or after any date.
- B.** It is further understood that the Takaful Operator will not pay for the repair or modification of any part of any electronic data processing systems or any part of any device and/or software as listed above in A. Capture, save, retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or after any date.
- C.** It is further understood that the Takaful Operator will not pay for any loss or damage including loss of use with or without physical damage, injury (including bodily injury), expenses incurred or any consequential loss directly or indirectly arising from any advise, consultation, design, evaluation, inspection, installation, maintenance, repair or supervision done by the Participant or for the Participant or by or for others to determine, rectify or test, any potential or actual failure, malfunction or inadequacy described in A. above.
- D.** It is further understood that the Takaful Operator will not pay for any consequential loss resulting from any continuing inability of the computer and equipment described in A above to correctly recognize any date as its true calendar date after the lost or damaged property has been replaced or repaired.

Such loss or damage, injury (including bodily injury), expenses incurred or any consequential loss referred to in A, B, C or D above, is excluded regardless of any other cause that contributed concurrently or in any other sequence to the same.

*Saving clause* This endorsement shall not exclude subsequent loss or damage or consequential loss which itself results from a covered peril as defined in the certificate.

#### **DESIGNATION CLAUSE**

For the purpose of determining where necessary the item (column heading) under which any property is covered, the Takaful Operator agrees to accept the designation under which such property is entered in the Participant" s books.

#### **ENDORSEMENT NO. 1 - BUILDING OF BLOCKS OF FLATS (SECTION I)**

It is hereby declared and agreed that:

1. Reference in this Certificate to the Private Dwelling House shall be deemed to mean the Private Flats.
2. Peril 4 is deleted and replaced by the following:

"IMPACT with any of the buildings by any road vehicles, or animals not belonging to or under the control of:

3. (a) the Participant or his agent or
- (b) any person resident on the Private Flats or his agent or servant."

Section IIIB - Liability to the Public is deleted and replaced by the following:

"The Takaful Operator will indemnify the Participant in respect of his legal liability for claims made on him as owner of the buildings specified in the Schedule but not as a resident occupying any part of the buildings in respect of accidents occurring during the Period of Takaful directly caused by any defect in the said buildings or in the landlord's fixtures and fittings or in the walls gates fences and trees around and pertaining thereto resulting in:

- (i) Bodily injury to any person not being a member of the Participant's family or household nor at the time of sustaining such injury engaged in and upon the service of the Participant.
- (ii) Damage to property not belonging to or in the charge of or under the control of the Participant or of a member of his family or household or of a person in his service.

Provided always that the amount payable hereunder in respect of any one accident or series of accidents constituting one occurrence shall not in any case exceed the sum of RM50,000.

The Takaful Operator will, in addition, indemnify the Participant in respect of :

- (a) Legal costs and expenses recoverable from the Participant by any claimant provided such costs and expenses were incurred before the date (if any) on which the Takaful Operator shall have paid or offered to pay either the full amount of the claim or the total amount recoverable in respect of any one occurrence as herein before provided;
- (b) Legal costs and expenses incurred by the Participant with the consent of the Takaful Operator.

Provided always that the Takaful Operator shall not be liable in respect of claims arising out of or incidental to:

- (a) The Participant's profession or business, or
- (b) the ownership, possession or use by or on behalf of the Participant of any lift, vehicle, vessel or craft of any kind or
- (c) the carrying out of alterations, additions, repairs or decorations to any part of the said premises or
- (d) damage to property by subsidence fire or explosion (other than explosion of any domestic boiler fitted in an individual flat in the said buildings for the sole purpose of such flat) or
- (e) liability arising out of any contract of indemnity which imposes upon the Participant liability which the Participant would not otherwise have been under.

In the event of the death of the Participant, the Takaful Operator will in respect of the liability incurred by the Participant indemnify the Participant's personal representatives in the terms of and subject to the limitations of this Section provided that such personal representatives shall as though they were the Participant observe, fulfill and be subject to the Terms of this Certificate so far as they can apply."

#### **ENDORSEMENT NO. 2 - LANDLORD'S HOUSEHOLD GOODS AND FURNISHING IN BLOCKS OF FLATS**

Whereas the Participant has notified the Takaful Operator that the Private Flats within mentioned will be let partly furnished and has declared that the amount stated hereunder is not less than the full value of the household goods and furnishings contained therein and belonging to the Participant.

It is hereby declared and agreed that in consideration of the payment of an additional contribution, the indemnity granted by this Certificate shall as regards loss or damage by any of the perils enumerated in this Certificate as herein after amended extend to apply to such household goods and furnishings whilst contained in the Private Flats for an amount not exceeding **as stated in the Schedule (RM)** in all which shall apply in equal proportions to each Private Flat unless stated hereon to the contrary. For the purpose of Section IIIA - Rent **Coverage**, the above amount is deemed to be added to the Total Sum Covered on Buildings as stated in the Schedule.

Provided that:

- (1) This coverage shall not apply to:
  - (a) household goods, furnishings or personal effects of any description brought into the Private Flats by tenants
  - (b) gold or silver articles
- (2) For the purpose of this Endorsement but not otherwise the Perils under this Certificate shall be deemed to read as follows:

**"CONTINGENCIES RELATING TO HOUSEHOLD GOODS AND FURNISHINGS"**  
Loss or Damage caused by any of the undermentioned Perils to household goods and furnishings as specified:

1. FIRE, LIGHTNING, THUNDERBOLT, SUBTERRANEAN FIRE.
2. EXPLOSION.
3. AIRCRAFT and other aerial devices and/or articles dropped therefrom.
4. IMPACT with any of the buildings by any road vehicles or animals not belonging to or under the control of:
  - a) the Participant or his agent or servant,
  - b) any person resident in the Private Flats or his agent or servant.
- BURSTING OR OVERFLOWING OF DOMESTIC WATER TANKS, APPARATUS OR PIPES excluding:
  - a) in respect of each and every loss the amount stated in the Schedule.
  - b) destruction or damage occurring while the Private Dwelling House is left untenanted.
5. THEFT but only if accompanied by actual forcible and violent breaking into or out of a building or any attempt thereat.
6. HURRICANE, CYCLONE, TYPHOON, WINDSTORM
7. EARTHQUAKE, VOLCANIC ERUPTION
8. FLOOD (including overflow of the sea)
9. EARTHQUAKE, VOLCANIC ERUPTION

It is further declared and agreed that:

- (i) for the purposes of this Endorsement but not otherwise General Exception 4 is deleted.
- (ii) the words "or in the landlord's household goods and furnishings therein" are deemed to be added to the first paragraph of Section IIIB - Liability to the Public after the words "landlord's fixtures and fittings."

Subject otherwise to the Terms of the Certificate.

**ENDORSEMENT NO. 3 – ADDITIONAL RENT INSURANCE (SECTION IIIA)**

It is hereby declared and agreed that in consideration of the payment of an additional contribution, the limit of the amount of the Takaful Operator 's liability under Section IIIA is increased to **as stated in the Schedule** ( ) per cent of the Total Sum Covered on Buildings and/or Contents.

**ENDORSEMENT NO. 4 - COMPENSATION FOR DEATH OF THE PARTICIPANT (ONE PERSON IS NOMINATED)**

It is hereby declared and agreed that for the purposes of the coverage by Section IID of this Certificate the below - Named Person shall alone be deemed to be covered against fatal injury as therein provided.  
(As stated in the Schedule)

\_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC)

**ENDORSEMENT NO. 4 - COMPENSATION FOR DEATH OF THE PARTICIPANT (MORE THAN ONE PERSON IS NOMINATED)**

It is hereby declared and agreed that for the purposes of the coverage by Section IID of this Certificate the below - Named Persons shall be deemed to be covered against fatal injury as therein provided, each to an amount not exceeding \*..... of the compensation payable under the said Section.  
(As stated in the Schedule)

\_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC)

\*Here insert the fraction according to the number of persons deemed to be covered under the Section."

**ENDORSEMENT NO. 5 - EXTENDED THEFT COVER**

Notwithstanding anything contained herein to the contrary, it is hereby declared and agreed that in consideration of the payment of an additional contribution, Perils 6 of this Certificate shall be amended to read as follows:

THEFT or any attempt thereat EXCLUDING:

1.
  - (a) theft whilst the Building or any part thereof are lent, let or sub-let,
  - (b) theft from any outbuilding not directly communicating with the private dwelling house or private flat/apartment/condominium,
  - (c) theft of servant\* s property other than from the private dwelling house or private /apartment/condominium

UNLESS accompanied by actual forcible and violent breaking into or out of a building.

2. Theft
3. The first 1% of the Total Sum Covered or RM250, whichever is the lower
4. Loss or damage to contents due to theft by the Participant's domestic servant(s) or any member of the Participant's family or household.

**PROVIDED** that in the event of the Private Dwelling being left without an inhabitant therein for more than ninety (90) days whether consecutively or not in any one Period or not in any one Period of Takaful the coverage against Theft shall, unless otherwise agreed by Endorsement hereon, be entirely suspended in respect of any period or periods during which the Private Dwelling may be unoccupied in excess of the aforesaid ninety (90) days.

As regards the Extension relating to property temporarily removed the coverage against Theft shall apply only:

- (a) at any Bank, Safe Deposit or occupied private dwelling.
- (b) in any building where the Participant or any member of his family is residing.
- (c) In the course of removal to or from any Bank or Safe Deposit whilst in the charge of the Participant, a member of his family or authorized servant.

In all other cases the coverage is restricted to Theft accompanied by actual forcible and violent breaking into or out of a building.

Subject otherwise to the Terms of the Certificate.

**ENDORSEMENT NO. 6 - INCREASED LIMIT OF LIABILITY (SECTION IIIB – RM100,000)**

It is hereby declared and agreed that in consideration of the payment of an additional contribution, the Limit of the amount of the Takaful Operator's liability under Section IIIB is increased to **RM100,000.00**

**ENDORSEMENT NO. 6 - INCREASED LIMIT OF LIABILITY (SECTION IIIB – RM250,000)**

It is hereby declared and agreed that in consideration of the payment of an additional contribution, the Limit of the amount of the Takaful Operator's liability under Section IIIB is increased to **RM250,000.00**

**ENDORSEMENT NO. 7 - PLATE GLASS DAMAGE**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, this coverage is extended to cover accidental breakage of glass sheets fitted to the structure of the building subject to the terms, exceptions, limits and conditions contained herein.

If during the Period of Takaful, any of the glass sheets fitted to the structure of the building shall be accidentally broken, the Takaful Operator will:

1. replace such broken glass with glass of a similar manufacture or quality or at the option of the Takaful Operator pay to the Participant, an amount equivalent to the cost of such replacement subject to a **maximum sum of RM1,000.00** per glass sheet.
2. pay the cost necessarily incurred in boarding up the aperture caused by such breakage for which the Takaful Operator is liable hereunder.

**EXCEPTIONS:**

This Takaful does not cover:

- (a) breakage of or damage to frames or framework of any description.
- (b) the cost of removal or replacement of any fittings or fixtures
- (c) breakage of glass in conservatories, greenhouses or outbuildings.
- (d) breakage of glass which is broken or damaged at the commencement of this Takaful.
- (f) any consequential loss

Subject otherwise to the terms of the Certificate.

**ENDORSEMENT NO. 8 - RIOT, STRIKE AND MALICIOUS DAMAGE**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, it is hereby declared that notwithstanding anything in the within written Certificate contained to the contrary, the coverage under \* this Certificate shall extend to cover Riot and Strike Damage which for the purpose of this Endorsement shall mean (subject to the Special Conditions hereinafter contained):

Loss of or damage to property covered\*\* directly caused by:

1. The act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not) not being an occurrence mentioned in General Exception 1 of the Special Conditions hereof.
2. The action of any lawfully constituted authority in suppressing or attempting to suppress any such

- disturbance or in minimising the consequences of any such disturbance.
3. The willful act of any striker or locked-out worker done in furtherance of a strike or in resistance to a lock-out.
  4. The action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimising the consequences of any such act.

It is hereby declared further that notwithstanding anything in the within written Certificate contained to the contrary, the coverage under this Certificate shall extend to cover Malicious Damage which for the purpose of this extension shall mean:

Loss of or damage to the property covered directly caused by the malicious act of any person (whether or not such act is committed in the course of a disturbance of the public peace) not being an act amounting to or committed in connection with an occurrence mentioned in General Exception 1 of the Endorsement but the Takaful Operator shall not be liable under this extension for any loss or damage by fire or explosion nor for any loss or damage arising out of or in the course of burglary, housebreaking, theft or larceny or any attempt thereat or caused by any person taking part therein.

Provided always that all the Conditions of the Certificate (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein.

**Note:** If certain items only of the Certificate are to be covered against Riot and Strike, insert the words "items.....of" and "under the items hereinbefore referred to but none other" at \* and \*\* respectively.

### **SPECIAL CONDITIONS**

For the purposes of this Endorsement but not otherwise there shall be substituted for the respectively numbered General Exceptions and Conditions of the Certificate the following:-

#### **GENERAL EXCEPTION 1**

This Takaful does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely:

- (a) War, invasion, act of foreign enemy, hostilities, or warlike operations (whether war be declared or not), civil war.
- (b) Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power.
- (c) any act of terrorism.  
For this purpose an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public in fear."

In any action, suit or other proceeding, where the Takaful Operator alleges that by reason of the provisions of this Condition any loss or damage is not covered by this Takaful, the burden of proving that such loss or damage is covered shall be upon the Participant.

#### **GENERAL EXCEPTION 2**

This Takaful does not cover:

- (a) Loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever.
- (b) Loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation.
- (c) Loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
- (d) Loss or damage occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building.

**PROVIDED** nevertheless that the Takaful Operator is not relieved under (c) or (d) above of any liability to the Participant in respect of physical damage to the property covered occurring before dispossession or during temporary dispossession.

#### **CONDITION 6**

If the property hereby covered shall at the breaking out of any fire or at the commencement of any destruction of or damage to such property by any other peril covered against by this Endorsement be collectively of greater value than the Sum Covered thereon, then the Participant shall be considered as being his own Takaful Operator for the difference and shall bear a rateable share of the amount of the loss accordingly. Every item, if more than one, of the Certificate shall be separately subject to this Condition.

#### **CONDITION 12**

This Takaful may at any time be terminated by the Takaful Operator on notice to that effect being given to the Participant, in which case the Takaful Operator shall be liable to repay a rateable proportion of the contribution for the unexpired term from the date of

cancelment. If the Takaful be terminated at the request of the Participant, the Takaful Operator shall not be liable to repay the contribution or any part of it.

**PROVIDED** that it is hereby further expressly agreed and declared:

1. All the Conditions of this Certificate shall apply in all respects to the Takaful granted by this extension save in so far as the same are expressly varied by the above Special Conditions and any reference to fire in the Conditions of the Certificate shall be deemed to include the perils hereby covered against.
2. The Special Conditions herein shall apply only to the Takaful coverage granted by this extension and the Conditions of the Certificate shall apply in all respects to the Takaful coverage granted by the Certificate as if this Endorsement had not been made thereon.

**ENDORSEMENT NO. 9 - LOSS OR DAMAGE BY HURRICANE, CYCLONE, TYPHOON OR WINDSTORM TO METAL STACKS, AWNINGS, BLINDS, SIGNS AND OTHER OUTDOOR FIXTURES AND FITTINGS INCLUDING GATES AND FENCES**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, it is hereby declared and agreed that the words "or to metal smoke stacks, awnings, blinds, signs and other outdoor fixtures and fittings including gates and fences" under General Exception 4(a) of the Certificate is deemed to be deleted.

**ENDORSEMENT NO. 10 - ALTERATIONS, REPAIRS AND ADDITIONS**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, this Takaful is extended to cover alterations, repairs and additions (but not appreciation in value in excess of the Sum Covered) to Buildings for an amount not exceeding 25% of the Total Sum Covered on Buildings. For the purpose of this Endorsement, proviso 2(i)(c) of Section III-B of this Certificate is deemed to be deleted.

**ENDORSEMENT NO. 11 – ASBESTOS EXCLUSION**

The „Liability to the Public“ section of this certificate excludes all claims and losses based upon, arising out of, directly or

indirectly resulting from or in consequence of, or any way involving:-

1. asbestos, or
2. any actual or alleged asbestos related injury or damage involving the use, presence, existence, detection, removal, elimination or avoidance of asbestos or exposure or potential exposure to asbestos.

**ESCALATION CLAUSE**

In consideration of payment of an additional contribution amounting to fifty percent (50%) of the contribution produced by applying the specified percentage to the first or the annual contribution as appropriate on the item(s) stated in the Certificate Schedule, the Sum(s) Covered thereby shall, during the Period of Takaful, be increased each day by an amount representing 1/365th of the specified percentage increase per annum.

Unless specifically agreed to the contrary the provisions of this Clause shall only apply to the sums covered in force at the commencement of each Period of Takaful.

At each renewal date the Participant shall notify the Takaful Operator:

- (i) the Sums to be Covered under each item(s), but in the absence of such instructions the Sums Covered by the item(s) shall be those stated on the Certificate (as amended by any Endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this clause during the Period of Takaful up to that renewal date, and
- (ii) the specified percentage increase(s) required for the forthcoming Period of Takaful but in the absence of instructions to the contrary prior to renewal date the existing percentage increase shall apply for the Period of Takaful from renewal.

All the conditions of the Certificate except insofar as they may be hereby expressly varied shall apply as if they had been incorporated herein.

**FOUNDATION EXCLUSION (UNDER SURFACE)**

The Takaful on Building(s) excludes that part of any building below the under surface of the lowest floor (and those parts of the concrete foundations for machinery which extend above such level).

**FOUNDATION EXCLUSION (UPPER SURFACE)**

The Takaful on Building(s) excludes that part of any building below the upper surface of its lowest floor (and those parts of the concrete foundations for machinery which extend above such level).

**HIRE PURCHASE ENDORSEMENT**

It is hereby understood and agreed that the hire purchase Takaful Operator specified in the Certificate Schedule are the Owners of the property covered by item(s) mentioned in the Schedule and that such property is the subject of a Hire Purchase Agreement made between the Owners of the one part and the Participant of the other part. It is further understood and agreed that any payment made in respect of loss or damage (which loss or damage is not made good by repair, reinstatement or replacement) under the terms of this Certificate shall be made to the Owners as long as they are the Owners of the property and their receipt shall be full and final discharge to the Takaful Operator in respect of such loss or damage.

It is understood and agreed that notwithstanding any provision in the Hire Purchase Agreement to the contrary this Certificate is issued to the Participant ••• as the principal party and not as agent or trustee for the Owners and nothing herein

shall be construed as constituting the Participant, as agent or trustee for the Owners or as an assignment (whether legal or equitable) by the Participant to the Owners of his rights, benefits and claims under this Certificate.

It is lastly understood and agreed that the Participant shall not assign his rights benefits and claims under this Certificate without the prior consent in writing of the Takaful Operator.

**Non-Cancellation Clause**

And it is further agreed that cancellation of this Certificate shall not be effected by the covered except upon prior notification to the Owner in writing giving fourteen (14) days notice to the last known address of the Owner.

**INTERNAL REMOVAL CLAUSE**

It is understood and agreed that in the event of removal of property from one building to another at any of the aforesaid situations being inadvertently not advised to the Takaful Operator the Takaful cover on such property shall follow removal, the necessary adjustment in Sum Covered and contribution being made as from the date of removal as soon as the oversight is discovered.

**LEASING ENDORSEMENT**

It is hereby understood and agreed that the lessors as specified in the Certificate Schedule are the owners of the property covered by item mentioned in the Schedule and that such property is the subject of a Leasing Agreement made between the lessors of the one part and the Participant of the other part and it is further understood and agreed that the lessors are interested in any monies which but for this Endorsement could be payable to the Participant under this Certificate in respect of loss of or damage to the property (which loss or damage is not made good by repair reinstatement or replacement under the terms of the Certificate) and such monies shall be paid to the lessors as long as they are the owners of the property and their receipt shall be a full and final discharge to the Takaful Operator in respect of such loss or damage. Save as by this Endorsement expressly agreed nothing herein shall modify or affect the rights and liabilities of the covered or the Takaful Operator respectively under or in connection with this Certificate.

**Non-Cancellation Clause**

And it is further agreed that cancellation of the Certificate shall not be effected by the Participant except upon prior notification to the Lessor in writing giving fourteen (14) day notice to the last known address of the Lessor.

**MORTGAGEE (CHARGE) CLAUSE 1**

Loss, if any, payable to ..... as Mortgagee (Chargee) as interest may appear in this Certificate, as to the interest of the Mortgagee (Chargee) only therein, shall not be invalidated by any act of neglect of the Mortgagor (Chargor) or the Owner of the within described property nor any foreclosure or other proceedings or notice of sale relating to the property or by the occupation of the premises for purposes more hazardous than are permitted by this Certificate, or by the non- occupation thereof, or by any other increase of risk taking place in the property covered hereunder. Provided that in case the Mortgagor (Chargor) or Owner shall neglect to pay any contribution due under this Certificate the Mortgagee (Chargee) shall on demand pay the same. Provided also that the Mortgagee (Chargee) shall notify the Takaful Operator of any non- occupancy or any change of ownership or occupancy or increase of hazard which shall come to the knowledge of the said Mortgagee (Chargee) and unless permitted by this Certificate it shall be noted thereon and the Mortgagee (Chargee) shall on demand pay the contribution for such increased hazard for the term thereof otherwise this Certificate shall be null and void.

And it is further agreed that whenever the Takaful Operator shall pay the said Mortgagee (Chargee) any sum in respect of loss or damage under this Certificate and shall claim that as to the Mortgagor (Chargor) or Owner no liability therefore existed, the Takaful Operator shall become legally subrogated to all the rights of the Mortgagee (Chargee) to the extent of such payment but not so as to impair the right of the said Mortgagee (Chargee) to recover the full amount of any claim it may have on such Mortgagor (Chargor) or Owner or any other party or parties covered hereunder or from any securities or funds available.

**Non-Cancellation Clause**

And it is further agreed that cancellation of this Certificate shall not be effected by the Participant except upon prior notification to the Mortgagee (Chargee) in writing giving fourteen (14) days notice to the last known address of the Mortgagee (Chargee).

**Note:** When the interest is that of Chargee or Chargor the words in brackets are deemed to be inserted in place of Mortgagee and Mortgagor.

**MORTGAGEE (CHARGE) CLAUSE 2**

Loss if any payable to the Mortgagee (Chargee) as described in the Certificate Schedule as interest may appear in this Takaful, as to the interest of the Mortgagee (Chargee) only therein, shall not be invalidated by any act or neglect of the Mortgagor (Chargor) or the Owner of the within described property nor any foreclosure or other proceedings or notice of sale relating to the property or by the occupation of the premises for purposes more hazardous than are permitted by this Certificate, or by the non-occupation thereof, or by any other increase of risk taking place in the property covered hereunder. Provided that in case the Mortgagor (Chargor) or Owner shall neglect to pay any contribution due under this Certificate the Mortgagee (Chargee) shall on demand pay the same. Provided also that the Mortgagee (Chargee) shall notify the Takaful Operator of any non-occupancy or any change of ownership or occupancy or increase of hazard which shall come to the knowledge of the said Mortgagee (Chargee) and unless permitted by this Certificate it shall be noted thereon and the Mortgagee (Chargee) shall on demand pay the contribution for such increased hazard for the term thereof otherwise this Certificate shall be null and void.

And it is further agreed that whenever the Takaful Operator shall pay the said Mortgagee (Chargee) any sum in respect of loss or damage under this Certificate and shall claim that as to the Mortgagor (Chargor) or Owner no liability therefore existed, the

Takaful Operator shall become legally subrogated to all the rights of the Mortgagee (Chargee) to the extent of such payment but not so as to impair the right of the said Mortgagee (Chargee) to recover the full amount of any claim it may have on such Mortgagor (Chargor) or Owner or on any other party or parties covered hereunder or from any securities or funds available.

**Non-Cancellation Clause**

And it is further agreed that cancellation of this Certificate shall not be effected by the Participant except upon prior notification to the Mortgagee (Chargee) in writing giving fourteen (14) days notice to the last known address of the Mortgagee (Chargee).

**OUTBUILDING CLAUSE**

The Takaful cover by each item under Buildings is understood to include walls, gates and fences, small outbuildings, extensions, annexes, exterior staircase, fuel installations, steel or iron frameworks and tanks in the said premises and the Takaful cover by each item under Contents extends to include the contents of each outbuilding.

**PAIRS AND SETS CLAUSE**

It is hereby declared and agreed that notwithstanding anything contained in this Certificate to the contrary, where any covered item consists of articles in a pair or set, the Takaful Operator shall not be liable to pay more than the proportionate value of any particular part or parts which may be lost, without reference to any special value which such article may have as part of such pair or set.

Subject otherwise to the terms exceptions and conditions of the Certificate.

**PROPERTY DAMAGE CLARIFICATION CLAUSE**

It is hereby declared and agreed that the property damage covered under this Certificate shall mean physical damage to the item(s) covered.

Physical damage to the item(s) covered shall not include loss or damage:-

- (a) to data or software, i.e. any detrimental change in data, software or computer programs caused by a deletion, corruption or deformation of the original structure, and any business interruption losses resulting from such loss or damage.

Notwithstanding this exclusion, loss or damage to data or software which is the direct consequence of actual physical damage to the item(s) covered shall be covered.

- (b) resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.

**REINSTATEMENT VALUE CLAUSE**

Notwithstanding anything to the Contra contained in Condition 16 of the Certificate, it is hereby declared and agreed that in the event of the property covered under items as stated in the Schedule of the within Certificate being destroyed or damaged, the basis upon which the amount payable under items stated in the Schedule of the Certificate is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than the covered property when new, subject to the following Special Provisions and subject also to the terms and conditions of the Certificate except insofar as the same may be varied hereby.

**SPECIAL PROVISIONS**

1. The work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Participant subject to the liability of the Takaful Operator not being thereby increase) must be commenced and carried out with reasonable despatch and in any case must be completed within 12 months after the destruction or damage, or within such further time as the Takaful Operator may (during the said 12 months) in writing allow otherwise no payment beyond the amount which would have been payable under the Certificate if this Memorandum had not been incorporated therein shall be made.
2. Until expenditure has been incurred by the Participant in replacing or reinstating the property destroyed or damaged the Takaful Operator shall not be liable for any payment in excess of the amount which would have been payable under the Certificate if this Memorandum had not been incorporated therein.
3. If at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property covered has been destroyed exceeds the sum covered thereon at the breaking out of any fire or at the commencement of any destruction or damage to such property by any other peril covered against by this Certificate, then the Participant shall be considered as being his own Takaful Operator for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the Certificate (if more than one) to which this Memorandum applies shall be separately subject to the foregoing provision.
4. This Memorandum shall be without force or effect if:
  - (a) The Participant fails to intimate to the Takaful Operator within six (6) months from the date of destruction or damage, or such further time as the Takaful Operator may in writing allow, his intention to replace or reinstate the property destroyed or damaged.

(b) The Participant is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or another site.

5. No payment beyond the amount which would have been payable under the Certificate if this Memorandum had not been incorporated therein shall be made if at the time of any destruction or damage to any property covered hereunder such property shall be covered by any other Takaful effected by or on behalf of the Participant which is not upon the identical basis of reinstatement set forth therein.

#### **REINSTATEMENT VALUE (STRATA TITLED PROPERTY) CLAUSE**

Notwithstanding anything to the contrary contained in Condition 16 of the Certificate, it is hereby declared and agreed that in the event of the property covered under items as stated in the Schedule of the within Certificate being destroyed or damaged, the basis upon which the amount payable under (each of the said items of) the Certificate is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than the covered property when new, subject to the following Special Provisions and subject also to the terms and conditions of the Certificate except insofar as the same may be varied hereby.

#### **SPECIAL PROVISIONS**

1. The work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Participant subject to the liability of the Takaful Operator not being thereby increase) must be commenced and carried out with reasonable despatch and in any case must be completed within 12 months after the destruction or damage, or within such further time as the Takaful Operator may (during the said 12 months) in writing allow otherwise no payment beyond the amount which would have been payable under the Certificate if this clause had not been incorporated therein shall be made.
2. Until expenditure has been incurred by the Participant in replacing or reinstating the property destroyed or damaged the Takaful Operator shall not be liable for any payment in excess of the amount which would have been payable under the Certificate if this clause had not been incorporated therein.
3. If the Sum Covered at the breaking out of any fire or at the commencement of any destruction or damage to the property by any other peril hereby covered against be less than 85% of the sum representing the cost at the time of replacement or reinstatement which would have been incurred in replacement or reinstatement if the whole of the property covered had been destroyed then the Participant shall be considered being his own Takaful Operator for the difference between the Sum Covered and the sum representing the full cost at the time of replacement or reinstatement which would have been incurred in replacement or reinstatement if the whole of the property covered had been destroyed and shall bear a rateable proportion of the loss accordingly. Every item, if more than one of the Certificate shall be separately subject to this Special Provision.
4. This clause shall be without force or effect if:
  - (a) The Participant fails to intimate to the Takaful Operator within six (6) months from the date of destruction or damage, or such further time as the Takaful Operator may in writing allow, his intention to replace or reinstate the property destroyed or damaged.
  - (b) The Participant is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or upon another site.
5. No payment beyond the amount which would have been payable under the Certificate if this clause had not been incorporated therein shall be made if at the time of any destruction or damage to any property covered hereunder such property shall be covered by any other Takaful/Insurance effected by or on behalf of the Participant which is not upon the identical basis of reinstatement set forth therein.
6. In the event that the Takaful Operator is liable to make any payment (other than payment representing the cost of replacing or reinstating the property destroyed or damaged) under the provisos of this clause the Takaful Operator shall only make such payment in accordance with the Strata Titles Act, 1985 and the Strata Titles (Federal Territory of Kuala Lumpur) Rules, 1988 and/or its subsequent amendments.

#### **REINSTATEMENT - DAY ONE BASIS Memorandum (Non-Adjustable)**

1. It is hereby declared and agreed that the Participant having stated in writing the „Declared Value” incorporated in such item to which this Memorandum applies, the Contribution has been calculated accordingly.

Declared Value” shall mean the Participant” s assessment of the cost of replacement or reinstatement of the property covered arrived at in accordance with the opening paragraph of the Reinstatement Value Memorandum, at the level of costs applying at the inception of the Period of Takaful (ignoring inflationary factors which may operate subsequently) together with, insofar as the coverage by the item provides, due allowance for:

- (i) the additional cost of reinstatement to comply with Public Authority requirements,
- (ii) professional fees,

- (iii) debris removal costs.
2. At the inception of each Period of Takaful the Participant shall notify the Takaful Operator of the „Declared Value“ of the property covered by each of the said item(s). In the absence of such declaration the last amount Declared by the Participant shall be taken as the „Declared Value“ for the ensuing Period of Takaful.
  3. Notwithstanding any general indication or Endorsement to the contrary the following wording applies to Special Provision 3 of the Reinstatement Value Clause:
    - (3) If at the time of loss the „Declared Value“ of the property covered by such item be less than the cost of replacement or reinstatement (as defined in paragraph 1 of the Day One Basis Memorandum) at the inception of the Period of Takaful then the Takaful Operator's liability for any loss hereby shall be limited to that proportion hereof which the „Declared Value“ bears to the cost of replacement or reinstatement (as defined in paragraph 1 of the Day One Basis Memorandum). Each item of the certificate (if more than one) to which this Memorandum applies shall be separately subject to the foregoing provision.

and the following new Special Provision 6 is incorporated into the Reinstatement Value Clause.

    - (6) Where by reason of any of the above special provisions no payment is to be made beyond the amount which would have been payable under the certificate if this Memorandum had not been incorporated therein the rights and liabilities of the Takaful Operator and the Participant in respect of the destruction or damage shall be subject to the terms and conditions of the Certificate including any Conditions of Average therein, as if this Memorandum had not been incorporated therein except that the sums covered shall be limited to 120% of the „Declared Value“ .

## **REINSTATEMENT - DAY ONE BASIS**

### **Memorandum (Adjustable)**

1. The Participant having stated in writing the “Declared Value” incorporated in each item to which this Memorandum applies, the contribution has been calculated accordingly.
 

„Declared Value“ shall mean the Participant’s assessment of the cost of replacement or reinstatement of the property covered arrived at in accordance with the opening paragraph of the Reinstatement Value Clause, at the level of costs applying at the inception of the Period of Takaful (ignoring inflationary factors which may operate subsequently) together with, insofar as the coverage by the item provides, due allowance for:

  - (i) the additional cost of reinstatement to comply with Public Authority requirements,
  - (ii) professional fees,
  - (iii) debris removal costs.
2. At the inception of each Period of Takaful the Participant shall notify the Takaful Operator of the „Declared Value“ of the property covered by each of the said item(s). In the absence of such declaration the last amount declared by the Participant shall be taken as the „Declared Value“ for the ensuing Period of Takaful.
3. The contribution thereon is provisional. On expiry of each Period of Takaful the contribution shall be adjusted by 50% of the difference between:
  - (i) the provisional contribution at the commencement of the period and
  - (ii) the contribution calculated at the terms which have applied during the period under adjustment based on the „Declared Value“ for the subsequent Period of Takaful.
4. For purposes of paragraph 3 of this Memorandum only :-
  - (i) if the certificate (or any item thereof) is cancelled or not renewed the Participant shall provide the „Declared Value“ of the property covered by each of the said item(s) calculated in accordance with paragraph 1 of this Memorandum but at the level of costs applying at the date of cancellation or non-renewal,
  - (ii) where property has not been reinstated following loss the Participant shall provide the „Declared Value“ as
    - (i) though the property had not been damaged or destroyed, where a declaration of the „Declared Value“ is not submitted to the Takaful Operators an additional contribution of 10%
5. Notwithstanding any general indication or Endorsement to the contrary the following wording applies to Special Provision 3 of the Reinstatement Value Clause:
  - (3) If at the time of loss the „Declared Value“ of the property covered by such item be less than the cost replacement or reinstatement (as defined in paragraph 1 of the Day One Basis Memorandum) at the inception of the Period of Takaful then the Takaful Operator's liability for any loss hereby shall be limited to that proportion hereof which the „Declared Value“ bears to the cost of replacement or reinstatement (as defined in paragraph 1 of the Day One Basis Memorandum). Each item of the Certificate (if more than one) to which this Memorandum applies shall be separately subject to the foregoing provision.

and the following new Special Provision 6 is incorporated into the Reinstatement Value Clause

- (6) Where by reason of any of the above special provisions no payment is to be made beyond the amount which would have been payable under the Certificate if this Memorandum had not been incorporated therein the rights and liabilities of the Takaful Operator and the Participant in respect of the destruction or damage shall be subject to the terms and conditions of the Certificate including any Conditions of Average therein, as if this Memorandum had not been incorporated therein except that the Sums Covered shall be limited to 120% of the 'Declared Value'.

#### **REINSTATEMENT IN COMPLIANCE WITH THE REQUIREMENT OR PUBLIC AUTHORITIES**

It is hereby declared and agreed that the coverage by (Item No of) this Certificate extends to include such additional cost of reinstatement of the destroyed or damaged property thereby covered as may be incurred solely by reason of the necessity to comply with Building or other Regulations under or framed in pursuance of any Government Act or Bye-Laws of any Municipal or Local Authority provided that:

1. The change recoverable under this extension shall not include:
  - (a)
    - (i) in respect of destruction or damage occurring prior to the granting of this extension
    - (ii) in respect of destruction or damage not covered by the Certificate.
    - (iii) under which notice has been served upon the Participant prior to the happening of the destruction or damage
    - (iv) in respect of in damaged property or undamaged portions of property.
  - (b) the additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations or Bye-Laws not arisen;
  - (c) the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid Regulations of Bye-Laws.
2. The work of reinstatement must be commenced and carried out with reasonable despatch and in any case must be completed within twelve (12) months after the destruction or within such further time as the Takaful Operator may (during the said 12 months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or Bye-Laws so necessitate) subject to the liability of the Takaful Operator under this extension not being thereby increased.
3. If the liability of the Takaful Operator under (any item of) the Certificate apart from this extension shall be reduced by the application of any of the terms and conditions of the Certificate then the liability of the Takaful Operator under this extension (in respect of any such item) shall be reduced in like proportion.
4. The total amount recoverable under any item of the Certificate shall not exceed the Sum Covered thereby.
5. All the conditions of the Certificate except insofar as they may be hereby expressly varied shall apply as if they had been incorporated herein.

#### **REMOVAL OF DEBRIS**

##### **(With Separate Sum Covered)**

The Takaful by this item is in respect of costs and expenses necessarily incurred by the Participant with the consent of the Takaful Operator in the:

- (a) removal of debris
- (b) dismantling and/or demolishing
- (c) shoring up or propping

of the portion or portions of the property covered by the said Item(s) above of this Certificate destroyed or damaged by fire or by any other peril hereby covered against. (Items (b) and (c) above are deemed to be deleted when neither Buildings nor machinery are covered).

The Takaful Operator will not pay any costs or expenses:

- (i) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site.
- (ii) arising from pollution or contamination of property not covered by this Certificate.

#### **REMOVAL OF DEBRIS**

##### **(Without Separate Sum Covered)**

The Takaful by this item is in respect of costs and expenses necessarily incurred by the Participant with the consent of the Takaful Operator in the:

- (i) removal of debris
- (ii) dismantling and/or demolishing
- (iii) shoring up or propping

of the portion or portions of the property covered by this Certificate destroyed or damaged by fire or by any other peril hereby covered against. (Items (b) and (c) above are deemed to be deleted when neither Buildings nor machinery are covered).

The amount payable for such costs and expenses shall not exceed 10% of the Sum Covered of each Item or Ringgit Malaysia Two Million (RM2,000,000) in aggregate any one loss, whichever is lower. The Takaful Operator will not pay any costs and expenses:

- (i) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site.
- (ii) arising from pollution or contamination of property not covered by this Certificate.

Provided always the Takaful Operator's maximum liability shall not exceed the sum stated in the Schedule for which the Item(s) is/are covered.

#### **SUBSIDENCE AND LANDSLIP (STANDARD COVER)**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, it is hereby agreed and declared that the coverage under this Certificate shall extend to cover loss or damage to the property covered by subsidence and/or heave of the site on which the buildings stand or land belonging thereto or landslip excluding:

- (a) loss or damage to swimming pools, terraces, patios, drives, footpaths, walls, gates or fences unless the building, its outbuildings or garages are damaged by the same cause and at the same time.
- (b) loss or damage to or resulting from movement of solid floor slabs unless the foundation beneath the external walls of the Buildings are damaged by the same cause and at the same time.
- (c) loss or damage occasioned by happening through or in consequence of:
  - (i) coastal or river erosion
  - (ii) demolition structural alteration or structural repair
  - (iii) defective design or inadequate construction of foundations
- (d) in respect of each and every loss, five percent (5%) of the total Sum Covered or RM25,000.00 whichever is the lower, as ascertained after the application of any condition of average.

Provided that the total liability of the Takaful Operator shall not exceed the Sum Covered by each item on Buildings less the amount excluded under (d) above.

Provide always that all the conditions of the Certificate (except in so far as they may be hereby expressly varied) shall apply as they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Subject otherwise to the terms and conditions of the Certificate.

#### **SUBSIDENCE AND LANDSLIP (DELETION OF EXCLUSION (A) UNDER STANDARD COVER)**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, it is hereby agreed and declared that the coverage under this Certificate shall extend to cover loss or damage to the property covered caused by subsidence and/or heave of the site on which the buildings stand or land is belonging thereto or landslip excluding:

- (a) loss or damage to or resulting from movement of solid floor slabs unless the foundation beneath the external walls of the Buildings are damaged by the same cause and at the same time.
- (b) loss or damage occasioned by happening through or in consequence of:
  - (i) coastal or river erosion
  - (ii) demolition structural alteration or structural repair
  - (iii) defective design or inadequate construction of foundations
- (c) in respect of each and every loss, five percent (5%) of the total Sum Covered or RM25,000.00 whichever is the lower.

Provided that the total liability of the Company shall not exceed the Sum Covered by each item on Buildings less the amount excluded under (c) above.

Provided always that all the conditions of the Certificate (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Subject otherwise to the terms and conditions of the Certificate.

#### **"NOTICE**

For all intents and purposes where there is a conflict or ambiguity as to meaning in the Bahasa Melayu provisions of any part of the Contract, it is hereby agreed that the English version of the Contract shall prevail".

## Important Notice

The Financial Mediation Bureau (FMB) and BNM's Customer Services Bureau (CSB) provide alternative avenues for members of the public to seek redress against unfair market practices.

### **PROCEDURE FOR COMPLAINT TO FMB**

Any Participant who is not satisfied with the decision of the senior management of a Takaful Operator, may write to the "Mediator, Takaful Division of FMB", giving details of the dispute, the name of the Takaful Operator and the Certificate number.

Copies of the correspondence between the Participant and the Takaful Operator may be sent to facilitate tracing the case file kept by the Takaful Operator.

If the Mediator makes an award against a Takaful Operator, the Participant is required to inform the Mediator whether he accepts the award within fourteen (14) days, so that the Takaful Operator can be informed of the Participant decision.

There is no appeal procedure within the FMB. If the Participant does not want to accept the award, he may reject the decision of the Mediator and he is free to institute Court proceedings against the Takaful Operator or refer it to Arbitration.

The FMB is not responsible for handling payment following the decision of the Mediator. The Takaful Operator when informed of the acceptance of the award is required to remit the amount direct to the claimant within thirty (30) days.

At present, there is no fee or charge for the services provided by FMB.

The contact address is as follows:

### **FINANCIAL MEDIATION BUREAU (FMB)**

Tingkat 25, No. 4

Jalan Sultan Sulaiman

50000 Kuala Lumpur.

Tel : 03 - 2272 2811

Fax : 03 - 2274 5752

Website : [www.fmb.org.my](http://www.fmb.org.my)

### **PROCEDURE FOR COMPLAINT TO CSB**

Any Participant or claimant who is not satisfied with the conduct of the Takaful Operator may write to CSB, giving details of the complaint, the name of Takaful Operator and Certificate number or the Claim number.

Copies of the correspondence (if any) between the Participant or the Claimant and the Takaful Operator may also be sent to facilitate tracing the case file kept by the Takaful Operator.

The contact details are as follows:

### **Director**

**Corporate Communication Department**

**Bank Negara Malaysia (BNM)**

**Level 14B**

**P. O. Box 10922**

**50929 Kuala Lumpur**

Tel: **03 – 2698 8044**

Fax: **03 – 2693 6919**

Website : [www.bnm.gov.my](http://www.bnm.gov.my)

## Our Commitment To High Standard Of Customer Service

We do everything we can to ensure that you receive the high standard of service you expect. If we fall below these standards, or you are unhappy with our service, please write to our Head of Feedback Centre who will ensure that your feedback is dealt with instantly.

The address is:

Head, Feedback Centre, Level 4, Tower C, Dataran Maybank, No. 1, Jalan Maarof, 59000 Kuala Lumpur, Malaysia.

Alternatively, You can fax Your feedback to: **603 – 2710 2463**

Etiqa Online **1300 13 8888**

Etiqa Takaful Berhad (26624301 Registered under Takaful Act 1904 and Regulated by Bank Negara Malaysia)  
Level 19, Tower C, Dataran Maybank, No 1, Jalan Maarof, 59000 Kuala Lumpur  
T +603 2297 3888 F +603 2297 3800 E [info@etiqa.com.my](mailto:info@etiqa.com.my) [www.etiqa.com.my](http://www.etiqa.com.my)

Etiqa Online 1300 13 8888  
Ahlil Kumpulan 

## FIRE TAKAFUL FOR RESIDENTIAL PROPERTIES

### TYPE OF FIRE TAKAFUL

There are three main types of policies which you can buy to protect your home and household goods:-

#### Fire Certificate

This certificate may cover residential buildings or those with limited non-residential use.

#### Houseowner Certificate

This certificate covers the building and structure of your residence/home together with its fixtures and fittings.

#### Householder Certificate

This certificate covers your residential/household contents, i.e. the possessions that you would normally take with you if you move.

### COVERAGE

Coverage	Type of Policy		
	Fire	Houseowner	Householder
Fire, lightning & explosion caused by gas used for domestic purposes.	✓	✓	✓
Loss/damage arising from:-	X*	✓	✓
• Aircraft Damage			
• Explosion (other than gas used for domestic purposes)			
• Impact Damage			
• Overflowing of water tanks or pipes			
• Electrical Installations			
• Windstorm, Tempest			
• Earthquake and Volcanic Eruption	X*	X*	
• Flood			
Spontaneous Combustion			
Failure of Cold Storage			
Bush/Lalang Fire			
Riot, Strike and Malicious Damage	X	✓	✓
Subsidence and Landslip			
Theft with violent/forcible entry/exit	X	X	✓
Liability to the Public		X	✓
Compensation for Death of Participant			

\*These exclusions may be extended with additional contribution.

### EXCLUSIONS where EXTENSIONS are permissible

The basic Fire Certificate does not cover risks such as Aircraft, Explosion (other than gas used for domestic purpose) or Impact Damage, etc as indicated above.

The basic Houseowner & Householder certificate does not cover loss or damage due to subsidence & landslip, riot, strike and malicious damage, theft to contents if there is no evidence of forced and violent entry or exit.

However, you can cover these exclusions with payment of additional contributions.

### MAJOR EXCLUSIONS which are strictly not coverable

Major exclusions which are strictly excluded from the policies and may not be extended include:

- War, invasion, mutiny, rebellion, martial law risks
- Pollution, contamination or ionising radiations risks
- Nuclear weapons risks

### IMPORTANT POINTS TO NOTE WHEN BUYING FIRE TAKAFUL

#### 1. Who can buy Fire Takaful?

A Fire Takaful certificate can be purchased by anyone who is a legal owner of a property.

#### 2. Is Fire Takaful compulsory?

It is not compulsory for you to purchase Fire Takaful.

However, if the property is mortgaged, the mortgagee (the financier) will require you to have a Fire Takaful certificate on the outstanding loan amount.

Please note also that during construction stage, the takaful of the property is the responsibility of the developer. You only need to insure your property upon vacant possession from the developer

#### 3. Your duty of disclosure

You are required to complete the proposal form duly and completely when signing up an takaful cover. You should disclose fully all materials facts, e.g. any previous claims, occupation, type of construction of your building, etc. When in doubt as to whether a fact is relevant or not, it is best to ask your takaful operator or agent. If you fail to disclose any material fact, your takaful operator may refuse to pay your claim.

**4. Price**

The price/contribution you pay for your Fire Takaful will depend on the type of certificate selected, the classification of the occupation of the premises and construction of building. The takaful contribution charged by your takaful operator is in accordance with the rates in the Fire Takaful Tariff.

On top of the takaful contribution, you need to pay for the stamp duty of the certificate which is RM10 currently and if you are a business entity, Service Tax at 5% of contribution.

**5. Payment of Contribution**

Payment of takaful contribution is subject to Contribution Warranty condition of the certificate whereby contribution must be paid and received by your takaful within sixty (60) days from the inception date of the cover, otherwise the takaful contract is automatically cancelled and you are still responsible to pay the pro-rata contribution of the sixty days.

Please contact the takaful operator if you have not received the certificate after one month of purchase.

**6. Houseowner Certificate**

**a. Covered Value**

You must make sure that your property is adequately covered at all times, taking into account the renovations and enhancements made to your property. The sum covered should cover the cost of rebuilding your property in the event of loss/damage. If your property is under financing and it is covered by them, you should make sure that your financier has taken adequate coverage. Usually, the coverage arranged by the financier will be for the amount of loan taken. You may therefore, want to take up a separate takaful cover **OR** to extend the takaful taken by them to include those areas mentioned above.

**b. Strata-titled properties**

**i) Master certificate and individual certificate of takaful**

If you own a strata-titled property, e.g. an apartment, the takaful operator managing your apartment building [(management corporation (MC)) is required, under the Strata Titles Act, to take up takaful under a master certificate for the whole building. You should ensure that you receive a copy of the certificate of takaful for your individual unit to verify the coverage taken up by them.

**ii) Property under financing**

If your apartment is under financing, the financier may require you to purchase another takaful to cover the loan taken. This may result in you having two takaful for the same property. Please note that, if your property is financed by a bank or finance company under the supervision of Bank Negara Malaysia (BNM), it has been agreed that your financier will not require you to purchase another takaful certificate but will accept the takaful certificate purchased by the MC as evidence of takaful for your unit. Nevertheless, the MC needs to comply with the terms and conditions of your financier, e.g. the minimum risks covered will include fire, subsidence and landslip, riot strike and malicious damage and bursting of water pipes in the takaful certificate.

**7. Householder Certificate**

**a. Basis of compensation**

You should decide on the basis of compensation of your householder certificate, whether it is on reinstatement or replacement value and the sum covered shall reflect the choice. You will be compensated with the value of a brand new item under reinstatement basis but on the depreciated value of item lost under replacement basis.

**b. Specific declaration of each item**

You must specifically declare each item to be covered under the certificate to ensure that you get the full compensation in the event of loss/damage. It is advisable to also keep receipts of items covered, if available.

**8. What happens if the sum covered is inadequate?**

When the sum covered is inadequate, in case of a partial loss, the takaful operator will pro-rate the payment in proportion to the actual value. However, in the event of a total loss, the takaful operator will be the full sum covered.

**9. Limits of Liabilities**

The Houseowner & Householder certificate provide a limit for Compensation for Death of the Participant at RM10,000 and Liability to the Public at RM50,000.

**10. Is there any compulsory excess imposed?**

Excesses, being the first amounts You have to bear before Your Takaful Operator indemnifies you, are applicable for certain perils, such as for Overflowing of Domestic Water Tanks, Windstorm, Earthquake and Flood claims.

**WHAT YOU SHOULD DO IN THE EVENT OF DAMAGE/LOSS**

**Notify your takaful operator as soon as possible**

You must notify your takaful operator in writing with full details as soon as possible. Early notification is required to avoid any prejudice to your claim.

If theft, malicious damage or vandalism occurs, make a policy report immediately.

**Loss mitigating measures**

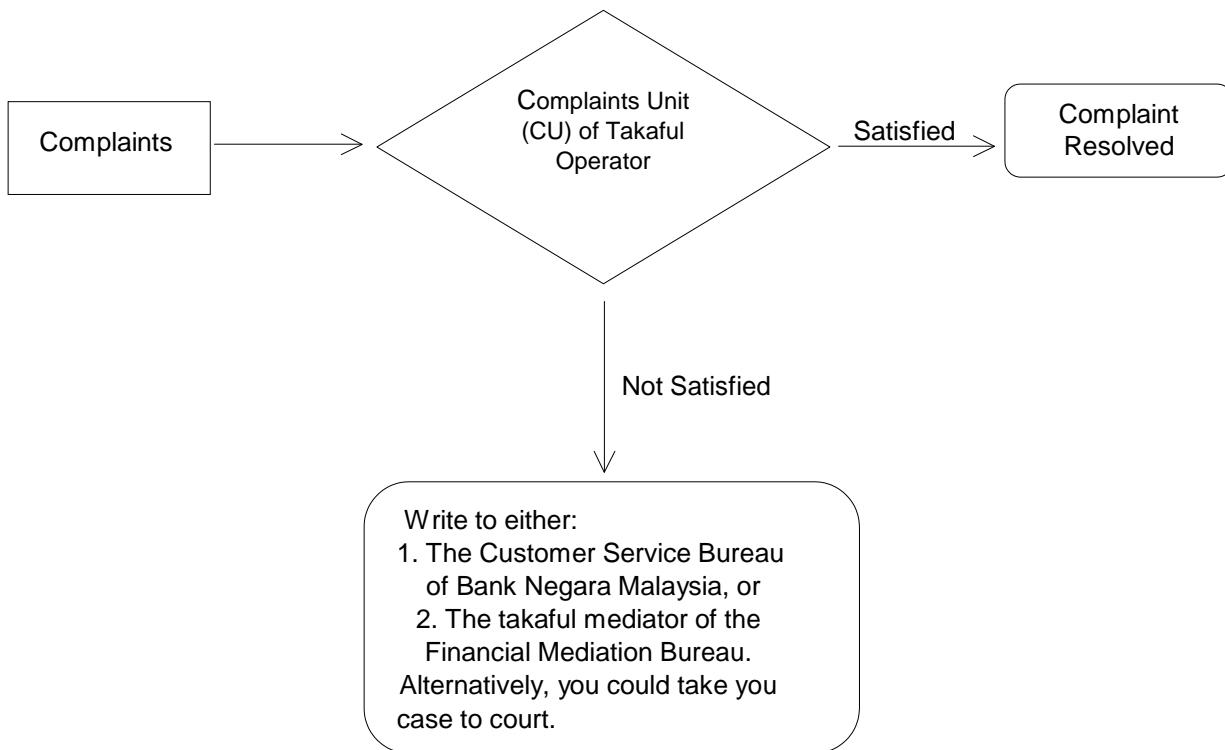
You must take the necessary measures to mitigate further loss/worsening of the situation. If temporary repairs are required to stop further damage, you should ensure that these are carried out immediately and the bills of work carried out should be kept as part of your claim.

If the repairs required are of a permanent nature, you should obtain estimates of the repairs required and send them to your takaful company for approval before commencing work.

**Making a claim against your takaful operator**

You must submit your claim with all supporting information and documents to your takaful operator and give full cooperation to the adjusters/investigators appointed by your takaful operator in assessing your claim.

**HOW TO LODGE A COMPLAINT AND SEEK REDRESS**



For more information, log on to:-  
[www.insuranceinfo.com.my](http://www.insuranceinfo.com.my)  
or visit the customer service centre or branch offices of your takaful operator or contact your agent.