

PRODUCT DISCLOSURE SHEET	Etiqa Family Takaful Berhad ("Takaful Operator" / "We"/"Us"/"Our")
Read this Product Disclosure Sheet before you decide to participate in the MORTGAGE REDUCING TERM TAKAFUL. Be sure to also read the general terms and conditions.	MORTGAGE REDUCING TERM TAKAFUL
	DD/MM/YYYY

1. What is this product about?

Mortgage Reducing Term Takaful (MRTT) is a Family Takaful protection plan designed to cover your mortgage obligation should death or total and permanent disability (TPD) happens to the person covered within the cover period.

2. What are the Shariah concepts applicable?

This plan applies the Tabarru' (donation) concept, whereby the participant agrees to donate or contribute a portion from the contribution paid into the Participants' Risk Fund (PRF) for the purpose of mutual aid and assistance to the participants in case of need.

This plan also applies the Wakalah (agency) concept, whereby the participant appoints Us to act on behalf of the participant to invest and manage the Participants' Risk Fund (PRF). Wakalah fee is deducted from the contribution of each certificate. The participant also agrees to authorize Us to delegate Our rights, duties and obligations to any third party as We deem fit for the purpose of achieving the objective to invest and manage the PRF, provided that, in the event of any such delegation, We will remain liable and responsible for all such rights, duties and obligations towards the participant.

The single contribution less Wakalah fee will be paid into the Participants' Risk Fund (PRF). Surplus arising within the PRF makes allowance for contingency provisions and will be distributed according to the surplus policy approved by Our Shariah committee. 50% of any distributed surplus will be shared amongst the persons covered with in-force certificates of takaful, who have not made any claim within the financial year. The remaining 50% to be paid to Us for operating and managing the PRF, based on the contract of Ju'alah. Ju'alah is a reward contract that specifies the share of the distribution of surplus on this basis.

The distributed surplus shared to the persons covered is accumulated within a segregated fund. 85% of any investment profits on the segregated funds will be shared amongst the persons covered with in-force certificates of takaful, and the remaining 15% to be paid to Us, based on the contract of Mudarabah. Mudarabah is a mutual contract between Us and the persons covered for the investment profit. The segregated fund is paid together with the benefits, on expiry of the certificate of takaful, or should the person covered notify Us and the participant at any time prior to expiry of the certificate of takaful and the amount requested is at least RM 500.

3. What are the covers / benefits provided?

No	Coverage / Benefit	Description	Cover Period
1	Death	Upon death of the person covered, the amount of reducing sum covered and PRF surplus (if any) as at date of death would be payable for repayment of the outstanding balance of mortgage financing.	<term> years
2	TPD	<p>Upon TPD of the person covered before the expiry of the cover period or up to certificate anniversary nearest to age 70 of the person covered, whichever is earlier, the amount of reducing sum covered up to RM1,000,000 and PRF surplus (if any) will be payable. The balance, if any, up to RM1,000,000 is payable one year from the date of the first payment.</p> <p>Should the person covered die or the certificate expires before the second instalment is due, the remaining balance would be paid immediately and the certificate will be terminated.</p> <p>The amount of reducing sum covered will be utilized for repayment of the outstanding balance of mortgage financing.</p> <p>The total aggregate payout for the TPD benefit shall not exceed a sum of RM2,000,000, for this certificate and all other certificates within the Takaful Operator, if any, of the same person covered.</p>	<term> years or up to the certificate anniversary nearest to age 70 of the person covered, whichever is earlier.

The benefit(s) payable under eligible product is(are) protected by PIDM up to limits. Please refer to PIDM's TIPS Brochure or contact Us or PIDM (visit www.pidm.gov.my).

4. How much contribution do I have to pay?

The single contribution that you as person covered have to pay varies depending on your age, sum covered, profit rate and cover period. The estimated total contribution that you have to pay is RM <Single Contribution>

The total contribution may also vary based on Our underwriting decision.

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

Certificate related expenses such as management expenses have been incorporated in your total contribution. Should you as person covered decide to terminate your Certificate of Takaful earlier within the cover period, your surrender value may be lower than your total contribution to cover the above expenses.

Wakalah Fee: We shall be entitled for 25% of Wakalah fee from the contribution paid for this Certificate of Takaful, which will be deducted from the contribution amount.

6. What are some of the key terms and conditions that I should be aware of?

- Importance of Disclosure - You are required to disclose fully and accurately all the relevant information that you know to be relevant to our decision in accepting the risks and determining the rates and terms to be applied. Otherwise it will result in voidance of Certificate of Takaful, a claim not being paid, or terms and conditions of the Certificate of Takaful being changed.
- You should satisfy Yourself that the plan serves Your needs and that You can afford the contribution.

Note: This list is non-exhaustive. Please refer to the Certificate of Takaful for the detailed terms and conditions.

7. What are the major exclusions under this certificate?

This certificate shall pay Death Benefit if the death resulting from:

- Suicide

If the person covered commits suicide while sane

- a) within 1 year from the commencement date, We shall refund the total contribution paid.
- b) after 1 year from the commencement date, We shall pay the reducing sum covered.

If the person covered commits suicide while insane, We shall pay the reducing sum covered.

This certificate shall not cover TPD arising from:

- a) Pre-existing condition, unless the person covered affected by these conditions has been covered under this Certificate of Takaful for more than 1 year from the commencement date;
- b) Self-inflicted injuries or attempted suicide, whilst sane;
- c) Injuries or hospitalization under the influence of any alcohol, narcotics or drugs;
- d) Entering, operating, or servicing ascending or descending, from or with any aerial devices or conveyance except while the person covered is in an aircraft operated by a commercial passenger airline on a regular scheduled passenger trip over its established passenger route;
- e) Participation in any criminal act, riot, civil commotion, insurrection, war (whether declared or not), revolution or any warlike operations, acts of foreign enemies, any act of terrorism and chemical warfare; or
- f) Involvement in any dangerous sports and hobbies such as racing (other than on foot), glider flying, sailing or other hobbies which are comparably dangerous and risky unless sports risk contribution is paid.

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

8. Can I cancel my certificate?

- Cancellation during cooling-off period - The person covered has the right, for any reason, to return the Certificate of Takaful together with the written cancellation request within 15 days after the Certificate of Takaful has been received by you or by a person who resides at your residence, or within 1 year from the Certificate of Takaful commencement date, whichever is later. Then we shall cancel the coverage and refund to you all contribution that you have paid, less any medical fee incurred.
- Please note that for the purpose of determining the period of 15 days, the Certificate of Takaful will be deemed to be returned to Us on the date We have received it or the date that it has been posted to Us by registered post or on the date of transmission if it is electronically
- If We receive any written cancellation notice from you (with agreement from your mortgage financier) after 1 year from the commencement date we shall refund you the surrender value and surplus from PRF (if any).

9. What do I need to do if there are changes to my contact details?

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

10. Where can I get further information?

If You have any enquiries, please contact:

Etika Family Takaful Berhad (199301011506)
(Licensed under Islamic Financial Services Act 2013
and Regulated by Bank Negara Malaysia)
Dataran Maybank,
No. 1, Jalan Maarof,
59000 Kuala Lumpur, Malaysia
Tel: 03-2297 3888 Faks : 03-2297 3800
Etika Online : 1 300 13 8888
Email: info@etika.com.my
Homepage: www.etika.com.my

Or you can contact:

Etika Family Takaful Berhad (199301011506)
Government Business Unit
No.15 & 15A,
Jalan P8G1, Presint 8,
62000 Putrajaya.
Tel: 03-8861 6862 / 6772 / 6362 / 6172
Fax: 03-8861 6782
Email: ft.businessmgmt@etika.com.my

11. Other similar types of cover available

Please refer to Our distributors for other similar types of cover available.

IMPORTANT NOTE:
PARTICIPATING IN A FAMILY TAKAFUL PLAN IS A LONG-TERM FINANCIAL COMMITMENT. YOU MUST CHOOSE THE TYPE OF CERTIFICATE THAT BEST SUITS YOUR PERSONAL CIRCUMSTANCES. YOU SHOULD READ AND UNDERSTAND THE CERTIFICATE OR CONTACT THE TAKAFUL OPERATOR DIRECTLY FOR MORE INFORMATION.

The information provided in this disclosure sheet is valid within 3 months after the issue date.

DECLARATION / AUTHORISATION & AQAD

Please read carefully before signing this application.

1. I am aware that I must answer all questions and declarations in this application, and that these answers and declarations are accurate and complete. I agree that failure to answer a question or declaration, or incorrectly answering a question or declaration, may result in termination of the certificate, a claim not being paid, or the terms and conditions of the certificate being changed.
2. I agree to notify Etiqa Family Takaful in writing should there be a change to any answers or declarations in this application, prior to the date of issuance of the certificate. I agree that failure to notify Etiqa Family Takaful of any such change, may result in termination of the certificate, a claim not being paid, or the terms and conditions of the certificate being changed.
3. I have read and understood the contents of the application including all notices therein and I have fully, truthfully and voluntarily answered all the questions in this application and questionnaires, after having fully understood the questions.
4. I confirm that I fully understand that my answers and/or statements given in this application and any other relevant documents completed by me in connection with this application and in any medical report, questionnaires or amendments thereto shall be relied upon by Etiqa Family Takaful in deciding whether to accept my application or not.
5. I hereby authorise any physician, hospital, clinic, Insurance company/takaful operator, financial institution or any other organization or company or person that has any records or knowledge about me, my financial standing or my health, to disclose to Etiqa Family Takaful or its representatives any or all such information about me before or after my death. I agree that a photocopy or facsimile of this authorization shall be considered as effective and as valid as the original and legally binding on anyone who takes over any of my legal rights.
6. I understand and agree that the product I have applied for shall only commence on the date of the financing disbursement provided always that the application has been approved and that the full contribution has been received by Etiqa Family Takaful during my lifetime and that prior to or as the date of commencement, there has been no alteration as to my health.

7. PERSONAL DATA PROTECTION ACT 2010 (PDPA)

I, agree, consent and allow Etiqa Family Takaful to process my/our personal data including sensitive personal data, with the intention of entering into a contract of Takaful, in compliance with the provisions of the Personal Data Protection Act 2010 (PDPA).

I, understand and agree that any personal data collected or held by Etiqa Family Takaful, whether contained in this application or subsequently obtained, may be held, used, processed and disclosed by Etiqa Family Takaful to individuals and/or organizations related to and associated with Etiqa Family Takaful or selected third parties (within or outside Malaysia, including medical institutions, reinsurers/retakaful operators, claim adjusters, claim investigators, solicitors, industry associations, regulators, statutory bodies and government authorities), for the purpose of processing this application, providing subsequent service related to it, communicate with me for such purposes and any purpose required by law or regulations.

I understand that I/we have a right to obtain access to and to request correction of any personal data held by Etiqa Family Takaful concerning me/us. Such request can be made by completing the Access Request Form available at all Etiqa Family Takaful branches or contact Etiqa Family Takaful via email at PDPA@etiqa.com.my. I/we understand that in accordance with the provisions of the PDPA, I/we may contact the Customer Service Centre at Etiqa Oneline 1 300 13 8888 for the details of my/our Personal Data. Such information shall only be granted upon verification.

I agree, consent and allow Etiqa Family Takaful to share my/our Personal Data with Maybank Group, strategic partners and other third parties ("other entities") as Etiqa Family Takaful deems fit.

8. Foreign Account Tax Compliance Act (FATCA) / Common Reporting Standard (CRS)

I represent and declare that all statements made in this form are true, accurate and complete.

I understand that the term "United States person" means any citizen or resident of the United States.

I hereby consent Etiqa Family Takaful or any of its affiliates, including branches (collectively "Etiqa Family Takaful") disclosing the personal data and financial accounts information to regulatory authorities in accordance with the requirements of the Foreign Account Tax Compliance Act and Common Reporting Standard as may be stipulated by applicable laws, regulations, agreements or regulatory guidelines or directives.

I hereby agree that Etiqa Family Takaful may classify me as reportable account and/or suspend or terminate my takaful certificate and/or facilities granted to me, in the event I fail to provide accurate and complete information and/or documentation as Etiqa Family Takaful may require.

9. Sanction Limitation And Exclusion Clause

I understand and agree that Etiqa Family Takaful is entitled not to accept or process this application should I, person covered, assignee and nominee named found to be a prohibited person, meaning a person or entity subject to any laws, regulations and/ or sanctions administered by any regulatory authorities in any country, which have the effect of prohibiting Etiqa Family Takaful from providing takaful coverage, transacting business with or otherwise offering any economic benefits to me/ us or any other beneficiaries or assignees under the relevant Certificate, and the decision of Etiqa Family Takaful shall be final.

I further agree that in the event that Etiqa Family Takaful becomes aware subsequently that I/we, person covered, assignee and nominee named has become a prohibited person, Etiqa Family Takaful may block and/ or terminate the relevant Certificate, including but not limited to, making or receiving any payments under the relevant Certificate.

If an application is accepted or processed by Etiqa Family Takaful despite I/ We, person covered, assignee and nominee named being a prohibited person, Etiqa Family Takaful shall be entitled to block and/ or terminate the relevant Certificate at any time, whether with effect from inception of the relevant Certificate or otherwise.

10. APPLICATION OF PRINCIPLES OF TAKAFUL

I agree to participate under this product based on the principle of Takaful. I agree to the concept of Tabarru' (donation) for the purposes of mutual support of other persons covered. I agree to make a contribution as set out in this application, and with this contribution, I understand that I am entitled to the Takaful benefits as expressed in the terms and conditions of the Certificate of Takaful.

I agree to appoint Etiqa Family Takaful to invest and manage Participants' Risk Fund (PRF) on behalf of me based on the contract of Wakalah (agency). The PRF is collectively owned by the participants where Tabarru' portion of the contribution is placed for the purpose of Takaful. I agree to pay the Wakalah Fee (as shown in the Product Disclosure Sheet and as mentioned in the Certificate of Takaful) to Etiqa Family Takaful, as a deduction from the contributions, to cover the expenses of investing and managing the PRF.

I understand that at the end of each financial year, Etiqa Family Takaful will determine the distributable surplus (if any) from the underwriting surplus of the Participants' Risk Fund (PRF). The distribution, if any, makes allowance for contingency provisions, and is subject to the surplus policy approved by Shariah Committee of Etiqa Family Takaful. I agree that 50% of the distributable surplus (if any) will be paid to Etiqa Family Takaful for operating and managing the PRF based on the contract of Ju'alah (reward), and that the balance of 50% will be shared amongst the persons covered whose Certificates of Takaful have not been terminated and who have not made any claim within the financial year.

I understand that the distributed surplus shared to persons covered will be accumulated within a segregated fund. I agree that my contribution less Wakalah Fee will be placed in the Participants' Risk Fund (PRF). I also agree to appoint Etiqa Family Takaful to manage the segregated fund based on the contract of Mudarabah (profit-sharing). I understand that any investment profits earned on the segregated funds of all persons covered will be 15% paid to Etiqa Family Takaful, and the remaining 85% shared amongst the persons covered whose Certificates of Takaful have not been terminated, based on the contract of Mudarabah (profit sharing). I agree that the segregated fund will only be paid together with the benefits, on expiry of the Certificate of Takaful, or should I submit a request to Etiqa Family Takaful at any time prior to expiry of the Certificate of Takaful, provided that the amount requested is at least RM 500.

I agree to authorize Etiqa Family Takaful to delegate its rights, duties and obligations to any third party as Etiqa Family Takaful deems fit for the purpose of achieving the objective to invest and manage this Family Takaful product, provided that, Etiqa Family Takaful will remain liable and responsible for all such rights, duties and obligations towards Me.

11. Definitions:

- i. Tabarru' - "Tabarru'" means contributions, gift or donation. In relation to the contract of Takaful, it means Contribution for the purpose of Takaful. This portion is placed in the Participants' Risk Fund (PRF).
- ii. Wakalah - "Wakalah" refers to a contract where a party, as principal authorizes another party as his agent to perform a particular task on matters that may be delegated, with or without imposition of a fee. In relation to the contract of Takaful, it means that persons covered appoint Etiqa Family Takaful to invest and manage the PRF on behalf of persons covered. Persons Covered also authorize Etiqa Family Takaful to delegate the rights, duties and obligations to any third party as deemed fit by Etiqa Family Takaful. In the event of such delegation, Etiqa Family Takaful will remain liable and responsible for all such rights, duties and obligations towards persons covered.
- iii. Ju'alah - "Ju'alah" means reward contract in which one of the parties offers specified reward(s) to anyone who will achieve a determined result in a known or unknown period. In relation to the contract of Takaful, it refers to the basis of distribution of surplus from the Participants' Risk Fund (PRF) which is agreed between persons covered and Etiqa Family Takaful for good management of the PRF.
- iv. Mudarabah - "Mudarabah" means a contract between a capital provider (rabbul mal) and an entrepreneur (mudarib), under which the rabbul mal provides capital to be managed by the mudarib. Profit generated from the capital is shared between the rabbul mal and the mudarib according to a mutually agreed profit sharing ratio. Losses are borne by the rabbul mal provided that such losses are not due to the mudarib's misconduct, negligence or breach of specified terms. In relation to the contract of Takaful, Etiqa Family Takaful acts as the mudarib while persons covered are the rabbul mal in the sharing of investment profit from the segregated fund.