

PRODUCT DISCLOSURE SHEET	Etiqa Family Takaful Berhad ("Takaful Operator")
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
	01/03/2020

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?

The obligations to pay contributions and receive benefits, are on the basis of Tabarru'. Tabarru' enables a participant to fulfil an obligation of mutual help and joint guarantee.

We are appointed as the Takaful Operator under a Wakalah structure. A Wakalah structure is an agency relationship between two parties. The Wakalah fee is paid to us to cover the costs of distributing and managing the plan.

The single contribution less Wakalah fee will be paid into the Participants' Risk Fund (PRF). Underwriting surplus arising within the PRF, may 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 wage contract that specifies the share of the distribution of surplus on this basis.

The distributed surplus shared to the person 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, 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 or losses. 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 and the amount requested is at least RM 500.

3. What are the covers / benefits provided?

No	Coverage / Benefit	Description	Coverage Term
1	Death	Upon death of the person covered, the amount of reducing sum covered and underwriting surplus (if any) as at date of death would be payable for repayment of the outstanding balance of mortgage financing.	___ years
2	TPD	<p>Upon TPD of the person covered before the expiry of the coverage term 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 underwriting 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>	___ years or up to the certificate anniversary nearest to age 70 of the person covered, whichever is earlier.

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 term of coverage. The estimated total contribution that you have to pay is RM___. 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 coverage term, 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 terms and conditions under this certificate.

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 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 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 (COT) 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 COT 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 COT 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 transmitted.
- 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 underwriting 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?

Should you require additional information about Family Takaful, please refer to the *insuranceinfo* booklet on "Family Takaful", available at all Our branches or You can obtain a copy from the Sales Representative or visit www.insuranceinfo.com.my.

If You have any enquiries, please contact:

Etiqa 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
Etiqa Oneline : 1 300 13 8888
Email: info@etiqa.com.my
Homepage: www.etiqa.com.my

Or you can contact:

Etiqa 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

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.