



Insurans Islam  
**Family Takaful** Sdn Bhd

Company Registration No.: RC00008253

**TAKAFUL MORTGAGE  
(NON-PARTICIPATING POLICY)  
CERTIFICATE**

## MORTGAGE TAKAFUL (NON-PARTICIPATING POLICY) PLAN CERTIFICATE

WHEREAS the Certificate Holder (hereinafter called 'the Participant') described in the Schedule hereto (hereinafter called 'the Schedule') by a written Proposal and Declaration has applied to Insurans Islam Family Takaful Sendirian Berhad (hereinafter called 'the Company') for the takaful coverage hereinafter mentioned for the Participant and has paid or agreed to pay the takaful contribution stated in the Schedule as consideration for the said takaful coverage.

NOW THIS CERTIFICATE WITNESSETH that if the takaful contribution stated in the Schedule is duly paid to the Company, then during the period of takaful as described in the Schedule:-

- (a) in the event of death of the Participant; and/or
- (b) in the event that the Participant sustains Permanent Total Disablement,

as a result of accident or disease or illness or unknown cause, then the Company will pay to the financier of the Participant stated in the Schedule (hereinafter called '**Bank or Financial Institution**') the appropriate benefit(s) as specified in the Schedule based on the Table of Reducing Sum Covered for the purpose of settling the amount still owing to the Bank or Financial Institution under the financing provided by the Bank or Financial Institution stated in the Schedule (hereinafter called '**the Facility**') subject to the terms, limitations, exclusions and conditions contained in this Certificate, Schedule and any endorsements to this Certificate (hereinafter collectively referred to as '**the Terms of this Certificate**').

*\* This contract of takaful provides takaful coverage for Permanent Total Disablement sustained by the Participant only if it is specifically mentioned in the Schedule.*

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

- (a) this Certificate together with the Schedule;
- (b) the written Proposal and Declaration and any other statements in writing relating to this takaful coverage given by the Participant and/or the Bank or Financial Institution at the time of the Participant's application for this takaful coverage (which form the basis of this contract);
- (c) any subsequent written notice given by the Company to the Participant and/or the Bank or Financial Institution.

## TERMS AND CONDITIONS

### 1. THE CONTRACT

This Certificate, the Schedule and any endorsement to this Certificate shall be read together as one contract and any word or expression to which specific meaning has been attached to any part of this Certificate or the Schedule or any endorsement to this Certificate shall bear such specific meaning wherever it may appear.

### 2. CONDITION PRECEDENT TO LIABILITY

The due observance and fulfillment of the Terms of this Certificate by the Participant and the truth of the statements and answers in the Proposal and Declaration shall be conditions precedent to any liability of the Company to make any payment under this Certificate.

### 3. THE PERSON COVERED

During the period of takaful, the Participant must be between eighteen (18) and seventy (70) years of age (at the next birthday).

### 4. THE BENEFITS

The benefits payable by the Company under this contract of takaful are based on the Table of Reducing Sum Covered for the purpose of settling the amount still owing to the Bank or Financial Institution under the Facility at the time of the Participant's death or when the Participant sustains Permanent Total Disablement provided that:-

- (a) the Company shall not be liable to pay for any overdue amount owing to the Bank or Financial Institution; and
- (b) this contract of takaful does not provide takaful coverage for Permanent Total Disablement sustained by the Participant

unless it is specifically mentioned in the Schedule.

### 5. PERIOD OF TAKAFUL

The period of takaful is equivalent to the period of financing by the Bank or Financial Institution under the Facility provided that in the event the period of financing is extended after the commencement date of this takaful coverage, the Company shall not be liable to pay any benefit under this contract of takaful and this contract of takaful shall automatically be terminated.

### 6. TERRITORIAL LIMIT

This takaful coverage is a worldwide coverage.

### 7. RECORDS AND REPORTS

The Participant shall keep a record of the essential particulars of this takaful plan. The Participant shall immediately furnish to the Company such information concerning or relating to him / her and/or the Facility as may be reasonably required for the purpose of administering this takaful plan. The Participant shall allow the Company to inspect such records at any reasonable time.

### 8. NON-DISCLOSURE OF FACTS

This Certificate shall become void and the Company shall not be liable to pay the takaful benefit under this contract of takaful in the event of misrepresentation, misdescription or non-disclosure of fact(s) by the Participant.

## **9. EVIDENCE OF AGE**

The Company reserves the right at any time to require that the age of the Participant under this contract of takaful be proven to its satisfaction.

## **10. PAYMENT OF CONTRIBUTION**

The takaful contribution payable by the Participant shall be paid in one lump sum and shall be credited into the Participants' Special Account of the Family Takaful Fund below mentioned.

## **11. PAYMENT OF BENEFITS**

- (a) The Company shall only pay the benefits payable under this Certificate upon satisfactory proof that such benefits are payable.
- (b) Unless otherwise agreed in writing by the Company, all takaful benefits payable by the Company under this contract of takaful shall be made payable to the Bank or Financial Institution.

## **12. ALTERATION OF CERTIFICATE**

This Certificate may, at any time, be amended and changed upon written request being made by the Participant and agreed to by the Company but any amendment shall be without prejudice to any claim arising prior to the date of the change and subject to such terms and provisions the Company may impose.

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

## **13. SURRENDER**

Upon the receipt by the Company of a written notification from the Bank or Financial Institution on the early settlement of the Facility, this Certificate / contract of takaful shall be terminated automatically provided that such notification is duly signed by an authorised officer of the Bank or Financial Institution.

The Participant may terminate / cancel this Certificate / contract of takaful by giving written notice to the Company together with a written notification from the Bank or Financial Institution duly signed by an authorised officer of the Bank or Financial Institution supporting such termination or cancellation.

For the avoidance of doubt, the Participant shall not be entitled to receive any surrender benefit or any kind of benefit.

## **14. NON-ASSIGNMENT**

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

## **15. MISSTATEMENT OF AGE**

If the age of the Person Covered was misstated in his/her proposal form by the Participant, then no benefit will be payable.

If the Participant shall be found to be older than as stated in the Proposal and Declaration, this Certificate shall not be void on the account that the Participant is still within the age stated in Clause 3 above but any benefits payable under this Certificate shall be pro-rated based on the ratio of the actual takaful contribution paid to the takaful contribution that should have been charged.

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

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

## **17. ARBITRATION**

The Participant and the Company shall make every effort to amicably resolve, by direct informal negotiations, any disagreement or disputes arising or relating to this Certificate. If the Participant and the Company are unable to amicably resolve any disagreement or dispute within thirty (30) business days from the date when the negotiation failed, either party shall notify in writing for the disagreement or dispute be referred for resolution by arbitration in accordance with the provisions of the Brunei Darussalam Arbitration Order, 2009.

The arbitration tribunal shall consist of a single arbitrator, such person to be agreed between the Participant and the Company, or failing agreement, to be nominated in accordance with the Arbitration Order, 2009. The applicable rules of arbitration shall be the UNCITRAL Rules of Arbitration. The seat and place of arbitration shall be Brunei Darussalam and the language of arbitration shall be English.

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

## **18. JURISDICTION**

The Company shall not be liable under this contract of takaful in respect of judgments that are not in the first instance delivered by or obtained from a Court of competent jurisdiction within Brunei Darussalam.

## **19. TABARRU' (DONATION)**

The takaful contributions payable by the Participant under this contract of takaful shall be regarded as *tabarru'* (donation) and is for the purpose of solidarity, brotherhood and co-operation among participants and for assisting the Participant in the event of mishaps or untimely death of the Participant subject to the terms and conditions set by the Company.

The takaful contributions received from the Participant under this contract of takaful shall be placed into the relevant Participants' Special Account of Family Takaful Fund ('the Fund') and the Fund shall be managed by the Company.

The Company shall be entitled to do the following: -

- (a) invest all the money in the Fund or any part thereof as it deems fit at its absolute discretion in accordance with the Syariah principles;
- (b) pay all benefits and approved claims under this contract of takaful out of the Fund;
- (c) pay all expenses incurred by the Company in investing the Fund (including but not limited to all costs and expenses incurred for the retakaful of the takaful coverage under the contract of takaful) out of the Fund; and
- (d) pay all expenses that are necessary to manage the Fund (including but not limited to all costs and expenses incurred by the Company in managing the investment of the Fund or any part thereof) out of the Fund.

Any net profit made from the Fund shall also be regarded as *tabarru'* (donation) and shall be credited into the said Participants' Special Accounts.

The takaful benefits shall be paid from the said Participants' Special Accounts.

In this contract of takaful, the Participant shall **not be entitled** to any surrender benefits or any kind of benefits on early termination / cancellation / surrender of this takaful coverage.

## **20. DISTRIBUTION OF SURPLUS**

If at the maturity of the period of takaful stated in the Schedule, there is a net underwriting surplus in the Fund that includes the profit from the investment of the Fund, the said surplus shall be shared between the Participants' Fund and the Company in accordance with the principle of *Al-Mudharabah* in the proportion of ninety-nine per cent (99%) to the Company and one per cent (1%) to the Participants' Fund. The Participants' profit (*Mudharabah*) shall be distributed to the Participants (after the allocation of deficit reserve and equalization reserve based on the actuarial valuation) provided always that no claim under this contract of takaful by the Participant and/or the *Wasi* of the Participant has been made and/or no benefits under this contract of takaful have been revised by the Participant and/or his/her respective *Wasi*.

## **21. WASI**

In the event the Participant dies, the *Wasi* (administrator) referred to in the Schedule will administer the benefit and distribute to the legal heirs of the Participant.

## **22. NOTICE**

Any notice or communication between the parties shall be in writing.

Any notice required to be served to the Participant shall be deemed to be sufficiently served if the same is delivered personally to the address of the Participant at his/her last known address in Brunei Darussalam or if by post then by prepaid registered letter addressed to the Participant at his/her last known address in Brunei Darussalam and such notice shall be deemed to have been served in the normal course of post.

Any notice required to be served to the Company shall be delivered personally by hand or by registered post to its Head Office address as stated herein or at such other address as the Company shall notify the Participant in writing from time to time.

## **23. GOVERNING LAW**

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

## **24. COOLING OFF PERIOD**

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

## GENERAL EXCLUSIONS

The Company shall not be liable to the Participant and/or the Person Covered under this contract of takaful for claims arising either directly or indirectly as a result of:-

1. War, invasion, act of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, riot, civil commotions assuming the proportions of or amounting to an uprising, military uprising, insurrection, rebellion, revolution, military or usurped power.
2. Any act of any person acting on behalf of or in connection with any organization actively directed towards the overthrow by force of any Government or to the influencing of it by terrorism or violence.
3. Nuclear fission, nuclear fusion, nuclear weapons material, ionizing, radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of the exclusion, combustion shall include any self-sustaining process of nuclear fission.
4. Any breach of the law by the Participant and/or the Person Covered or any assault provoked by him/her.
5. Suicide, attempted suicide or self-inflicted injuries by the Participant and/or the Person Covered whilst sane or insane.
6. Acquired Immuno-Deficiency Syndrome (AIDS) or Human Immunodeficiency Virus (HIV) or any HIV related illness including AIDS Related Complex (ARC) and/or any mutant derivative or variations howsoever this syndrome has been acquired or may be named.
7. Any unlawful act(s) and other causes prohibited by the law and/or Syariah.
8. Any involvement and/or participation of the Participant and/or the Person Covered in any terrorism and/or sabotage activity.
9. Any pandemic and related causes.
10. Participation in or training for any dangerous or hazardous sport or competition, hobbies or activities (such as racing, glider flying, hunting and other comparably dangerous and risky activities) or riding or driving in any form of race or competition.
11. Involvement in any underwater activity necessitating the use of artificial breathing apparatus.
12. Using any wood-working machinery driven by mechanical power (unless otherwise stated).
13. Under the influence of alcohol, misuse of drugs and/or hallucinogenic substances.

## COVERAGE

### 1. DEFINITION

“Death”, as used in this Certificate, shall mean die, whether caused by accident or illness or disease or unknown cause.

### 2. AMOUNT OF BENEFITS AND PAYMENT OF CLAIMS

The amount payable in respect of all claims made for Death of the Participant shall be based on the Table of Reducing Sum Covered as the amount still owing to the Bank or Financial Institution under the financing provided by the Bank or Financial Institution stated in the Schedule.

## ENDORSEMENT

The following endorsement only applies to this Certificate when specifically mentioned in the Schedule and are subject otherwise to the Terms of this Certificate.

### E1. PERMANENT TOTAL DISABLEMENT

#### 1. DEFINITION

Permanent Total Disablement shall mean disablement, whether caused by bodily injury or disease or illness, which wholly prevents the Participant from engaging in any business or occupation or performing any work for compensation or profit, and the disablement must continue uninterruptedly for a period of at least six (6) months.

The loss of both arms or both legs or of one arm and one leg or both eyes shall be considered Permanent Total Disablement, without prejudice to other causes of Permanent Total Disablement. Loss shall mean with regard to arms and legs, dismemberment by physical separation at or above the wrist and ankle; and with regard to eyes, total and irrevocable loss of sight.

The word “Disablement” whenever it hereafter appears, means Permanent Total Disablement as above defined and limited.

#### 2. ADDITIONAL EXCLUSIONS

In addition to the General Exclusions mentioned above, the Company shall not be liable to the Participant if Permanent Total Disablement occurred either directly or indirectly from any of the following causes: -

- (a) Aviation, gliding or any other form of aerial flight other than as a fare paying passenger of a recognized airline or charter service.
- (b) Injury caused by nuclear fission, nuclear fusion, nuclear weapons material or radioactive contamination.
- (c) Cosmetic or plastic surgery, any dental work, treatment or surgery, eye or ear examination, except to the extent that any of them is necessary for the repair or alleviation of damage to the Participant caused solely by accident.

### **3. AMOUNT OF BENEFITS AND PAYMENT OF CLAIMS**

Subject to the other provisions of this Certificate, the Company will pay the benefits for Permanent Total Disablement after the Company is satisfied with proof that the Participant has suffered / incurred Permanent Total Disablement during the period of takaful.

This takaful coverage shall terminate in the event of a valid claim made for the benefit for death of the Participant or for the benefit payable under Permanent Total Disablement, whichever occurs earlier.

### **4. NOTICE AND PROOF OF CLAIMS**

The Participant and/or his / her representatives must within ninety (90) days from the date of the occurrence of the disablement give to the Company a written notice of the injury or sickness or condition upon which a claim may be based. The written notice must state the particulars of the Participant and the circumstances of the injury, disease and/or illness (as the case may be).

Failure to furnish the aforesaid written notice within the aforesaid period shall not invalidate any claims if it is shown not to have been reasonably possible to furnish such notice and that such notice was furnished as soon as was reasonably possible.

Provided Always That where the Participant suffers / suffered Permanent Total Disablement as defined in this contract of takaful, affirmative proof / evidence must be submitted to the Company within nine (9) months from the date of occurrence of the Disablement. The Company shall not be liable to make any payment of benefits if affirmative proof / evidence is not submitted within the said period.

All documents, information and evidence required by the Company shall be furnished at the expense of the Company and shall be in such form and of such nature as the Company may prescribe.

Before the Company makes any payment of the benefit under this contract of takaful, the Company shall have the right and opportunity through its medical representatives to examine the Participant when and as often as it may reasonably require during the course of a claim hereunder.

## CLAIMS

### 1. NOTICE OF CLAIM

In the event of death of the Participant, the representative of the Participant or the claimant must within ninety (90) calendar days from the date of occurrence of the death give a written notice to the Company.

The aforesaid written notice to the Company must state: -

- (a) the particulars of the Participant; and
- (b) the circumstances of the death, injury, disease and/or illness (as the case may be).

Failure to furnish the aforesaid written notice within the aforesaid period shall not invalidate any claims if it is shown not to have been reasonably possible to furnish such notice and that such notice was furnished as soon as reasonably possible.

### 2. EXAMINATION

Before the Company makes any payment of the benefit(s) under this contract of takaful, the Company shall have the right and opportunity through its medical representatives to examine the Participant when and as often as it may reasonably require during the course of a claim hereunder and, in case of death, to investigate the circumstances of death.

### 3. PROOF OF CLAIM

In the event of an occurrence upon which a claim under this Certificate or contract of takaful may be based, the Participant and/or his / her representatives must provide to the Company in writing such detailed particulars and evidence as may be reasonably required by the Company including but not limited to all reports, certificates and information relating to the accident, injury, disease and/or illness (as the case may be).

### 4. PAYMENT OF CLAIM

Unless otherwise agreed by the Company, any payment under this Certificate shall be payable to the Bank or Financial Institution or to such person(s) as agreed by the Company in writing, and the Bank or Financial Institution (or the recipient(s) of such payments, as the case may be) shall be liable for any estate duty which may become payable in respect thereof.

Any receipt or discharge which the Bank or Financial Institution (or the Participant or the aforesaid recipient, as the case may be) may give to the Company for any benefit under this Certificate shall be deemed a final and complete discharge of all liability of the Company.

### 5. OTHER TAKAFUL

If at the time any claim arises under this Certificate and should there be any other subsisting takaful whether effected by the Participant or by any other person(s) covering the same loss, damage or liability, the Company shall not be liable to pay or contribute more than its rateable proportion of any claim for such loss, damage or liability.

### 6. RESTRICTIONS

If no notice of claim is received by the Company during the period of takaful, then the Company shall not be liable to indemnify, pay or compensate the Participant under this contract of takaful for any claim whatsoever.

## **7. FRAUDULENT CLAIMS**

If the Participant or any person acting on his / her behalf makes any claim under this contract of takaful knowing the claim to be fraudulent or exaggerated or make false declaration in support of any claim, then this contract of takaful shall become void and all benefits shall be forfeited. The Company reserves the right to take legal action against the Participant in such event, and there shall not be a refund of the takaful contribution.

## **8. LEGAL PROCEEDINGS**

No action at law or in equity shall be brought to recover under this contract of takaful prior to the expiration of one (1) year from the date of commencement of occurrence.

### **CLAIMS CONTACT DETAILS**

**Please contact:**

**Claims Division,  
Insurans Islam Family Takaful Sdn Bhd Head Office,  
Unit 2, Bangunan Suria, Kiulap Bandar Seri Begawan  
BE1518  
Negara Brunei Darussalam  
Telephone no: +673 2223006**