



Insurans Islam  
**General Takaful Sdn Bhd**

Company Registration No.: RC00008254

**CERTIFICATE FOR  
USAHAWAN TAKAFUL  
SCHEME**

## USAHAWAN TAKAFUL SCHEME CERTIFICATE

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

Whereas the Insured by a proposal (including any supplementary information) which shall be the basis of and incorporated in this contract herein apply Insurans Islam General Takaful Sdn Bhd (hereinafter called 'Takaful Operator') for the indemnity herein contained (subject to the Conditions & Exclusions contained herein or endorsed or otherwise expressed hereon).

Provided that the liability of Takaful Operator shall in no case exceed in respect of each item the sum expressed in the Schedule to be Participant thereon or in the whole total sum Participant hereby, or such other sum or sums as may be substituted therefor by memorandum hereon or attached hereto signed by or on behalf of Takaful Operator and shall also not exceed in any case the amount of the Participant at the time of the happening of such loss or destruction or damage.

### SECTION 1 – MATERIAL DAMAGE

#### The Participant Events

Takaful Operator shall indemnify the Participant against loss of or damage to the property Participant caused by Fire, Lightning, Explosion, Riot & Strike, Acts of God, Water Damage, Flood, Impact Damage, Aircraft Damage, Malicious Damage and Burglary as defined.

#### **1) Fire, Lightning and Explosion**

This Section covers loss of or damage to the property Participant by fire, lightning or otherwise directly caused by explosion.

#### **Special Exclusion:**

This section shall exclude loss of or damage to boilers, economisers, or other vessels, machinery or apparatus in which pressure is used or their contents resulting from their explosion.

#### **2) Riot and Strike**

This Section covers Riot and Strike Damage which for the purpose of this Certificate shall mean (subject always to the Special and General Exclusions hereinafter contained).

Loss of or damage to the property Participant 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).
2. The action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequences of any such disturbance.
3. The wilful act of any striker or locked-out worker done in furtherance of a strike or in resistance to 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.

**Special Exclusion:**

This Section 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 of the retarding or interruption or 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; and
- d) Loss or damage occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building.

**3) Natural Disaster**

This Section covers loss or damage (by fire or otherwise) directly caused by:

- a) Earthquake and volcanic eruption;
- b) Hurricane, cyclone, typhoon and windstorm; and
- c) Flood (including overflow of the sea) caused by any of the perils mentioned in (i) and (ii) above subject to the following Excess Clause and Special Exclusions.

**Excess Clause**

It is understood and agreed that as regards loss or damage (other than by fire) to any buildings hereby Participant directly caused by any peril to which this Clause is hereinbefore stated to apply, Takaful Operator's liability shall be limited to each rateable proportion of the amount by which such loss or damage exceeds either:

- a) 1% of the total sums Participant against such peril on said buildings by Policies in the name of the Participant; or
  - b) B\$200.00.
- Whichever shall be the less.

It is further agreed that this Clause shall apply separately to:

- i. Each building, for which purpose all, Participant buildings at the same address shall be regarded as one building; and
- ii. Each incident giving rises to such loss or damage and that for the purposes hereof an incident shall not be considered to have terminated until there have been seven consecutive days' freedom from the perils concerned and only thereafter shall this Clause apply afresh.

**Special Exclusion:**

1. The Takaful under this Section does not cover:
  - a) Consequential loss of any kind other than rent if Participant hereby;
  - b) Loss or damage caused by hail whether driven by wind or not;
  - c) Loss or damage caused by subsidence or landslip except when this is occasioned by earthquake or volcanic eruption provided that these perils are Participant against by the Certificate; and
  - d) Loss by reason of any ordinance or law regulating the Construction or repair of buildings.
2. Takaful Operator shall not be liable for any loss damage caused by water or rain, whether driven by wind or not (other than loss or damage caused by flood (including overflow of the sea) when such peril is Participant against by this Certificate) unless the buildings Participant or containing the property Participant shall first sustain actual damage to the roof or walls of the same by the direct force of (i) Earthquake and volcanic eruption and/or (ii) Hurricane, cyclone, typhoon and windstorm and shall then be liable only for such damage to the interior of the building or the Participant property

there in as may be caused by water or rain entering the building through openings in the roof of walls made by the direct force of the said perils. Takaful Operator shall not be liable for any loss or damage caused by flood (including overflow of the sea) except when such peril is Participant against by this Certificate and is occasioned by earthquake and volcanic eruption and/or hurricane, cyclone, typhoon and windstorm.

3. Unless specifically and separately Participant this Section does not cover:
- a) Fences, gates, metal smokestacks, awnings, blinds, signs or other outdoor fixtures or fittings of any description, goods stored in the open or goods in transit; and
  - b) Premises/situation in course of construction reconstruction or repair unless all outside doors, windows and other openings thereto are completed and protected against hurricane, cyclone, typhoon and windstorm when such perils are Participant against by this certificate.

#### **4) Water Damage**

This Section covers loss or damage to the property Participant directly caused by bursting or overflowing of water tanks, apparatus or pipes from within the building Participant or containing the property Participant.

##### **Special Exclusion:**

This Section does not include:

- 1) Damage there to;
- 2) Loss or damage whilst the building is untenanted;
- 3) Loss or damage by water discharged or leaking from any automatic sprinkler installation in the within described building; and
- 4) The first BND200.00 of each and every loss.

#### **5) Flood**

This Section covers loss or damage to the property Participant directly caused by flood, which for the purposes of this extension shall mean of the overflowing or deviation from their normal channels of either natural or artificial water courses, bursting or overflowing of public water mains and any other flow or accumulation of water originating from outside the building Participant or containing the property Participant.

##### **Special Exclusion:**

This Section shall exclude:

- 1) Loss or damage by flood caused by earthquake, volcanic eruption, hurricane, cyclone, typhoon or windstorm;
- 2) Loss or damage caused by subsidence or landslip;
- 3) Loss or damage to fences, gates, goods stored in the open or goods in transit; and
- 4) Deductible 1% of Total Sum Insured or B\$2,500.00 of each and every loss whichever is lower.

#### **6) Aircraft Damage**

This Section covers loss or damage directly caused by aircraft or other aerial devices or articles dropped therefrom.

#### **7) Impact Damage**

This Section covers loss or damage directly caused by impact by any road vehicle, horse or cattle not belonging to or under the control of the Participant or any member of the Participant's household.

## **8) Malicious Damage**

This Section Covers loss or damage directly caused by any malicious act of any person whether or not such act is committed in the course of a disturbance of the public peace.

## **9) Burglary**

This Section covers any loss of damage to the property Participant in the Premises/Situation:

- 1) As the result of Theft or any attempt threat; or
- 2) Following assault or violence or threat to the Participant or any employee of the Participant.

For the purposes of this Takaful or this section, Theft shall mean theft accompanied by an actual forcible and violent entry of or exit from the Premises/Situation provided that the Participant shall take all reasonable precautions to prevent loss and damage.

Takaful Operator will by payment (or at its option by repair reinstatement or replacement) indemnify the Participant in respect of such loss or damage but so far as each item is concerned not exceeding in any period of Takaful the sub-limit as shown in the Schedule.

### **Special Exclusions:**

Takaful Operator shall not liable in respect of:

- 1) Loss or damage:
  - a) Of or to:
    - i. Money of securities gaming amusement or vending machines or the contents thereof;
    - ii. Stained plate toughened or laminated glass or any glass otherwise Participant;
    - iii. Any part of the Property while in any garden yard or outbuilding unless specified in the Schedule any cash register; and
    - iv. Cash bank notes currency notes cheques postal and money orders and stamps of any kind.

### **Special Exclusions – Applicable to Section 1 – Material Damage**

- 1) All Takaful under this Section 1:
  - a) On any building or part of any building;
  - b) On any property contained in any building; and
  - c) On rent or other subject matter of Takaful in respect of or in connection with any building or any property contained in any building.

Shall cease immediately upon any fall or displacement

- i. Of such building or of any part thereof; or
- ii. Of the whole or any part of any range of buildings or of any structure of which such building forms part.

Provided that such fall or displacement is of the whole or a substantial or important part of such building or impairs the usefulness of such building or any part thereof or leaves such building or any part thereof or any property contained therein subject to increase risk of fire or is otherwise material.

And provided that such fall or displacement is not caused by fire, loss or damage by which is covered by this certificate or would be covered if such building, range buildings or structure were Participant under this certificate.

In any action, suit or other proceeding, the burden of proving that any fall or displacement is caused by fire as aforesaid shall be upon the Participant.

## SECTION 2 – LOSS OF OPERATING EXPENSES

### **The Participant Events**

If during the Period of Takaful any building or other property or any part thereof used by the Participant at the Premises/Situation for the purpose of the Business be destroyed or damaged by the contingencies Participant under section 1 of the Certificate (herein after termed Damage) and the Business carried on by the Participant in respect of each item in the Schedule the amount of loss resulting from such interruption or interference in accordance with the provisions as contained in Specification to Section 2.

Provided that at the time of the happening of the Damage there shall be in force an Takaful covering the interest of the Participant in the Property at the Premises/Situation against such Damage and that payment shall have been made or liability admitted there or under such Takaful or payment would have been made or liability would have been admitted therefor but for the operation of a proviso in such Takaful excluding liability for losses below a specified amount.

### Specification to section 2

Takaful Operator will indemnify the Participant to minimise the loss in respect of the Participant's Standing Charges such as Rental Fee, Employee Salary (excluding employer salary), Utilities Bills due to a reduction in turnover and increase in cost of working.

1. On fixed operating expenses up to the amount shown in the Schedule per month up to a maximum period of 12 months.

### **Indemnity Period**

The period beginning with the occurrence of the Damage and ending not later than 12 months thereafter during which the results of the business shall be affected in consequence of the Damage.

### **Memorandum 1**

If during the indemnity period goods shall be sold or services shall be rendered elsewhere than at the premises/situation for the benefit of the business either by the Participant or by the others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the turnover during the indemnity Period.

### **Memorandum 2**

It is hereby declared and agreed that the liability of Takaful Operator hereunder shall not exceed the amount shown in the Schedule under Item no 1 for each month, or part of the month, of the indemnity Period.

### **Special Exclusions:**

Takaful Operator shall not be liable in respect of any claim whatsoever under the Section after the expiration of

- 1) One year from the end of the indemnity Period or, if later
- 2) Three months from the date on which payment shall have been made or liability admitted by Takaful Operator covering the damage giving rise to the said claim; unless the claim is the subject of pending action or arbitration.

## SECTION 3 – LOSS OF MONEY

### **The Participant Events**

Takaful Operator will indemnify the Participant the amount of any loss of:

- 1) Money: or
- 2) Damage to any safe or strong room belonging to the Participant caused by thieves.

Happening during any Period of Takaful within the Geographical Limits but so far as each item is concerned not exceeding the limit of liability any one loss.

### **Geographical Limits**

- 1) Within Premises: Premises/Situation as shown in Schedule; or
- 2) In Transit: Brunei.

### **Definition of Money**

Money shall mean cash bank notes currency notes cheques (other than pre-signed blank cheques whether crossed or uncrossed) postal and money orders and current postage stamps belonging to the Participant or which Participant is responsible.

### **Warranty**

- 1) Warranted that the key to the safes are removed from the premises/situation whenever the premises/situation are close except whilst the Participant or an authorised employee is actually therein. Further if the Participant or any employee holding the safe keys residence adjoining and communicating with the premises/situation the keys to the safes are removed from the residence when it is left unattended.
- 2) Warranted that Money in cashier's locked drawer outside business hours shall not exceed refer to schedule at any one time.

### **Special Exclusions:**

Takaful Operator shall not be liable in respect of loss:

- 1) Due to robbery or theft by any director partner or employee of the Participant;
- 2) Due to clerical or accounting errors or to depreciation in value or the use of counterfeit Money;
- 3) Of contents of machines operated by coins, tokens or currency notes;
- 4) From an unattended vehicle;
- 5) Of Money in the custody or control of a professional carrier; and
- 6) Of Money (other than crossed cheques crossed postal orders and crossed money orders) from any room left unattended and unlocked during working hours unless contained in a locked safe cupboard or desk of which the key has been removed from such room.

## SECTION 4 – GLASS BREAKAGE

### **The Participant Event**

Takaful Operator shall indemnify the Participant if during the Period of Takaful, the glass situated at the Premises/Situation as described in the Schedule shall be broken. Takaful Operator shall replace the broken glass with one of similar quality or at its option pay to the Participant the value of the glass or refer to schedule whichever shall be the lesser amount.

### **Special Exclusions:**

This Section does not cover:

- 1) Breakage of lettering unaccompanied by breakage of glass;
- 2) Breakage of or damage to frames or framework of any description;
- 3) The cost of removing or replacing fixtures or fittings; and
- 4) Breakage due to dilapidations of frames or framework.

## SECTION 5 – WORKMEN COMPENSATION

### **The Participant Event**

Takaful Operator will indemnify the Participant against all sums which the Participant becomes legally liable to pay as damages if at any time during the period of Takaful any employee in the Participant's immediate service shall sustain bodily injury by accident or disease arising out of and in the course of his employment by the Participant in the business and if the Participant shall be liable to pay compensation for such injury either under the legislation set out below or at common law and will in addition be responsible for all costs and expenses incurred with its consent in defending any claim for such compensation.

Provided always that in the event of any change in the legislation or the substitution of other legislation thereof this Certificate shall remain in force but the liability of Takaful Operator shall be limited to sum as Takaful Operator would have been liable to pay if the legislation had remained unaltered.

### **Limit of Liability**

Takaful Operator's liability in respect of common law claims shall be limited to B\$1,000,000.00 for any one claim or series of claims arising out of one event and sub-limit B\$100,000.00.

### **Avoidance of Certain Terms and Right of Recovery**

Nothing in this certificate or any endorsement hereon shall effect:

- a) The right of any person entitled to indemnity under Certificate; or
- b) The right of any other person to recover compensation.

Under or by virtue of the Legislation.

But the Participant shall repay to Takaful Operator all sums paid by Takaful Operator which Takaful Operator would not have been liable to pay but for the Legislation.

### **Legislation**

Workmen Compensation Act CAP74 amendments and re-enactment thereof and any regulations made thereunder.

## **Jurisdiction**

- 1) This Certificate shall be governed by the laws of Brunei Darussalam.
- 2) The indemnity under this Certificate shall not apply in respect of judgments which are not in the first instance delivered by or obtained from a court or tribunal of competent jurisdiction within Brunei.

## **Average Clause (where applicable)**

If the Estimated Annual wages, salaries and other monetary earnings declared by the Participant, which must include those paid by the Participant as well as those paid by other employees and known to the Participant, is lesser than the actual Annual wages, salaries and other monetary earnings at the time of the inception of the certificate, the Participant may not be indemnified for the full extent of the Participant liability, as the Participant will be deemed to be his own insurer to the extent of the shortfall in the Annual wages, salaries and other monetary earnings declared and the Participant shall bear a rateable proportion of the liability accordingly. The Annual wages, salaries and other monetary earnings must consist of the normal wages, food and housing allowances, overtime payments, bonuses and annual wages supplements but excluding travelling allowances and employers' TAP & SCP contribution.

## **Special Conditions (where applicable)**

- 1) The Contribution payable by the Participant shall be based on the total amount of wages, salaries and other monetary earnings paid by the Participant (as well as other employees and known to the Participant) to every employee in his employment during the Period of Takaful;
- 2) If the total amount of wages, salaries and other monetary earnings paid by the Participant as well as other employers and known to the Participant during the period of Takaful differs from the total amount on which the Contribution was calculated at the commencement of this Certificate, the difference in the Contribution shall be met by an additional payment or by refund as the case may be, subject to a minimum Contribution payment of B\$25.00 by the Participant;
- 3) For the purpose of the Contribution adjustment, the Participant shall keep and maintain a proper record of the name and full personal particulars of every employee in his employment together with the amount of wages salaries and other monetary earnings paid by the Participant as well as wages, salaries and other monetary earnings paid by other employers to the employee and known to the Participant during the Period of Takaful and the Participant shall at all times allow Takaful Operator to inspect such records. Wages, salaries and other monetary earnings must consist of the normal wages, food and housing allowances, overtime payment , bonuses and annual wages supplements but excluding travelling allowances the employers' TAP & SCP contributions; and
- 4) The Participant shall without demand and within a month after the expiry date of termination of this certificate, furnish Takaful Operator an account of all wages, salaries and other monetary earnings paid by the Participant as well as wages, salaries and other monetary earnings paid by other employers and known to the Participant to every employee in his employment during Period of Takaful.

## **Special Exclusions**

Takaful Operator shall not be liable under this Certificate in respect of:

- 1) The Participant's liability to employees of independent contractors engaged by the Participant;
- 2) Any liability of the Participant which attaches by virtue of an agreement, but which would not have attached in the absence of such an agreement;
- 3) Any sum which Participant would have been entitled to recover from any party but for an agreement between the Participant and such party;

- 4) Any injury to any employee of the Participant resulting from an accident if it is proved that the injury to the employee is directly attributable to the employee having been at the time thereof under the influence of alcohol or a drug not prescribed by a medical practitioner unless the Participant is liable under the Legislation; and
- 5) Any incapacity or death resulting from deliberate self-injury or the deliberate aggravation of an accidental injury.

## **SECTION 6 – PUBLIC LIABILITY**

### **The Participant Events**

Takaful Operator will indemnify the Participant against liability at law for damages and claimant's costs and expenses in respect of:

- a) Accidental injury persons; and
- b) Accidental Damage to Property.

Happening during any Period of Takaful within the Geographical Limits in connection within the Business.

The Liability of Takaful Operator for Takaful Operator for damages and claimant's costs and expenses in respect of one claim or all claims of a series (whether arising in one period of Takaful or not) consequent on or attributable to one source or original cause shall not exceed the limit of indemnity.

Takaful Operator will in addition pay all costs and expenses incurred with its written consent.

Geographical Limit: Brunei Darussalam

### **Special Exclusions**

- 1) Tenants Liability Clause

It is hereby understood and agreed that property in the charge of or under the control of the Participant or any servant of the Participant shall be deemed not to include Premises/Situation (including Fixtures and Fittings) leased or rented to the Participant.

Subject otherwise to the Terms, Exceptions and Conditions of this Certificate.

### **Special Exclusions**

Takaful Operator shall not be liable in respect of:

- 1) Injury or damage caused by arising in connection with:
  - a) the ownership possession or use by or on behalf of the Participant of mechanically propelled vehicles locomotives aircraft aerial devices hovercraft or water-borne craft; and
  - b) foul berthing.
- 2) injury to any employee;
- 3) any claim arising under any Workmen Compensation Act CAP74;
- 4) Damage to:
  - a) Any structure or land due or alleged to be due to vibration or to the withdrawal or weakening of support;
  - b) Property belonging to or Held in Trust by or in the custody or control of the Participant; and
  - c) The part of any property worked upon and arising out of such work.

- 5) Claims arising out of:
- a) Products supplied except for food and drink supplied by the Participant in canteens sports and social clubs provided by the Participant for the use of employee;
  - b) Liability assumed by the Participant under agreement unless such liability would attached in the absence of such agreement;
  - c) A breach of the duty owed in professional capacity by the Participant including but not limited to malpractice; and
  - d) Design or specification.

### **Special Memorandum**

1) Total Asbestos Exclusion

It is hereby understood and agreed that this contract shall not apply to end does cover any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of asbestos in whatever from or quality.

Subject otherwise to the terms and conditions of this certificate.

2) Cyber Risks Exclusion

It is hereby understood and agreed that this Takaful shall not indemnify that Participant in respect of any claim or loss arising out of any activities and/or business conducted and/or transacted via the internet, internet extranet and/or via the Participant's own website, internet site, web address and/or via transmission of electronic mail or documents by electronic means.

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

## **SECTION 7 – PERSONAL ACCIDENT**

### **The Participant Event**

Takaful Operator will pay the appropriate Benefit if during any Period of Takaful, the covered person shall suffer accidental bodily injury which shall independently of any other cause result within two years in Death or Disablement for which the Benefit is claimed.

### **Benefits**

- 1) Death
- 2) Disablement
  - a) Loss of two (2) or more limbs or both eyes or one each.
  - b) Loss of one (1) limb or eye.
  - c) Permanent total disablement from gainful employment of any and every kind.

### **Definitions**

For the purposes of this Section:

- 1) Accident or Accidental means a sudden unforeseen for foreseen for fortuitous event;
- 2) Covered Person means each of the persons described in the Schedule as an Covered Person;
- 3) Air travel means mounting into travelling in or dismounting from any fully licensed passenger carrying aircraft as a passenger but mot as a member of the crew nor for the purpose of engaging in any trade or technical operation in or on the aircraft;

- 4) Military Naval Air or other Armed forced Services shall not include National Service or National Service Reservist training during normal peace time;
- 5) Winter sports shall not include curling or skating;
- 6) Loss of limb means:
  - a) In case of an upper Limb loss by physical severance of at least all four fingers in their entirety or permanent total loss of use of an entire arm or hand.
  - b) In case of an upper limb loss by physical or above the ankle or permanent total loss of use of an entire leg or foot.
- 7) Loss of eye includes total and irrecoverable loss of sight.

### **Special Exclusions**

Takaful Operator shall not make any payment for bodily injury death disablement

- 1) Caused by the Covered person
  - a) Engaging in (or practicing for or taking part in training peculiar to)
    - All forms of professional sports racing of any kind (other than on foot) or trial of speed or reliability;
    - Mountaineering or rock or cliff climbing necessitating the use of ropes of guides;
    - Military Naval Air or Other Armed forces Services;
    - Flying except Air Travel;
    - Hang gliding;
    - Parachuting; and
    - Winter Sports.
  - b) Having taken a drug unless the Covered person proves that the drug was taken in accordance with proper medical prescription and directions and not for treatment of drug addiction.
- 2) Caused or contributed to by:
  - a) Suicide or intentional self-injury;
  - b) Pre-existing physical or mental defect or infirmity;
  - c) Pregnancy or childbirth; and
  - d) Sickness or disease not resulting from accidental bodily injury.
- 3) Sustained by the Covered person who is more than 70 years old.

### **Special Conditions**

- 1) As soon as reasonably possible after the occurrence of an accident the Covered Person shall submit to any medical examination made on our behalf and in the event of his death we shall be entitled to make a post-mortem examination at our own expense.
- 2) Takaful Operator shall not be bound to accept or be affected by any notice of any trust charge lien assignment or other dealing with the same accident:
  - a) Benefit shall only be payable in respect of any one Covered person under either Benefits 1 or 2 in connection with the same accident; and
  - b) On the happening of an accident giving rise to a claim under Benefit 1 or 100% Disablement of benefit 2 this certificate shall cease to apply to the Participant person concerned.
- 3) Benefit payable as the result of one accident shall not exceed 100% of the sum Covered for permanent disablement for any one Covered person.
- 4) Benefit payable for loss or loss of use of whole limb shall not also include benefit for parts of that limb:
  - a) Permanent total disablement for gainful employment of any every kind shall have lasted 104 weeks before benefit becomes payable; and

- b) No benefit shall be payable for loss of limb or eye until at least thirteen weeks after the date of the accident and such benefit shall only be payable if death does not happen as a result of the accident. If a Death Benefit is included but is less than the appropriate benefit for loss of limb or eye the amount payable for loss of limb or eye shall not exceed the death benefit until thirteen weeks have elapsed from the date of the accident and the balance shall then only be payable if the death benefit has not in the meantime become payable as a result of the accident.

## **SECTION 8 – FIDELITY GUARANTEE**

### **The Participant Event**

Takaful Operator will pay loss of money (that is cash currency note or coins bank notes or cheque money orders postal orders, or current unused stamps, vouchers, tickets) or other property, belonging to the Participant or for which the Participant is legally responsible as a direct result of any of fraud or dishonestly committed by an Participant Employee which occurs during the period of Takaful and during the uninterrupted service of the Participant employee with the Participant and is discovered and notified to Takaful Operator.

- 1) During the Period of Takaful; or
- 2) Within 06 calendar months of being committed.

Up to the amount guaranteed shown in the schedule.

All losses in respect of the one event or series of events arising from the one source or original cause, as a direct result of any act of fraud or dishonestly committed during the period of Takaful shall be deemed to be one event.

The amount Guaranteed is reduced by any payment made or due to be made under this section during any one period if Takaful.

### **Definition**

“Participant employee” will mean any person employed by or apprenticed to or executive director or officer of the Participant who the Participant has the right to direct in the course of the business.

### **Special Exclusions**

Takaful Operator will not pay:

- 1) If the nature of the Participant’s business is changed unless it is notified to Takaful Operator; or
- 2) If the precautions and checks for securing accuracy of accounts and stock level are not duly observed.

### **Special Conditions**

- 1) Discovery

Once the Participant becomes aware of or has a reason to suspect an Participant Employee has committed an act of fraud or dishonesty, Takaful Operator will not be liable for any further loss due to any act of fraud dishonestly committed by such Participant Employee after such discovery.

- 2) Acquisitions

This Section does not cover any company or other legal entity acquired by the Participant during the period of Participant unless it has been reported to Takaful Operator.

3) Proof of loss

Takaful Operator will not be liable for losses where the Participant unable to identify the Participant employee responsible.

4) Recoveries

Following a Participant loss, the Participant will to the extent allowed by law, retain all monies and other assets due to the Participant employee which caused the Participant event and will treat such monies or assets as a deduction from the claim.

**Special Extensions**

1) Auditors

The Section is extended to indemnify the Participant in respect of Auditors Fees necessarily Participant with the consent of the insurers in substantiating of claim.

The liability of Takaful Operator under this extension is limited to the sum of B\$500.00.

2) Automatic Addition and Deletion

This Section provides automatic addition of any new eligible employee on joining the Participant's employment for amount guaranteed not exceeding the amount guaranteed in this section and automatic deletion of any Participant employee who had left the Participant's employment subject to the Participant declaring to Takaful Operator within a month after expiry date or termination of this certificate.

**SECTION 9 – GOODS IN TRANSIT**

**The Participant Events**

Takaful Operator shall indemnify the Participant against loss of or damage to the property in transit within the geographical limits whilst carried by means of conveyance show in the schedule. Cover commences when the property is lifted by the Participant or the Participant employees immediately prior to loading and continues until the property is placed in position (excluding erection, dismantling or installation) by the Participant or the Participant employees at destination including loading and unloading.

Takaful Operator will indemnify the Participant for:

1) Loss or Damage to:

- a) The Property up to the limit of liability stated in the schedule; and
- b) The Participant's own sheets, ropes, chains, webbing straps, toggles or packing materials on vehicles (excluding wear and tear).

2) Costs and expenses necessarily incurred in:

- a) The removal of debris and site clearance of property damaged whilst in transit from the immediate area of the site where the damage occurred;
- b) Transferring property to any other vehicle following fire, collision, overturning or impact of the conveying vehicle including carrying the property to original destination or to place of collection;
- c) Reloading onto the vehicle any property which has fallen from the vehicle; and
- d) Re-securing the property where there is dangerous movement of the load in transit.

**Definitions:**

For the purposes of this Section:

- 1) Property shall mean general merchandise, goods and tools connected with the business, owned by or the responsibility of the Participant except for any property specifically excluded by this certificate.
- 2) Vehicle shall mean motor vehicle owned and operated by the Participant.
- 3) Personal effects shall mean personal possessions of the Participant's driver including cash, bank notes, credit cards, mobile phones, audio/visual/telecommunications equipment or clothing, watches jewellery whilst being worn.
- 4) Tools shall mean tools, tools kits or test equipment connected with the business owned by or the responsibility of the Participant.

Geographical limit: Brunei Darussalam

**Special Exclusions**

Takaful Operator shall not be liable in respect of:

- 1) Any loss or damage to property directly or indirectly caused by arising from:
  - a) Pressure waves caused by aircraft or other aerial devices;
  - b) Ordinary wear and tear or gradual natural deterioration;
  - c) Rust, oxidation and discoloration;
  - d) Insufficiency or unsuitability of packing or preparation of the property Participant;
  - e) Ordinary leakage, ordinary loss in weight or volume; and
  - f) Depreciation or deterioration or variation in temperature unless caused by accident to the means of conveyance.
- 2) Loss of or damage to money, securities for money (which includes certificates of bond, stock certificates, bills of exchange, promissory notes) stamps, watches, precious stones, jewellery, bullion, gold and silver articles, clocks, on-ferrous metals, computers, video tapes or cassettes, tape or video recorders, radio and television sets, record players, tobacco, cigars, cigarettes, wines, spirits or explosives, nuclear waste or loss or death of or injury living creatures.
- 3) Loss or damage caused by theft of or from vehicles owned by or under the control of the Participant unless such theft is evidenced by violent or forcible entry to such vehicle.
- 4) Loss or damage resulting from theft attempted theft from any unattended vehicle unless all doors, windows and other points of access have been securely locked and fastened and the keys removed.
- 5) Loss or damage resulting from theft or attempted theft from any unattended vehicle during the hours from 9 p.m. until collected by the Participant's driver unless such vehicle is garaged in securely locked building of substantial construction or a compound which has secure walls and/or fences and securely locked gates.
- 6) Loss or damage to personal effects of the Participant's driver.
- 7) Loss or damage caused by or arising from inadequate or consequent upon delay in transit and/consequential or indirect loss.
- 8) The deterioration of property conveyed in frozen, chilled or insulated conditions due to:
  - a) Faulty storage;
  - b) Incorrect setting or operation of the equipment; and
  - c) Variations in temperature.Unless directly caused by fire, accident (but not breakdown) to the conveying vehicle, theft or attempted theft.
- 9) The first B\$50.00 of each and every loss.

## GENERAL EXCLUSIONS

This certificate does not cover:

- 1) (a) Loss of destruction of or damage to any property whatsoever or any loss expense whatsoever resulting or arising therefrom or any consequential loss.  
(b) Any legal liability of whatsoever nature directly or indirectly caused by contributed by arising from
  - (i) Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; and
  - (ii) The radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- 2) Loss damage or liability directly occasioned by or happening through war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power or confiscation destruction or requisition by order of the government or any public authority.
- 3) Any damage, consequential loss or legal liability directly or indirectly caused by or consisting of or arising from the failure or inability of any computer, electronic equipment, data processing or media microchip, embedded chip, integrated circuit or similar device, or firmware or any computer software whether the property of the Participant or not, occurring at any time to:
  - a) Correctly recognize any date as its true calendar date;
  - b) Capture save or retain and/or correctly to manipulate, interpret or process any date or information or command or instruction as a result of treating any date otherwise than as its true calendar date; and
  - c) Capture saves retain or correctly to process any data as 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 to process such data on or after any date.

But this shall not exclude subsequent loss, damage or consequential loss not otherwise excluded which itself results from a Defined Peril.

The words "Defined Peril" shall mean fire lighting, explosion, aircraft or other aerial devices or articles dropped therefrom, riot and strike, malicious damage, earthquake, storm, flood, escape of water from any tank apparatus or pipe or impact by any road vehicle or animal where such loss, damage or consequential loss is Participant by the certificate.

- 4) Any loss, damage, cost or expenses of whatsoever nature directly or indirectly caused by resulting from on in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion 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 groups of persons, whether acting alone or on behalf of or in connection with any organisations or government, 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 Takaful Operator alleges that by reason of this exclusion, any loss, damage cost or expense is not covered by this Takaful the burden of proving the contrary shall be upon the Participant.

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

## GENERAL CONDITIONS

### 1. Arbitration

If any difference shall arise as to the amount to be paid under any section of this Certificate (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions in that behalf for the time being in force.

Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right action against Takaful Operator.

### 2. Cancellation

The Participant or Takaful Operator may cancel this Certificate at any time during the period of Takaful.

#### a) Cancellation by Participant:

- The Participant may cancel this Certificate at any time, by returning the Certificate to Us if no claim has occurred or was made during the period of Takaful.
- After returning the Certificate, the Participant will be entitled to a refund of the balance of the Takaful contribution on a pro-rata basis for the period the Certificate was not in force.
- Takaful Operator will not return the *Wakalah* fee to the Participant unless the cancellation was made by the Participant due to unforeseen circumstances\* and subject to the Takaful Operator's discretion and approval, which shall not be unreasonably withheld. In such event, no cancellation fee will be imposed on the Participant who makes the cancellation.

#### b) Cancellation by Takaful Operator:

- Takaful Operator may also cancel this Certificate by giving the Participant fourteen (14) days' notice by registered letter to the Participant at his last known address.
- Participant will be entitled to a pro-rata refund of the contribution for the remaining period calculated on a pro-rata basis fourteen (14) days from the date of the notice to the expiry date of the Certificate.
- Takaful Operator will return the *Wakalah* fee to the Participant on a pro-rata basis for the period the Takaful was not in force.

**\*Note: Unforeseen circumstances mean event of death, insanity (as certified by Qualified Medical Practitioner) and bankruptcy declared by the courts of Brunei Darussalam.**

### 3. Changes in risk

This Takaful shall cease to be in force if there is:

- a) Any alteration in the premises/section or in the business or otherwise whereby the risk of loss or damage is increased; or
- b) Any material change in the facts stated in the schedule.

### 4. Claims procedure (Participant duties)

- a) Any loss damage, bodily injury claim or proceeding must be notified as soon as reasonably possible to Takaful Operator in writing and detailed statement of claim submitted within fourteen (14) days of the happening.

- b) If theft or damage by malicious persons is suspected notice must be given as soon as reasonably possible to the police and all practical steps taken to recover any property lost.
- c) Immediate action must be taken to minimise loss and avoid interruption or interference with the business and to prevent further loss damage or bodily injury.
- d) All particulars information and assistance as may be reasonably required by Takaful Operator must be supplied by the Participant at his own expense.
- e) No admission of liability or negotiation or settlement of any claim shall be made without Takaful Operator's written consent.

#### **5. Claim procedure (Company's right)**

- a) Takaful Operator shall be entitled to conduct in the Participant's name the defence or settlement of any claim or to prosecute for its own benefit any claim for indemnity or damage or otherwise and shall have the full discretion in the conduct of any proceedings and in the settlement of any claim.
- b) In connection with any claim or series of claims made against the Participant consequent on or attributable to one source or original cause Takaful Operator may at any time subject to any excess pay to the Participant the limit of indemnity (after deduction of any sums already paid as damages claimant's costs and expenses) or any less amount for which such claims can be settled and thereupon Takaful Operator shall relinquish the control of such claims and be under no further.

Liability in connection therewith except for additional costs and expenses for which Takaful Operator may be responsible under this Certificate in respect of matter prior in the date of such payment.

- c) The Participant shall allow Takaful Operator to enter the building where loss or damage has occurred and to take and keep possession of or to deal with the property in any reasonable manner. No property may be abandoned to Takaful Operator.
- d) If Takaful Operator elects to repair reinstate or replace any property it shall only do so in a reasonably sufficient manner as circumstances permit and shall not be bound to expend more than the relevant sum Participant.

#### **6. Legal counsel clause**

- a) Takaful Operator shall not require to contest any claim unless a legal counsel (to be mutually agreed upon by the Participant and Takaful Operator) shall advise that such a claim should be contested.
- b) In formulating such advice, legal counsel shall take into consideration the economics of the matter, the damages and costs which are likely to be recovered by the claimant, the likely costs and expenses and the prospects of the Participant successfully defending the claim.
- c) The costs of such legal counsel's opinion shall be regarded as part of the costs and expenses.

#### **7. Other Takafuls**

If any loss or damage or liability is covered by any other Takaful, Takaful Operator shall pay only its rateable proportion of the loss or damage.

#### **8. Observance**

The liability if Takaful Operator shall be conditional upon the observance of the Participant of the terms provisions conditions and endorsements of this Certificate.

## 9. Precautions

The Participant shall take and cause to be taken all reasonable precautions:

- a) For the safety of the property Participant;
- b) To prevent bodily injury and loss or damage to the property of others and the sale or supply of goods which are defective in any way;
- c) To comply with all statutory obligations and regulations imposed by an authority; and
- d) All the locks, bolts, alarm and other protective devices fitted to the premises/situation shall be brought into operation whenever the premises/situation are closed for business. Every alarm shall also be properly inspected and maintained during the currency of this Certificate.

## 10. Subrogation

No admission offer promise, or payment shall be made by or on behalf of the Participant without the written consent of Takaful Operator. Takaful Operator shall be entitled if it so desires to take over and conduct in the Participant's name the defence or settlement of any claim prosecute in the Participant's name for its own benefit any claim for indemnify or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Participant shall give such information and assistance as Takaful Operator may require.

## 11. *Tabarru'*

*Tabarru'* is an agreement by a participant to relinquish as donation, a sum of contribution that he or she agrees to pay into a Takaful Fund.

Participants give sixty-five per cent (65%) of their contributions as *Tabarru'* with the purpose of providing mutual indemnity to Takaful Participants, where the *Tabarru'* acts as mutual help and joint guarantee should any fellow Participants suffer from a defined loss.

## 12. *Wakalah*

*Wakalah* refers to a contract in which a party as principal (*Muwakkil*) authorises another party as his agent (*Wakil*) to perform a particular task, in matters that may be delegated, either voluntary or with imposition of a fee.

The Participant will make contribution to the Takaful Fund as *Tabarru'*. Then all the Participants in a group will appoint or authorise Takaful Operator as their agent (*Wakil*) to manage the Takaful Fund for the purpose of executing Takaful activities such as underwriting, risk management and claims management. In this *Wakalah* arrangement, Takaful Operator will charge a fee of thirty-five per cent (35%) from the contribution that has been determined and agreed upon in the proposal form.

*Wakalah* fee will not be returned to the Participant upon cancellation.

## 13. Distribution of surplus

- a) The surplus will be determined at the end of the financial year end and the surplus (if any) from the Takaful Fund will be allocated to Participants' Fund and Takaful Operator with the proportion of seventy per cent (70%) to the Participants' Fund and thirty per cent (30%) to Takaful Operator. The surplus in the Participants' Fund will then be declared and distributed to the eligible Participants. Based on *Ju'alah* concept, Takaful Operator is entitled for the surplus distribution from the Takaful Fund as fee for the good performance of Takaful Operator in managing the Takaful Fund.

- b) For the Participants who have incurred claim or received benefit, their portion of surplus will not be distributed back to them and shall be credited back as *Tabarru'* to the Takaful Fund.
- c) For the Participants who have surrendered their Certificate before financial year end, they are entitled for the surplus. The surplus will be calculated based on their contribution and participation period in the Takaful Fund.

#### **14. Treatment of small payment amount**

For any amount due and payable to the Participants from refund/surrender/maturity/termination/claim that is B\$5.00 and below, IIGT will donate to charity which will be utilised as '*amal jariah*' on behalf of the Participants.

### **MEMORADUM TO ALL SECTIONS**

#### **1) CRTPA Exclusion**

It is hereby understood and agreed that a person who is not a party to this Certificate contract shall have no right under the contracts (Right OF Third Parties) Act 2001 to enforce any of its items.

#### **2) IT Clarification Clause**

Property Damage covered under this Certificate shall mean physical damage to the substance of property.

Physical damage to the substance of property shall not include damage to data or software in particular any detrimental change in data, software or computer programs that caused by a deletion, a corruption or a deformation of the original structure.

Consequently, the following are excluded from this Certificate.

- a) Loss or damage to data software, in particular any detrimental change in data software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss of or damage to data or software which is the direct consequence of Participant physical damage to the substance of property shall be covered.
- b) Loss or damage resulting from 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.

#### **3) Contribution Payment Warranty**

a) It is fundamental and absolute special condition of this contract of Takaful that the contribution due must be paid and received by the Takaful within sixty (60) days from the inception date of this Certificate/Endorsement/Renewal Certificate. If this condition is not complied with then this contract is automatically cancelled and 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 Takaful Operator, the payment shall be deemed, to be received by Takaful Operator for the purpose of this warranty and onus proving that the contribution payable was received by a person, including a Takaful agent, who was not authorised to receive such contribution shall lie on Takaful Operator.

b) Subject otherwise to the terms and conditions of this Certificate.

#### **4) Sanction Limitation and Exclusion Clause**

No Takaful Company shall be deemed to provide cover, and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover payment of such claim or provision of such benefit would expose that insurer to any sanction, prohibition or restriction under united nation or United Kingdom or united states of America.

#### **5) Terrorism Exclusion Clause**

Notwithstanding any provision to the contrary within this Certificate or any endorsement thereto it is agreed that this Certificate excluded loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any acts of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

'Terrorism' is defined as 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 or in connection with any organization(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.

This Clause also excludes loss, damage, cost or expense of whatever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If Takaful Operator alleges that by reason of this Clause, any loss, damage, cost or expense is not covered by this Certificate the burden of proving the contrary shall be upon the participant. In the event any portion of the Clause is found to be invalid or unenforceable, the remainder shall remain in full force and effect.