

EXPLANATORY NOTES

How to read this document

Please note that your Private Car Third Party Certificate only starts from page 5 onwards. To help you read and understand your certificate better we provide some explanatory notes together with comments and examples (written in *italic*). These are not meant to be part of your certificate and should not be used to interpret your Takaful contract in the event of any dispute.

Words in bold

You will notice that some words in the certificate are printed in **bold** letters. This is because they have been given specific meaning in your Private Car Third Party Certificate. Please refer to Section F on pages 13 to 14 for the meaning of these words.

What makes up your Takaful contract?

Your Takaful contract with us is made up of the following:

- Takaful certificate in pages 5 to 18 (excluding the *italic* texts);
- the information you provided us when you applied for this Takaful;
- the Schedule;
- the Endorsements attached to the certificate; and
- the Certificate of Takaful (CT).

All these must be read together as they form your Takaful contract.

Duty of Disclosure

A. Consumer Takaful Contract

Where you have applied for this Takaful wholly for purposes unrelated to your trade, business or profession, you had a duty to take reasonable care not to make a misrepresentation in answering the questions in the Application Form (or when you applied for this Takaful) i.e. you should have answered the questions fully and accurately. Failure to have taken reasonable care in answering the questions may result in avoidance of your contract of Takaful, refusal or reduction of your claim(s), change of terms or termination of your contract of Takaful in accordance with Schedule 9 of the Islamic Financial Services Act 2013. You were also required to disclose any other matter that you knew to be relevant to our decision in accepting the risks and determining the rates and terms to be applied.

You also have a duty to tell us immediately if at any time after your contract of Takaful has been entered into, varied or renewed with us, any of the information given in the Application Form (or when you applied for this Takaful) is inaccurate or has changed.

B. Non-Consumer Takaful Contract

Where you have applied for this Takaful for purposes related to your trade, business or profession, you had a duty to disclose any matter that you know to be relevant to our decision in accepting the risks and determining the rates and terms to be applied, and any matter a reasonable person in the circumstances could be expected to know to be relevant, otherwise it may result in avoidance of your contract of Takaful, refusal or reduction of your claim(s), change of term(s) or termination of your contract of Takaful.

You also have a duty to tell us immediately if at any time after your contract of Takaful has been entered into, varied or renewed with us, any of the information given in the Application Form (or when you applied for this Takaful) is inaccurate or has changed.

If you misrepresented any facts to us before the certificate is entered into, examples of the actions that may be taken by us against you include the following:

- declare your certificate void from inception (which means treating it as invalid), and we may not return any contribution;
- cancel this certificate and return any contribution less our cancellation charge or recover any unpaid contribution;
- remove one or more named drivers from your certificate and adjust your contribution accordingly;
- recover any shortfall in contribution;
- not pay any claim that has been or will be made under the certificate; or
- be entitled to recover from you the total amount of any claim already paid under the certificate or any claim we have to pay because of any relevant road traffic legislation, plus any recovery cost.

What is covered?

Your Takaful does not cover you against everything that can happen to your car. Below are the main types of cover available in the market. This certificate covers for **Third Party Only**.

Page	Basic Cover:	Comprehensive	Third Party, Fire and Theft	Third Party Only
6	Section A: Loss or Damage to Your Own Car			
	1. a. Events We Cover			
	(i) accidental collision or overturning	✓	X	X
	(ii) collision or overturning caused by mechanical breakdown	✓	X	X
	(iii) collision or overturning caused by wear and tear	✓	X	X
	(iv) impact damage caused by falling objects subject to certain exclusions	✓	X	X
	(v) fire, explosion or lightning	✓	✓	X
	(vi) breakage of windscreen, windows or sunroof including lamination / tinting film	✓	X	X
	(vii) burglary, housebreaking or theft	✓	✓	X
	(viii) malicious act	✓	X	X
	(ix) while in transit (limited cover)	✓	X	X
	1. b. Events We Do Not Cover	✓	✓	X
	2. Basis of Settlement (how we will settle your claim)	✓	✓	X
	3. Towing Costs (to a repairer or safe place)	✓	✓	X
6 to 8	Section B: Liability to Third Parties	✓	✓	✓
6	1. a. What is Covered (by this section)	✓	✓	✓
6 to 8	1. b. What is Not Covered (by this section)	✓	✓	✓
6	2. Limits of Our Liability (the maximum that we pay)	✓	✓	✓
7	3. Cover for Legal Personal Representatives (if you are dead)	✓	✓	✓
7	4. Maximum Legal Costs (if approved)	✓	✓	✓
7	5. Rights of Recovery	✓	✓	✓
8	Section C: No Claim Discount	✓	✓	✓
9 to 10	Section D: General Exceptions (what is not covered by the certificate)	✓	✓	✓
10 to 13	Section E: Conditions (terms that you must comply with)	✓	✓	✓
13 to 14	Section F: Definitions (explains the words in bold)	✓	✓	✓
15 to 18	Section G: Endorsements (additional terms that we may impose on you or additional covers if you have paid additional contribution)	Optional	Optional	Optional

Key: ✓ = applicable

X = not applicable

What this certificate does not cover?

These are referred to as 'Exceptions' in your certificate and there are two sections where you can find them in your Private Car Third Party Certificate:

- o Section B1b – see 'What is Not Covered' (pages 6 to 8: applicable to Third Party Only certificate)
- o Section D – see 'General Exceptions' (pages 9 to 10: applicable to Third Party Only certificate)

There are generally three reasons why we put these exceptions in your basic Private Car Third Party Certificate:

1. Cover is not provided for the exceptions. We have to charge additional contribution if we agree to cover you for any of these exceptions. An example of the exceptions which is not covered by your basic Private Car Third Party Certificate but which may be covered if you pay additional contribution is
 - use outside Malaysia, Singapore or Brunei (see Section D – 'General Exception 6' (page 9)).
2. There are other risks which are not covered by the basic Private Car Third Party Certificate or by any of its extensions. We would have to issue a different certificate if you want these types of cover. For example, the following are not covered by your Private Car Third Party Certificate but can be covered under a different type of certificate:
 - carriage of goods must be covered under a Commercial Vehicle Certificate; and
 - hire or reward must be covered by taxi or hired car certificate.
3. We cannot and do not cover certain risks at all. Some examples of these can be seen in Section D – 'General Exceptions' (pages 9 to 10) such as:
 - war, nuclear fission or fusion;
 - risks that are against public policy or against the law; and
 - drunk driving.

How can your car be used?

Since this is a Private Car Third Party Certificate, your certificate only covers you if your car is used for "social, domestic and pleasure purposes and for the Participant's business". This is clearly stated in the Certificate of Takaful under the heading "Limitation as to Use".

The following are some examples of how your car can be used:

- to visit relatives and friends, for shopping etc.; and
- for some limited business use such as getting to and from work, and meeting customers.

However, we will not cover you, for example, if you use your car in the following manner:

- as a private taxi by charging fares to carry passengers;
- as a hire car by charging rental to use your car;
- to carry any goods in connection with any trade or business other than samples. You must buy a Commercial Vehicle Certificate to cover for this use;
- for motor trade (use for showroom display and for test-drive);
- to practise for or to take part in any race, rally, pacemaking, reliability trial or speed test; and
- use on any racetrack.

Who can drive your car?

- Practically anyone can drive your car as long as the driver:
 - has a valid licence of the relevant class to drive and is not disqualified to drive by law or for some other reason ((see exclusion on Unlicensed Drivers in Section D – 'General Exception 1' (page 9));
 - has your permission to drive (see definition of Authorised Driver in page 13); and
 - complies with all the terms and conditions of this certificate.
- If you or your authorised driver is not qualified to drive or breach any of the terms and conditions, your claim may be rejected. If we are compelled by law to pay, we can recover any sum(s) paid and any expenses incurred from you or your authorised driver.

In which territory is your car covered?

This Takaful you have participated only covers you in Malaysia, Singapore and Brunei in accordance to the laws of Malaysia. This territorial limitation may be specially extended only upon your request and accepted by Us, and confirmed by way of endorsement to this Certificate.

Note that if you intend to drive your car into Singapore, you are required by Singapore's law to have cover against Legal Liability to Passengers (LLP). Since LLP is not covered by the basic Private Car Third Party Certificate, you **MUST** participate Endorsement 100 (see page 17), which provides a limited cover for your liability for death or bodily injury of passengers.

When is your cover effective?

This Takaful is effective from the time of participation of cover or at the agreed time of commencement, until the expiry date. The period of Takaful will be printed in the Certificate Schedule and related documents. If there is any change to these dates, it will be officially shown in an Endorsement issued by us.

What is No Claim Discount (“NCD”)?

This is a form of contribution discount for not having made a claim during the preceding period of your Takaful (provided the period of Takaful exceeds one year). The scale of NCD applied is specifically mentioned in the certificate.

The applicable NCD can be checked with us or the Central NCD Database (“CND”) at <https://www.mycarinfo.com.my/ncdcheck/online> before the participation of your Private Car Third Party Certificate.

Do’s and Don’ts – after you have had an accident

• Do:

- **Call Accident Assist Call Centre (AACC) 24 hours nationwide Takaful road accident Helpline number 1-300-22-1188 or short-code 15-500**
should you need immediate road assistance or tow service or wish to make an enquiry on claims procedure;
- *inform us as soon as possible if you are involved in an accident with another road user or property or where a third party is injured and the event may give rise to a claim;*
- *report all accidents to the police within 24 hours as required by law;*
- *immediately submit to us all letters, claims, writs and summons which you have received from third parties as a result of the incident;*
- *remove your car to a PIAM Approved Repairer (PARS) or our approved panel repairer;*
- *fully complete the relevant sections of your claim form – do not put “refer to police report”.*

• Don’t:

- *negotiate, admit or repudiate any claim without our consent (see Condition 2 in pages 11 to 12).*

Condition 2 of your certificate (see pages 11 to 12) spells out the do’s and the don’ts after an accident in more detail.

PRIVATE CAR THIRD PARTY CERTIFICATE

Our agreement with You

- A. Where **Your Car** is used for any purpose that is not related to **Your** trade, business or profession, the following applies:

Consumer Takaful Contract

This **Certificate** is issued pursuant to:

- the payment of contribution as specified in the Schedule to the General Takaful Fund (Fund) under the principle of tabarru' to help other Participants in the event as defined in this certificate;
- the answers given in **Your** Application Form (or when **You** applied for this Takaful); and

any other disclosures made by **You** between the time of submission of **Your** Application Form (or when **You** applied for this Takaful) and the time this contract is entered into. The answers and any other disclosures given by **You** shall form part of this contract of Takaful between **You** and **Us**. However, in the event of any pre-contractual misrepresentation made in relation to **Your** answers or in any disclosures given by **You**, only the remedies in Schedule 9 of the Islamic Financial Services Act 2013 will apply.

It is our responsibility to manage the Fund on behalf of the Participants under the principle of wakalah. In the event of insufficient balance in General Takaful Fund (Fund) to pay your Takaful Benefits during the period of Takaful, **We** will make good the balance in the Fund under the principle of Qard (loan) provided that the insufficiency is not due to Our negligence. If the insufficiency is due to **Our** negligence, **We** will make the outright transfer for the insufficiency under the principle of Hibah (gift). **You** further agree that your future surplus arising from the Fund during your Takaful period can be used to pay for outstanding Qard in the Fund (if any) to **Us**.

This **Certificate** reflects the terms and conditions of the contract of Takaful as agreed between **You, Us** and Participants of the Fund.

- B. Where **Your Car** is used for purposes related to **Your** trade, business or profession, the following applies:

Non-Consumer Takaful Contract

This **Certificate** is issued pursuant to the payment of contribution as specified in the **Takaful** Schedule to the General Takaful Fund (Fund) under the principle of tabarru' to help Participants of the Fund and our responsibility to manage the Fund on behalf of the Participants under the principle of wakalah and pursuant to the answers given in **Your** Application Form (or when **You** applied for this Takaful) and any other disclosures made by **You** between the time of submission of **Your** Application Form (or when **You** applied for this Takaful) and the time this contract is entered into. The answers and any other disclosures given by **You** shall form part of this contract of Takaful between **You** and **Us**. In the event of any pre-contractual misrepresentation made in relation to **Your** answers or in any disclosures made by **You**, it may result in avoidance of **Your** contract of Takaful, refusal or reduction of **Your** claim(s), change of terms or termination of **Your** contract of takaful.

It is our responsibility to manage the Fund on behalf of the Participants under the principle of wakalah. In the event of insufficient balance in General Takaful Fund (Fund) to pay your Takaful Benefits during the period of Takaful, **We** will make good the balance in the Fund under the principle of Qard (loan) provided that the insufficiency is not due to Our negligence. If the insufficiency is due to **Our** negligence, **We** will make the outright transfer for the insufficiency under the principle of Hibah (gift). **You** further agree that your future surplus arising from the Fund during your Takaful period can be used to pay for outstanding Qard in the Fund (if any) to **Us**.

This **Certificate** reflects the terms and conditions of the contract of Takaful as agreed between **You, Us** and Participants of the Fund.

Section A: Loss or Damage to Your Own Car

As the coverage subscribed under this certificate is Third Party only, Section A is not applicable to you.

Section A provide details under the following headings

1a: Events We Cover

1b: Events We Do Not Cover

2: Basis of Settlement (Applicable to Comprehensive Certificate Only)

3: Towing costs

Section B: Liability to Third Parties

This section explains what is covered and not covered under Section B.

1a: What is Covered?

We will indemnify **You** and / or **Your Authorised Driver** for the amount which **You** and / or **Your Authorised Driver** are legally liable to pay any third party (including third party's costs and expenses) for:

- (i) death or bodily injury to any person except those specifically excluded under this **Certificate**; and / or
- (ii) damage to property except those specifically excluded under this **Certificate**

as a result of an **Incident** arising out of the use of **Your Car** on a **Road**. This cover is extended to **Your Authorised Driver** provided **Your Authorised Driver** also complies with all the terms and conditions of this **Certificate**.

2: Limits of Our Liability

We will pay the following for any one claim, or series of claims arising from one **Incident**, in any one **Period of Takaful**:

- (i) unlimited amount for death or bodily injury to third party; and / or
- (ii) up to a maximum of RM3 million for third party property damage.

For an additional contribution, the limits of liability for third party property damage can be extended up to RM20 million (Endorsement 105).

1b: What is Not Covered?

These exceptions are specific to Section B and are in addition to the Exceptions stated in Section D of this **Certificate** and any other applicable **Endorsements**. We will not pay for:

- (i) death or bodily injury to any passenger being carried for hire or reward;
- (ii) death or bodily injury to any person where such death or injury arises out of and in the course of the employment of such person by **You** or by **Your Authorised Driver**;

*Under the Road Transport Act 1987, this **Certificate** shall not be required to cover, except in the case of a motor vehicle in which passengers are carried for hire or reward or by reason of or in pursuance of a contract of employment, liability in respect of death of or bodily injury to persons being carried in or upon or entering or getting onto or alighting from the motor vehicle at the time of the occurrence of the event out of which the claims arise.*

***In the course of employment** – Any person who is injured / dies (whether as passenger or otherwise) while on the job and is in or on the said **Car** as part of his / her employment e.g. car wash worker, mechanic etc.*

- (iii) damage to property belonging to or in the custody of or control of or held in trust by **You** or **Your Authorised Driver** and / or any member of **Your** or **Your Authorised Driver's Household**;

3: Cover for Legal Personal Representatives

Following the death of any person covered under this **Certificate**, **We** will indemnify that person's legal representatives for liability covered under this Section, provided such legal representatives comply with all the terms and conditions of the **Certificate**.

4: Legal Costs

If **You** or **Your Authorised Driver** is charged for reckless and dangerous driving or careless or inconsiderate driving under the Road Transport Act 1987 or any other offence related to the said **Incident**, **We** will pay legal costs incurred up to a maximum of RM2,000 to defend **You** or **Your Authorised Driver** provided always that such costs are incurred in Malaysia, the Republic of Singapore or Negara Brunei Darussalam, and that cost has been incurred with **Our** prior agreement in writing.

We will only pay for legal cost and **We** will not pay for any penalty imposed on **You** or **Your Authorised Driver**.

5: Rights of Recovery

We have a right to refuse to indemnify **You** or **Your Authorised Driver** if either of **You** commit a breach of any **Certificate** conditions or where the claim falls outside the scope of cover provided by **Us** under this **Certificate**. However, if **We** are legally required to pay any judgment sum in respect of a claim under Section B of this **Certificate** because of laws in force in Malaysia, Republic of Singapore or Negara Brunei Darussalam, which **We** would otherwise not have to pay, **We** have the right to ask **You** or **Your Authorised Driver** to repay to **Us** the amount of that payment and any costs **We** have incurred in connection with the claim.

1b: What is Not Covered?

- (iv) liability to any person being carried in or upon or entering or getting onto or alighting from **Your Car** unless he / she is required to be carried in or on **Your Car** by reason of or in pursuance of his / her contract of employment with **You** or **Your Authorised Driver** and / or his / her employer;

In pursuance of the contract of employment – The passenger is required to be carried to a destination in order to carry out the job as spelt out in his / her contract of employment.

Liability to passengers other than:

- a) passengers carried for hire or reward;
- b) employees in the course of employment; or
- c) **Your** or **Your Authorised Driver's Household** member unless he / she is required to be carried in **Your Car** by reason of or in pursuance to a contract of employment;

*may be covered separately for additional contribution under **Endorsement 100**. If **You** have covered such liability, **You** will need to refer to the full text of **Endorsement 100: Legal Liability to Passengers** as to what this **Endorsement** covers or excludes and the applicable conditions.*

- (v) liability caused by a passenger travelling in or alighting from **Your Car**;

***Liability for accidents caused by Your passengers** may be covered separately for additional contribution under **Endorsement 72**. **You** will need to refer to the full text of **Endorsement 72: Legal Liability of Passengers for Negligent Acts** as to what this **Endorsement** covers or excludes and the applicable conditions.*

1b: What is Not Covered?

- (vi) any claims brought against **You** by any driver of **Your Car**, whether authorised or not;
- (vii) any claims brought against any person in any country in courts outside Malaysia, the Republic of Singapore or Negara Brunei Darussalam; and / or
- (viii) all legal costs and expenses which are not incurred in or recoverable in Malaysia, the Republic of Singapore and Negara Brunei Darussalam.

Section C: No Claim Discount

This section spells out the reward system known as the “No Claim Discount”.

1. No Claim Discount (NCD)

If **You** have covered **Your Car** for a continuous period of 12 months and **You** or anyone else did not make any claim under this **Certificate** during that time, a NCD will be applied at each renewal. The applicable NCD will increase with each renewal if **You** continue to have claim free years as follows:

Claim Free Year of Takaful	NCD Entitlement
After 1 continuous claim free year	25%
After 2 continuous claim free years	30%
After 3 continuous claim free years	38 1/3%
After 4 continuous claim free years	45%
After 5 continuous claim free years and beyond	55%

2. One Claim and Your NCD is Down to Zero

If **You** or anybody else meet with an **Incident** which will give rise to a claim on this **Certificate**, the NCD entitlement that **You** have accumulated would drop to zero at the next renewal and **Your** NCD will start all over again. If a claim is received after the NCD has been applied, **We** shall be entitled to recover the NCD given from **You**.

3. Exception to this Rule

Your NCD will not be affected even if a claim is made if:

- **We** are of the opinion that **You** are not at fault for causing the loss;
- the offending vehicle is identifiable and is not a vehicle used for carriage of passengers for hire or reward (for example taxis, hire cars, public buses, stage buses, school buses and factory buses for hire);
- the offending vehicle is covered by a Malaysian licensed takaful operator/insurer; and
- there is no death or personal injury claim involved.

4. Your NCD is not Transferable

The NCD is personal to **You** which means that if **You** were to sell **Your Car** and **We** agree to transfer this **Certificate** to the new owner, **Your** NCD cannot be transferred for the benefit of the new owner.

5. Non-utilisation of NCD

For every year that the NCD is not utilised by **You**, the NCD accumulated and applicable for this **Certificate** will be reversed in accordance with the scale set out in the table in clause C1 above.

Section D: General Exceptions - these apply to the whole Certificate

This section lists down circumstances under which this **Certificate** does not provide cover at the time of happening of the **Incident**. This is in addition to those already listed in Section B1b (see pages 6 to 8).

1. **Unlicensed Drivers**

There is no cover under this **Certificate** if **You** or **Your Authorised Driver** do not have a valid driving licence to drive **Your Car**. This will not apply if **You** or **Your Authorised Driver** have an expired licence but are not disqualified from holding or obtaining such driving licence under any existing laws, by-laws and regulations.

2. **Alcohol, Drugs and Other Intoxicating Substances**

There is no cover under this **Certificate** if **You** or **Your Authorised Driver** is under the influence of alcohol or intoxicating liquor, narcotics, dangerous drugs or any other deleterious drugs or intoxicating substance to such an extent that **You** or **Your Authorised Driver** are incapable of having proper control of **Your Car**.

***You** or **Your Authorised Driver** shall be deemed as incapable of having proper control of **Your Car** if after a toxicology or equivalent test, it is shown that the alcohol level in the breath, blood or urine of **You** or **Your Authorised Driver** is higher than the prescribed limit pursuant to Section 45 G(1) of the Road Transport Act 1987 of 80mg of alcohol in 100ml of blood (or equivalent in respect of breath or urine) or other equivalent legislation that is in force at the material time.*

3. **Fraud and Exaggerated Claims**

If any claim is in any part fraudulent or exaggerated, or if **You** or anyone acting on **Your** behalf, uses fraudulent means to get any benefit under this **Certificate**, the entire claim will not be paid or payable. If **We** are required to make payment of any such claim to a third party, **We** shall be entitled to recover the sum paid and any costs incurred from **You**.

4. **Unlawful Purpose**

There is no cover under this **Certificate** if **You** or **Your Authorised Driver** use **Your Car** for an unlawful purpose or to attempt an unlawful purpose i.e. in violation of the criminal law or a recognised law of the country where **Your Car** was being used.

5. **Use for Racing etc.**

There is no cover under this **Certificate** if **You** use or **You** allow **Your Authorised Driver** to use **Your Car**:

- to practise for or to take part in any motor sport, competition (other than treasure hunt), rally, pacemaking, reliability trial or speed test; or
- on any racetrack.

*For an additional contribution, **Your Certificate** can be extended to cover the use of **Your Car** for reliability trial or competition if **You** obtain the prescribed extension cover {**Endorsement 24(d)**}.*

6. **Use Outside Malaysia**

Unless **We** provide otherwise, this Takaful does not cover **You** in respect of claims arising whilst **Your Car** was being used or driven outside Malaysia, the Republic of Singapore and Negara Brunei Darussalam. In Malaysia, **Our** liability under this **Certificate** is governed by the Road Transport Act 1987 and the terms and conditions of this **Certificate**, and **Our** liability outside Malaysia is governed by the terms and conditions of this **Certificate** only.

*For an additional contribution, **Your Certificate** can be extended to cover the use of **Your Car** in Thailand or Kalimantan only if **You** participate the prescribed extension cover (**Endorsements 101(a)** and **102**).*

7. **War Risk**

There is no cover under this **Certificate** for any loss or liability (including any cost of defending any action) connected in any way directly or indirectly to:

- a. war, invasion, acts of foreign enemies, hostilities or warlike operation (whether war is declared or not), civil war, **Act of Terrorism**, mutiny, rebellion or revolution; or
- b. strike, riots or civil commotion assuming the proportion of or amounting to an uprising, insurrection or military or usurped power.

8. **Nuclear Risk**

There is no cover under this **Certificate** for any accident, loss or damage to any property or any loss or liability arising therefrom (including consequential losses and costs of defending any actions) connected in any way with operations using the nuclear fission or fusion process, or handling of radioactive material. This includes, but is not limited to:

- a. the use of nuclear reactors such as atomic piles, particle accelerators or generators and similar devices;
- b. the use, handling or transportation of radioactive material in relation to any **Act of Terrorism**;
- c. the use, handling or transportation of any weapon or explosive device employing nuclear fission or fusion; or
- d. the use, handling or transportation of radioactive material.

9. **Contractual Liability**

We will not pay for any liability that arises by virtue of an agreement but for which **We** would not have been liable in the absence of such agreement.

10. **Unauthorised Driver**

We will not pay for any **Incident**, loss, damage or liability caused, sustained or incurred whilst **Your Car**, in respect of which indemnity is provided by this **Certificate**, is being driven by any person other than an **Authorised Driver** or person driving on **Your** order or with **Your** permission.

Section E: Conditions – These apply to the whole Certificate

*This section spells out the terms and conditions that **You** must observe to ensure this Takaful remains effective. Basically these conditions are of three types:*

- *What **You** must do*
- *What **You** must not do*
- *What **We** can do*

Conditions Precedent to Certificate Liability

The following conditions are conditions precedent to **Our** liability to indemnify **You** under this **Certificate** and have to be observed by **You** strictly. **We** can repudiate this **Certificate** and / or will not pay claims under the **Certificate** if **You** breach any of the relevant conditions. These conditions also apply to **Your Authorised Driver** and any legal representative who seek indemnity under this **Certificate**.

1. **Duty of Disclosure**

The duty of disclosure is different for a Consumer Takaful Contract and for a Non-Consumer Takaful Contract. They are separately outlined below:

A. Consumer Takaful Contract

Where **You** have applied for this Takaful wholly for purposes unrelated to **Your** trade, business or profession, **You** had a duty to take reasonable care not to make a misrepresentation in answering the questions in the Application Form (or when **You** applied for this Takaful) i.e. **You** should have answered the questions fully and accurately. Failure to have taken reasonable care in answering the questions may result in avoidance of **Your** contract of Takaful, refusal or reduction of **Your** claim(s), change of

terms or termination of **Your** contract of Takaful in accordance with Schedule 9 of the Islamic Financial Services Act 2013. **You** were also required to disclose any other matter that **You** knew to be relevant to **Our** decision in accepting the risks and determining the rates and terms to be applied.

You also have a duty to tell **Us** immediately if at any time after **Your** contract of Takaful has been entered into, varied or renewed with **Us**, any of the information given in the Application Form (or when **You** applied for this Takaful) is inaccurate or has changed.

B. Non-Consumer Takaful Contract

Where **You** have applied for this Takaful for purposes related to **Your** trade, business or profession, **You** had a duty to disclose any matter that **You** know to be relevant to **Our** decision in accepting the risks and determining the rates and terms to be applied, and any matter a reasonable person in the circumstances could be expected to know to be relevant, otherwise it may result in avoidance of **Your** contract of Takaful, refusal or reduction of **Your** claim(s), change of terms or termination of **Your** contract of Takaful.

You also have a duty to tell **Us** immediately if at any time after **Your** contract of Takaful has been entered into, varied or renewed with **Us**, any of the information given in the Application Form (or when **You** applied for this Takaful) is inaccurate or has changed.

2. Accidents and Claims Procedures

If **Your Car** is involved in any **Incident** that could lead to a claim under this **Certificate**, **You** must do the following:

- a. Notify **Our** claims department of the **Incident** and get a Claim Form. **You** must notify **Us** of the **Incident** as soon as possible but in any event:
 - Within seven (7) days if **You** are not physically disabled or hospitalised following the **Incident**; or
 - Within thirty (30) days or as soon as practicable if **You** are physically disabled and hospitalised as a result of the **Incident**.

We may allow a longer notification period if **You** can provide specific proof and justification for the delay.

- b. Report the **Incident** to the police as required by law and do all that is required to assist the police authorities to secure a conviction against the offender.
- c. Complete the Claim Form in full and return it to **Us** within twenty-one (21) days from the date of **Your** notification as per (a) above. **You** are required to answer all the questions in detail in all applicable sections and provide **Us** with all the necessary documents to support **Your** claim. **We** will not be held responsible if there is any delay on **Your** part to submit the Claim Form duly completed together with all the necessary documents.
A longer claims submission period may be allowed by **Us** subject to specific proof and justification by **You** for the delay.
- d. If there are any claims made against **You** by a third party, **You** must immediately notify **Us** of the same and **You** must send to **Us** any notification of claim, notice of impending prosecution or inquest, summons, writ or any letters from the solicitors of the third party as soon as **You** receive such documents, but in any event within fourteen (14) days from the date of receipt of any of the documents.

You must not do any of the following:

- Admit any responsibility for any **Incident**; or
- Negotiate or settle any claims made against **You** by a third party, unless **We** write and inform **You** that **You** can.

We will decide whether to negotiate, defend or settle, in **Your** name, **Your Authorised Driver's** name and / or on **Your** behalf, any claims made against **You** or **Your Authorised Driver** by a third party. If in **Our** assessment the third party claim made against **You** or **Your Authorised Driver** for property damage will

exceed the limit of liability of RM3 million, **We** will pay the full amount of **Our** liability to **You** or the third party and hand over the further conduct of any defence, settlement or proceeding to **You** completely. After doing so **We** will not be liable under this **Certificate** to make any more payments to **You** or any claimant or any other person arising from the same **Incident**.

*The conditions above also apply to anyone else who wishes to claim under the terms and conditions of this **Certificate**. "Anyone else" may refer to personal representative or administrator / estate of the certificateholder.*

3. **Cancellation**

Either **You** or **We** may cancel this **Certificate** at any time during the **Period of Takaful**.

a. Cancellation by **You**:

- **You** can cancel this **Certificate** at any time by returning the **Certificate of Takaful (CT)** to **Us** or, if the **CT** has been lost or destroyed, **You** must provide **Us** with a duly certified Statutory Declaration (SD) to confirm this.
- After returning the **CT** or SD **You** will be entitled to a refund of contribution if no claim was incurred prior to cancellation. **Your** refund will be the difference between the total contribution and **Our** customary short-period rates calculated for the time **We** were on risk until the date **We** received the **CT** or SD:

Period of Takaful	Refund of Contribution
Not exceeding 1 week	87.5% of the total contribution
Not exceeding 1 month	75.0% of the total contribution
Not exceeding 2 months	62.5% of the total contribution
Not exceeding 3 months	50.0% of the total contribution
Not exceeding 4 months	37.5% of the total contribution
Not exceeding 6 months	25.0% of the total contribution
Not exceeding 8 months	12.5% of the total contribution
Exceeding 8 months	No refund of contribution allowed

- The **Certificate** will automatically lapse once **You** sell or dispose off **Your Car** because **Your** permissible Takaful interest in the **Car** will cease. If **You** want to transfer the **Certificate** to the new buyer, **You** have to get **Our** prior consent.

b. Cancellation by **Us**:

- **We** may also cancel this **Certificate** by giving **You** fourteen (14) days notice in writing by registered post to **Your** last address known to **Us**.
- After returning the **CT** or SD **You** will be entitled to a refund contribution for the unexpired period calculated on a pro-rata basis from the date **We** receive the **CT** or SD from **You** to the expiry date of the **Certificate**.

There will not be any refund of contribution for any cancellation of **Certificate** (either by **You** or by **Us**) if **You** have paid the **Minimum Contribution** only or if a claim has been made on this **Certificate**.

4. **If there is More Than One Takaful/Insurance Covering the Same Car**

- a. **You** must inform **Us** in writing if **You** have taken out any other Takaful in respect of **Your Car** during the **Period of Takaful**.
- b. If a claim arises under this **Certificate** and such a loss is also claimable under the other Takaful certificate(ies)/Insurance Policy(ies) taken by **You**, **We** will only contribute **Our** rateable proportion of the whole loss. **We** will not be liable to pay the claim first and then seek recovery from the other co-Takaful/Insurers operators who is / are also liable for the loss.

5. **Subrogation**

We are entitled to take over all rights and remedies that **You** may have against any third party who caused the loss. **We** shall have the absolute discretion in the conduct of any proceedings, at **Our** own costs,

against the third party and in the settlement of any such claim and **You** shall give **Us** such information and assistance as **We** may require from time to time including assigning all rights to take action in **Your** name. **You** must however give **Us** **Your** full cooperation to protect these rights and provide all assistance and take such steps as **We** require.

6. Dispute Resolution

If the disputed sum is less than RM10,000, **You** may refer the matter to the **Ombudsman for Financial Services** to resolve the dispute.

7. Other Matters

We will only be liable to indemnify **You** under this **Certificate** if **You**:

- a. Comply with all the terms and conditions of this **Certificate**. These conditions are also applicable to **Your Authorised Driver** and any legal representative who seek protection under this **Certificate**;
- b. Maintain **Your Car** in a reasonably efficient and roadworthy condition. **You** must get **Our** consent if **You** make any modification that will enhance or in any way affect the performance of **Your Car**;
- c. Take reasonable care to avoid any situation that could result in a claim. This **Certificate** will not cover **You** if **You** or **Your Authorised Driver** are reckless i.e. where **You** recognise a serious risk but deliberately do not take steps to prevent it. This includes but is not limited to leaving **Your Car** unattended while unlocked or with ignition keys left in or on **Your Car**; and
- d. Make **Your Car** available to **Us** for inspection at all reasonable times upon request.

8. Prevalent Certificate Wording

For avoidance of doubt, the English version of this **Certificate** wording will prevail over the Bahasa Malaysia version at all times.

Section F: Definitions of words highlighted in the Certificate

*This section explains what **We** mean by the words printed in bold in this **Certificate**.*

In this **Certificate**, **Schedule** and **Certificate of Takaful**, unless the context otherwise requires, the following words shall have the meanings as defined below.

1. Act of Terrorism

This refers to an act by any person(s) or group that uses force or violence and / or the threat of force or violence, whether they are acting alone or on behalf of or in connection with any organisation(s) or government(s) and done for political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and / or to put the public, or any section of the public, in fear.

2. Authorised Driver

This refers to any person who drives **Your Car** with **Your** consent or permission provided he or she holds a valid driving licence of the relevant type and is not disqualified to drive by law or for any other reason.

3. Car

This refers to the motor vehicle described in the **Schedule** and includes the manufacturer's standard options and accessories fitted to it and any other non-standard options or descriptions that are specifically listed in the **Schedule**.

4. Certificate of Takaful

This certificate is a prescribed form that **We** are required to issue to **You** under the Road Transport Act 1987 and it outlines the particulars of any conditions subject to which the **Certificate** is issued.

- 5. Endorsement**
This refers to the document that **We** issue to **You** to confirm any changes or extensions of the coverage to the basic **Certificate**.
- 6. Household**
This refers to all members of **Your** or **Your Authorised Driver's** immediate family i.e. spouse, children including legally adopted children, parents, brother(s) and sister(s) staying under one roof with **You** in the case of **Your** immediate family, or with **Your Authorised Driver**, in the case of his immediate family.
- 7. Incident**
Any event which could lead to a claim under this **Certificate**.
- 8. Limitations as to Use**
According to **Your Certificate of Takaful (CT)**, **Your Car** can only be used for "Social, domestic and pleasure purposes and for the Participant's business". The **CT** also states that "The **Certificate** does not cover use for hire or reward, racing, pacemaking, reliability, trial speed-testing, the carriage of goods other than samples in connection with any trade or business".
- 9. Minimum Contribution**
The minimal contribution described in the **Schedule**.
- 10. Ombudsman for Financial Services (OFS)**
This is an independent body that provides a free and efficient avenue to help settle financial disputes between **You** and **Us** under this **Certificate** as an alternative to the courts.
- 11. Period of Takaful**
The period shown in the **Schedule** when the cover provided by this **Certificate** is operative. Cover is only valid from the actual time of participation of the Takaful **Certificate** or from when **You** and **We** agree that cover should commence.
- 12. Certificate**
Certificate includes the **Schedule**, the **Certificate of Takaful** and all **Endorsements** specifically listed in the **Schedule**.
- 13. Road**
Section 2 of the Road Transport Act 1987 defines "Road" as "any public road and any other road to which the public has access and includes bridges, tunnels, lay-bys, ferry facilities, interchanges, round-abouts, traffic islands, road dividers, all traffic lanes, sidetables, median strips, overpasses, underpasses, approaches, entrance and exit ramps, toll plazas, service areas, and other structures and fixtures to fully effect its use".
- 14. Schedule**
This document shows **Your** name and address, the **Period of Takaful**, the sections of this **Certificate** which apply, the contribution **You** have paid, the **Car** which is covered, the sum covered and details of any extensions or **Endorsements**.
- 15. We, Our, Us**
This refers to the licensed Takaful operator that is issuing **You** this **Certificate**.
- 16. You, Your, Yourself**
This refers to the certificateholder or person described in the **Schedule** as "the Participant".

Section G: Endorsements - applicable only if the Endorsement number is printed in the Schedule

The following is a glossary of additional terms and conditions (known as **Endorsements**) that **We** may impose on **You** or optional covers available that **You** may want to add to **Your** basic **Certificate** by paying additional contribution. Note that only **Endorsements** with their numbers specifically printed in the **Schedule** shall apply to this **Certificate**.

Endorsement 14: Transfer of Interest

In consideration of the additional contribution that **You** paid **Us** for this endorsement, **We** agree to transfer the interest in this **Certificate** on [state date] to [state name of transferee and NRIC No. / Business Registration No.] of [state address] carrying on or engaging in the business or profession of whose application and declaration dated [state date] shall be the basis of this contract.

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

Endorsement 18: Fleet Rated Risks – Cancellation of ‘No Claim Discount’

By virtue of the benefit of the Fleet Discount received, the No Claim Discount clause of this **Certificate** is cancelled.

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

Endorsement 22(a): Caravan / Luggage / Boat Trailers (Applicable to Private Car Third Party Certificate only)

In consideration of the additional contribution that **You** paid **Us** for this endorsement, **We** agreed that the Takaful provided under Section B of this certificate shall extend to cover Caravan or Luggage or Boat Trailer that is specified in the **Schedule** under the heading ‘**Endorsement 22(a)**’ while it is being used together with **Your Car**.

This endorsement does not cover:

- a. legal liability for death or bodily injury to any passenger in the specified Caravan / Luggage / Boat Trailer unless such person is being carried by reason of or in pursuance of a contract of employment;
- b. loss or damage to the contents of or anything being carried in the specified Caravan / Luggage / Boat Trailer; and
- c. loss or damage to the Caravan / Luggage / Boat Trailers being carried by the specified Trailer.

Endorsement 24(d): Reliability Trials, Competitions etc. (Third Party Cover Only)

In consideration of the additional contribution that **You** paid **Us** for this endorsement, **We** agree that the Takaful provided under Section B of this **Certificate** shall cover legal liability while **Your Car** is being used for [state either reliability trials, competition] to be held at [state place / location] on [state date] organized by [state name of organizer] including officially conducted practice for the event.

Endorsement 72: Legal Liability of Passengers for Negligent Acts

In consideration of the additional contribution that **You** paid **Us** for this endorsement, **We** agree that the Takaful provided under Section B of this **Certificate** will include legal liability incurred by any passenger in **Your Car** on condition that the passenger:

- a. is not driving **Your Car**;
- b. is not entitled to indemnity under any other certificate/policy of takaful/insurance; and
- c. complies with all the terms and conditions of this **Certificate** as though he was **You**.

This endorsement does not cover:

- a. death or bodily injury to any person who is employed by **You** or the passenger, and who dies or is injured in the course of such employment;
- b. damage to any property that belongs to or is held in trust or in the custody or control of **You** or the passenger or which is being carried in **Your Car**; and /or
- c. death or bodily injury to the driver or any other passenger travelling in **Your Car** at the same time.

Endorsement 100: Legal Liability to Passengers

In consideration of the additional contribution that **You** paid **Us** for this endorsement, **We** shall pay towards **You** or **Your Authorised Driver's** liability to any person being carried in or upon or entering or getting into or onto or alighting from **Your Car** except for:

- a. death or bodily injury to any passenger being carried for hire or reward;
- b. death or bodily injury to any person where such death or injury arises out of and in the course of the employment of such person by **You** or by **Your Authorised Driver**;
- c. damage to property belonging to or in the custody of or control of or held in trust by **You** or **Your Authorised Driver** and / or any member of **You** or **Your Authorised Driver's Household**;
- d. liability to any person who is a member of **You** and / or **Your Authorised Driver's Household** who is a passenger in **Your Car** unless he / she is required to be carried in or on **Your Car** by reason of or in pursuance of his / her contract of employment with **You** or **Your Authorised Driver** and / or his / her employer;
- e. liability caused by a passenger travelling in or alighting from **Your Car**;
- f. any claims brought against **You** by any driver of **Your Car**, whether authorised or not;
- g. any claims brought against any person in any country in courts outside Malaysia, the Republic of Singapore or Negara Brunei Darussalam; and / or
- h. all legal costs and expenses which are not incurred in or recoverable in Malaysia, the Republic of Singapore and Negara Brunei Darussalam.

Condition of Cover

If at the time of **Incident** giving rise to a claim under this endorsement, **Your Car** is carrying passengers in excess of the stated maximum number permitted by law, **Our** liability shall be limited to the number of passengers specified for the vehicle as registered at the Road Transport Department.

If the number of passengers carried at the time of the happening of an **Incident** is more than the maximum number permitted in the vehicle by law, **We** will not pay their claim in full. Any payment **We** make to any claimant under this endorsement will be rateably reduced in the proportion of the legally permitted maximum number of lawful passengers over the actual number of passengers carried, at the time of the **Incident**. The difference between the sum paid by **Us** and the claim to be paid to each passenger claimant shall be borne by **You** or **Your Authorised Driver**. The proportion **We** pay shall be calculated in accordance with the following formula:

$$\frac{\text{Number of passengers permitted by law}}{\text{Actual number of passengers carried at time of Incident}} \times \text{Total Claim Awarded}$$

**Endorsement 101(a): Extension of Cover to the Kingdom of Thailand
(Applicable to Private Car Third Party Certificate only)**

In consideration of the additional contribution that **You** paid **Us** for this endorsement, **We** agree that the Takaful provided under Section B1a(ii) of this **Certificate** shall cover liability while **Your Car** is being used in the Kingdom of Thailand from the time of participate on [state date]_to midnight (Malaysian Standard Time) on [state date]. The limit of liability that **We** provide under Section B1a(ii) will be up to a maximum of RM100,000 only.

This endorsement does not cover legal liability under Section B1a(i) while **Your Car** is being used in the Kingdom of Thailand.

Endorsement 102: Extension of Cover to Kalimantan

In consideration of the payment of additional contribution by **You** to **Us**, the geographical area of this **Certificate** is extended to include Kalimantan with effect from ___a.m. / p.m. on [state date]_to midnight (Malaysian Standard Time) on [state date] subject to the limit of liability of RM50,000 under Section B1a(i) and B1a(ii).

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

Endorsement 105: Limits of Liability for Third Party Property Damage (TPPD)

In consideration of the additional contribution that **You** paid **Us** for this endorsement, **We** agree to increase the limit of liability provided under Section B2(ii) of this **Certificate** to RM [state new limit] with effect from [state date].

Limits of liability in excess of RM3 million up to RM20 million is allowed subject to additional contribution stated as below:-

TPPD limits of Liability

From RM3 million up to RM4 million	- 15% of Third Party Contribution
Up to RM6 million	- 30% of Third Party Contribution
Up to RM10 million	- 45% of Third Party Contribution
Up to RM20 million	- 60% of Third Party Contribution

CERTIFICATE INFORMATION STATEMENT

1. In case of any changes to Your address, please inform Us immediately.
2. If You have any enquiries other than claims, please contact Us at:
Etiqa General Takaful Berhad
Level 13, Tower B, Dataran Maybank
No. 1, Jalan Maarof
59000 Kuala Lumpur, Malaysia
Telephone Number: +603 2297 3888
Facsimile Number: +603 2297 3800
Etiqa Online: 1300 13 8888
E-mail: info@etiqa.com.my
Homepage: www.etiqa.com.my
3. In the event of claims under the Certificate, please call Our Claims Assistant at 1300 88 1007.

COMPLAINT PROCEDURES

If You feel that Our service to You needs improvement, please let Us have Your feedback by contacting Us by post at:

Complaint Management Unit.
Etiqa General Takaful Berhad
Level 6, Tower B, Dataran Maybank
No. 1, Jalan Maarof
59000 Kuala Lumpur, Malaysia;

Or by telephone on 1300 13 8888 or +603 2780 4500 (Overseas)
Facsimile Number: +603 2297 1919
E-mail: complaint_cmu@etiqa.com.my

We assure You that Your feedback will be looked into.

The Ombudsman for Financial Services (OFS) and Bank Negara Malaysia's Laman Informasi, Nasihat & Khidmat (LINK) provide alternative avenues for members of the public to seek redress against unfair market practices.

PROCEDURE FOR COMPLAINT TO OFS

The Ombudsman for Financial Services (OFS) may be contacted by the Claimant or Participant, in the event that the Claimant or Participant is dissatisfied with the decision of Etiqa General Takaful Berhad to a dispute, or Etiqa General Takaful Berhad's failure to respond to a complaint within sixty (60) days. The OFS contact details are as follows:

Email: enquiry@ofs.org.my
or
Facsimile Number: +603-2272 1577
or
Postal address:

Chief Executive Officer
Ombudsman for Financial Services
(Formerly known as Financial Mediation Bureau)
Level 14, Main Block
Menara Takaful Malaysia
No.4, Jalan Sultan Sulaiman
50000, Kuala Lumpur

Alternatively, the Claimant or Participant may file the dispute in person at the OFS office.

The OFS must be contacted within six (6) months from the date of the final decision from Etiqa General Takaful Berhad to the dispute of the Claimant or Participant.

For further details on the OFS, please obtain the information pamphlets from Etiqa General Takaful Berhad or visit the OFS website at www.ofs.org.my.

Engagement of the OFS is subject to the terms of reference pursuant to Section 138 of the Islamic Financial Services Act 2013. Contacting the OFS does not affect the Claimant's or Participant's right to take legal action against Etiqa General Takaful Berhad should they be dissatisfied with the outcome by the OFS.

PROCEDURE FOR COMPLAINT TO LINK

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

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

The contact details are as follows:

Director, Jabatan LINK dan Pejabat Wilayah
Bank Negara Malaysia
Jalan Dato' Onn
50480 Kuala Lumpur, Malaysia
Telephone Number: 1300 88 5465
Facsimile Number: +603 2174 1515
E-mail: bnmtelelink@bnm.gov.my