

**1. Contractual relationship among the participants contributing into the *Tabarru`* Fund**

You agreed to participate in this plan together with all the other participants based on the principles of *Ta`awun* (mutual assistance). The *Tabarru`at* (charitable) contribution that You make will be pooled into the *Tabarru`* Fund together with the contribution of other participants to provide for mutual financial benefits payable to all the eligible takaful participants or their beneficiaries on the occurrence of pre-agreed events based on the agreed takaful benefit under the plan.

**2. Contractual relationship between You and Us****2.1 *Wakalah***

2.1.1 You agreed to appoint and authorise Us to manage this takaful plan and invest the *Tabarru`* Fund. We are authorised to implement the takaful business in accordance with Shariah principles, legal and regulatory requirements as well as the terms stated herein.

2.1.2 In return for the tasks to be carried out and based on *Wakalah bi al-ujrah* principles, You agreed to pay the *Wakalah* Charges to Us as specified under Schedule 2 and Certificate Provisions Clause 6.1 herein. In addition to the *Wakalah* Charges, We are also entitled to performance fee on the distributable Surplus as stated under Certificate Provisions Clause 3.1.1 herein.

2.1.3 Upon circumstances that would be deemed as mismanagement, negligence or breach of specified terms, We shall be liable and shall compensate for loss or damage including any actual cost suffered by You.

2.1.4 This *Wakalah* contract shall dissolve upon maturity, termination due to surrender or any circumstances as specified under the Termination Clause 9.8 herein. We are entitled to the *Wakalah* Charges for the services rendered.

**CERTIFICATE PROVISIONS**

In this entire Certificate, the following words and phrases are defined as below.

<b>Age</b>	Age next birthday.
<b>Certificate</b>	The document which consists of the Preamble, Certificate Information Statement, Schedules, Shariah Contract ( <i>`Aqad</i> ), Certificate Provisions and future confirmation notice We may issue.
<b>Certificate Anniversary</b>	Refers to the same date each year as the Commencement Date.
<b>Contribution</b>	The contribution that You need to pay for Cancer Benefit under this Certificate. It is the sum of the <i>Wakalah</i> Charge and <i>Tabarru`</i> Deduction.
<b>Contribution Due Date</b>	The first day on which Your contribution is due, according to the payment frequency shown in Schedule 1. The first Contribution Due Date is the Commencement Date.
<b>Distributable Surplus</b>	The Distributable Surplus arising inclusive of the Investment Profit from the <i>Tabarru`</i> Fund after claims payable and reserves. The Distributable Surplus is calculated and distributed (if any) annually.
<b>Investment Profit</b>	The profit arising from managing the investment of the <i>Tabarru`</i> Fund, which will be distributed together with Distributable Surplus.
<b>Pre-Existing Condition</b>	Illness and/or condition that You have reasonable knowledge of before the Commencement Date. You may be considered to have reasonable knowledge of a Pre-Existing Condition where the illness and/or condition is one for which: (a) You have received or is receiving treatment for; or (b) medical advice, diagnosis, care or treatment has been recommended; or (c) clear and distinct symptoms are or were evident; or (d) its existence would have been apparent to a reasonable person.
<b><i>Tabarru`</i> Deduction</b>	The balance of Your Contribution after deducting the <i>Wakalah</i> Charge. It is contributed into the <i>Tabarru`</i> fund for the purpose of mutual aid and assistance according to the agreed benefits under the plan.
<b><i>Tabarru`</i> Fund</b>	A fund collectively owned by the participants where the <i>Tabarru`</i> Deductions from the participants are placed and pooled together. The fund is used to pay the agreed benefits under the plan on the basis of mutual aid and assistance.
<b><i>Wakalah</i> Charge</b>	Any charges that You pay to Us for services rendered.
<b>We or Us or Our</b>	Prudential BSN Takaful Berhad.
<b>You or Your</b>	The Covered Person of this takaful plan as mentioned in Schedule 1

**1 BRIEF CERTIFICATE DESCRIPTION**

This is a yearly renewable family takaful plan that provides takaful coverage, subject to renewal as stated in Section 9.10.

Subject to the Schedules and provisions stated in this Certificate Provisions, We will provide the Cancer Benefit and You agree to pay the Contribution to Us.

We will take the *Wakalah* Charge from Your Contribution. The remaining amount of Your Contribution will be placed into a *Tabarru`* Fund as *Tabarru`* Deduction.

You are entitled to the Distributable Surplus (if any) from the *Tabarru`* Fund as set out under Section 3.1.

**2 CONTRIBUTION**

**2.1 Payment of Contribution**

2.1.1 The amount and frequency of the Contribution is shown in Schedule 1. You need to pay the first Contribution amount before the Commencement Date shown in Schedule 1. The subsequent Contribution shown in Schedule 2 shall be paid on each Contribution Due Date.

2.1.2 The prevailing contribution rates at any one time are as determined by Us. The rates vary depending on:

- (a) Your age next birthday at each Certificate Anniversary; and
- (b) the Cancer Benefit; and
- (c) Your gender; and
- (d) Your smoking status.

2.1.3 The contribution rates are not guaranteed and We may revise the contribution rates by giving a thirty (30) day notification to You. The revision to the contribution rates will be effective at the next Certificate Anniversary after the notification. If the next Certificate Anniversary falls within thirty (30) days from the date of Our notification, the revision to the contribution rates will be effective at the following Certificate Anniversary.

**2.2 Non-payment of Contribution**

2.2.1 If You do not pay the Contribution within the grace period of thirty (30) days from the Contribution Due Date, the Certificate will lapse as mentioned in Section 7.

**3 DISTRIBUTABLE SURPLUS**

**3.1 Distributable Surplus from the *Tabarru`* Fund**

3.1.1 We will determine the exact amount of Distributable Surplus annually and the amount is subject to approval by both Our Shariah Committee and Board of Directors. You are, then, entitled to receive fifty percent (50%) of the Distributable Surplus (if any) arising from Your *Tabarru`* Deduction into the *Tabarru`* Fund. The balance fifty percent (50%) of the Distributable Surplus will be given to Us as a performance fee for managing the *Tabarru`* Fund.

3.1.2 If there is a deficit, We will provide an interest free loan (*Qard*) to cover the deficit. We will carry forward this loan to the following financial year and may use any future Distributable Surplus to pay off the interest free loan. We will then pay the remaining balance (if any) according to Section 3.1.1.

**4 BENEFITS**

**4.1 Cancer Benefit**

- 4.1.1 If You are diagnosed with Cancer from and including the date of such diagnosis while the Certificate is in force, We will pay the Cancer Benefit shown in Schedule 2 from the *Tabarru`* Fund less any outstanding amount that is due to Us.
- 4.1.2 If You are diagnosed with Thyroid Cancer, payment of Cancer Benefit will be limited to ten percent (10%) of the Cancer Benefit under this Certificate. This covered event is payable once only and shall be deducted from the amount of Cancer Benefit. We shall only pay the amount left if You are diagnosed with any other Cancer.
- 4.1.3 The maximum amount We will pay for the Critical Illness benefit including Cancer Benefit under this Certificate and any other Certificates that We have issued shall NOT exceed Ringgit Malaysia Three Million (RM3,000,000) per life or any other limit.

**4.1.4 Definition**

**4.1.4.1 Cancer**

Cancer means any malignant tumour positively diagnosed with histological confirmation and characterized by the uncontrolled growth of malignant cells and invasion of tissue. The term malignant tumour includes leukaemia, lymphoma and sarcoma.

For the above definition, the following are not covered:

- (a) All cancers which are histologically classified as any of the following:
- pre-malignant
  - non-invasive
  - carcinoma in situ
  - having borderline malignancy
  - having malignant potential; or
- (b) All tumours of the prostate histologically classified as T1N0M0 (TNM classification); or
- (c) All tumours of the thyroid histologically classified as T1N0M0 (TNM classification); or
- (d) All tumours of the urinary bladder histologically classified as T1N0M0 (TNM classification); or
- (e) Chronic Lymphocytic Leukaemia less than RAI Stage 3; or
- (f) All cancers in the presence of HIV; or
- (g) Any skin cancer other than malignant melanoma.

**4.1.4.2 Thyroid Cancer**

Thyroid Cancer means any malignant tumour of the thyroid gland positively diagnosed with histological confirmation and characterized by the uncontrolled growth of malignant cells and invasion of tissue. For the above definition, all tumours of the thyroid histologically classified as T1N0M0 (TNM classification) are not covered.

**4.1.5 Exclusions**

- 4.1.5.1 We will not pay the Cancer Benefit if the Covered Person has symptoms of the Cancer within sixty (60) days from the Commencement Date.
- 4.1.5.2 We will not pay the Cancer Benefit if the Cancer is caused directly or indirectly by the existence of Acquired Immune Deficiency Syndrome (AIDS) or the presence of any Human Immunodeficiency Virus (HIV) infection.
- 4.1.5.3 We will not pay the Cancer Benefit if it is due to any Pre-Existing Condition that was not disclosed to Us. This is applicable within twelve (12) months

from the Commencement Date. If, after twelve (12) months from the Commencement Date, the Cancer is due to any Pre-Existing condition that was not disclosed to Us, it will be handled in accordance with Schedule 9 of the Islamic Financial Services Act 2013.

#### 4.1.6 **Conditions**

4.1.6.1 You must send a written notification of claim to Our head office within sixty (60) days from the date of diagnosis. Failure to give notice within such time will not invalidate the claim if it can be shown not to have been reasonably possible to give such notice and that notice was given as soon as it was reasonably possible.

4.1.6.2 The admission of claim will be subject to proof of diagnosis that is satisfactory to Us and such proof must be furnished to Us:

- (a) not exceeding one hundred eighty (180) days from the date of diagnosis; and
- (b) at Your own expense.

We may reject any claim if You do not meet the above conditions.

## 5 **YOUR OPTIONS**

5.1 While the Certificate is in force, subject to You getting Our approval by filling in the relevant application form, You may change the initial instruction such as Your smoking status as defined in Schedule 1. These changes may result in Your Contribution to change.

### 5.2 **Surrender**

5.2.1 You may surrender Your Certificate at any time that You wish.

5.2.2 If You choose to surrender Your Certificate after the Free Look Period, there will be no amount payable to You. Your protection will continue until the next Certificate Anniversary following Your notification of surrender.

## 6 **TABARRU` DEDUCTION AND CHARGES**

### 6.1 **Wakalah Charge**

6.1.1 We will deduct *Wakalah* Charge from each Contribution received. The percentage of amount deducted for *Wakalah* Charge, which will be applied on the Contribution, is stated in Schedule 2.

### 6.2 **Processing Charge**

6.2.1 This may be subject to a processing charge if We allow You to exercise any of Your option contained in this Certificate.

### 6.3 **Tabarru` Deduction**

6.3.1 We will deduct *Tabarru`* Deduction for the Cancer Benefit and place it into the *Tabarru`* Fund. The amount of *Tabarru`* Deduction is stated in Schedule 2.

6.4 The *Tabarru`* Deduction and charges are not guaranteed. We may revise the *Tabarru`* Deduction and charges by giving a thirty (30) day notification to You. The revision to the *Tabarru`* Deduction and charges will be effective at the next Certificate Anniversary after the notification. If the next Certificate Anniversary falls within thirty (30) days from the date of Our notification, the revision to the *Tabarru`* Deduction and charges will be effective at the following Certificate Anniversary.

## 7 **LAPSE**

- 7.1 Should You fail to pay the Contribution within the grace period of thirty (30) days from the Contribution Due Date, the Certificate will lapse and no longer be in force.

**8 REVIVAL**

- 8.1 No revival is allowed upon lapse of the Certificate.

**9 GENERAL**

**9.1 Incontestability and Misrepresentation**

9.1.1 Other than the exclusions set out in Section 4, Section 9.1.2 or any other provisions set out in this Certificate, the validity of Your Certificate will be indisputable after it has been in force for more than two (2) years from the Commencement Date.

9.1.2 If this Certificate has been in force for a period of more than two (2) years from the Commencement Date, it will not be avoided by Us based on the statement(s) made or which has not been made;

- (a) in the proposal stage; or
- (b) in a report of a doctor referee, or any other person; or
- (c) in a document leading to the issue of this Certificate

that is inaccurate or false or misleading. However, Your Certificate may be avoided if We are able to show that the statement was on a material matter or You have suppressed a Material Fact (set out in Section 9.1.3) and that it was dishonestly made or suppressed by You.

9.1.3 For clarification purpose, "Material Fact" means a matter of fact which, if known by Us, would have led to Our refusal to issue this Certificate or would have led to a Certificate to be issued with different terms and conditions.

9.1.4 In the event of a misrepresentation where Your Certificate has been in force for a period of two (2) years or less, it will be handled in accordance with Schedule 9 of the Islamic Financial Services Act 2013, whereby it may result in the following:

- (a) Your Certificate being avoided and all claims refused; or
- (b) a variation of terms of this Certificate; or
- (c) a change in Your contribution amount; or
- (d) any other options that are appropriate based on the misrepresentation.

**9.2 Free Look Period**

9.2.1 You may request to cancel Your Certificate within fifteen (15) days from the Commencement Date. Likewise, to protect or advance the interests of You and Our other customers fairly, We may cancel Your Certificate within fifteen (15) days from the Commencement Date.

9.2.2 In such an event and after the refund of Contribution as shown in Schedule 1, We will cancel this Certificate.

**9.3 Notifications**

9.3.1 All notifications from Us will be in writing and will either be mailed electronically to You or be made available in PruBSN Touch. We may give You notice by text message or any other method, if We feel the circumstances are appropriate. If notice is sent by e-mail, text message or any other method, it shall be treated as a written notice and served on the next business day after sending.

9.3.2 Likewise, all notifications shall be sufficiently served to Us in writing. They shall only be treated as served if personally delivered, or sent by registered post addressed to Our Head Office in Kuala Lumpur, or they are sent to Us in the form We decide, and We actually received them. You must quote the Certificate Number shown in Schedule 1 in any notices and/or claims for them to be valid.

9.3.3 For general notification concerning all participants, it will be considered sufficient if

it is communicated through advertisement in two (2) major newspapers or through Our website.

**9.4 Notification of Confirmation**

9.4.1 If We issue a notification of confirmation, We will consider the content of the notification as correct unless there is an obvious error or You complain to Us about it within fourteen (14) days from the date of the notification of confirmation.

**9.5 Taxes**

9.5.1 In the event that any tax is made payable under the laws of Malaysia, We will be entitled to collect from You an amount equal to the tax payable at the prevailing rate on the applicable portion of Your Certificate.

9.5.2 Your obligation to pay tax will form part of the Terms and Conditions of Your Certificate.

**9.6 Claim**

9.6.1 Before We pay any claim under this Certificate, We may request for additional document(s) including legal documents to process and approve the claim.

**9.7 Basis of this Certificate and Reservation of Rights**

9.7.1 We provide the benefits under this Certificate once the relevant contributions are paid.

9.7.2 All statements and information that You have provided must be true and accurate. Any misstatement, misrepresentation or suppression of information will be treated in the manner as set out in Section 9.1.

9.7.3 To protect or advance the interests of You and Our other customers fairly, We may cancel the Certificate if the event under Section 9.7.2 occurs.

**9.8 Termination**

9.8.1 This Certificate will end automatically:

- (a) on the next Certificate Anniversary following Your notification of surrender; or
- (b) when the Certificate is lapsed; or
- (c) on the day immediately after the Expiry Date shown in Schedule 1; or
- (d) when We have approved a claim for Cancer Benefit (apart from Thyroid Cancer); or
- (e) when You die; or
- (f) on the next Certificate Anniversary following the notice on Portfolio Withdrawal Condition;

whichever happens first.

9.8.2 If We terminate this Certificate, it will not affect any claim that has occurred before the termination of this Certificate.

9.8.3 All the *Wakalah* Charges paid which form part of the contribution due will not be refunded upon termination.

**9.9 Changes to the Certificate**

9.9.1 We may change any Section(s) in the Certificate, which may be required because of any law, regulation, rule or policy imposed by any relevant authority in Malaysia.

9.9.2 We may change any term(s) in the Certificate which would not have any impact to Your rights and benefits under the Certificate. Notice of the change will be given to You by way of general notification.

**9.10 Renewal of Certificate**

9.10.1 This Certificate will be renewed annually at each Certificate Anniversary so long the

Contribution is paid by You in accordance to Section 2 and subject to Portfolio Withdrawal Condition as stated in Section 9.11.

**9.11 Portfolio Withdrawal Condition**

- 9.11.1 To protect or advance the interests of You and Our other customers fairly, We may cancel the portfolio as a whole if We decide to discontinue to underwrite this plan.
- 9.11.2 In doing so, We will stop renewing any Certificate due for renewal upon Certificate Anniversary and stop accepting any new Certificate.
- 9.11.3 We will inform You of Our intention by giving a thirty (30) day notification to You. Your Certificate will continue to be in-force until the Certificate Anniversary after such notification.

**\*\*END OF DOCUMENT\*\***