



SUN LIFE MALAYSIA TAKAFUL BERHAD

MASTER CONTRACT

**GROUP TERM TAKAFUL
(GTT ADB)**

The benefit(s) payable under eligible certificate/policy/contract is(are) protected by PIDM up to limits. Please refer to PIDM's Takaful and Insurance Benefits Protection System (TIPS) Brochure or contact Sun Life Malaysia Takaful Berhad or PIDM (visit www.pidm.gov.my).

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ANNEXURE GTTAD001

Introduction

The aims

This takaful plan aims to provide takaful coverage to the person covered in line with the principles below and is dealt in line with the conditions shown in this plan.

The basic principles

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| First | We will manage this takaful plan in line with Wakalah Principles and other applicable Shariah principles. |
| Second | The person covered agree the contributions will be funded by us. The person covered agree to appoint Sun Life Malaysia Takaful Berhad to manage this takaful plan on behalf of the person covered. In return, person covered allows us to deduct certain amount as Wakalah Fee. |
| Third | Our Shariah Committee will ensure that our operations comply with Shariah principles at all times. The person covered agrees that a portion of the contribution will be allocated as tabarru' (donation) into the participants' tabarru' fund for takaful coverage and for mutual assistance to other participants in times of misfortune. |

ANNEXURE GTTAD003

General conditions

1. Definition

1.1 In this contract, the following words and phrases have meanings given next to them:

- a) **Accident** means an incident caused solely and directly by accidental, violent, external and visible means and independently of all other causes.
- b) **Certificate anniversary** means the yearly anniversary of the certificate commencement date.
- c) **Certificate commencement date** means the date the certificate commences shown in the certificate of takaful. This date will be the date the coverage starts.
- d) **Certificate of takaful** means the certificate issued to each person covered as evidence of coverage.
- e) **Endorsement** means written evidence of any amendment, variation or change made to this contract and certificate of takaful.
- f) **Expiry date** means the date the certificate ends as shown in the certificate of takaful or any future endorsement which changes the expiry date.
- g) **Issue date** means the issue date stated in the certificate of takaful.
- h) **Nominee** means one or more person(s) that the person covered has chosen under clause 24 and named in the nomination form or in any future endorsement as nominee.
- i) **Participants' tabarru' fund** means the holding fund into which tabarru' deduction will be credited into, in line with the terms and conditions shown here.
- j) **Permissible takaful interest** means the master contract holder's economic or financial interest in the coverage of the person covered.
- k) **Person covered** means the person who we provide takaful coverage as named in the certificate of takaful.
- l) **Pre-existing condition** means any injury, illness, condition or symptom that existed prior to the application signed date. A person covered may be considered to have reasonable knowledge of a pre-existing illness where the condition is one, for which:
 - i) treatment, medication, advice or diagnosis has been sought or received;
 - ii) an ordinary and prudent person with such injury, illness, condition or symptom would have sought advice or treatment in connection with his/her health; or
 - iii) the person covered knew existed, whether or not treatment or medication or advice or diagnosis was sought or received.
- m) **Qard** means an interest-free loan we provide in the event of a deficit in the participants' tabarru' fund.

- n) **Shariah principles** means Islamic laws. In the context of this master contract, Shariah principles will refer to the Islamic laws as interpreted by the Shariah Committee.
- o) **Shariah Committee** means the committee constituted by us to advise on the operation of our takaful business in order to ensure compliance with Shariah principles.
- p) **Tabarru'** means donation amount to be deducted from contribution for the purpose of providing takaful coverage to all participants.
- q) **Wakalah** means the contract where a party, as principal (muwakkil) authorises another party as his agent (wakil) to perform a particular task on matters that may be delegated.
- r) **We, us or our** means Sun Life Malaysia Takaful Berhad.

2. Interpretation

2.1 In this master contract, unless the context requires:

- a) the headings in this master contract are inserted for convenience only and will not affect its construction.
- b) the singular words will include the plural and vice-versa.
- c) the words that refer to a gender will include every gender.

2.2 If any provisions in this master contract are not valid or cannot be enforced under Malaysia Law, it will not affect the legality, validity and enforceability of the remainder of these provisions.

3. Master contract

3.1 This master contract is issued in consideration of the person covered's application form, where applicable and the payment of contribution, where applicable as shown in the certificate of takaful and pursuant to:

- a) the answers given by the person covered during the enrolment or any subsequent questionnaires given by us on any matters relating to the application and any disclosures made by the person covered between the time of submission of the application and the time the certificate of takaful is entered into; and
- b) any information contained in any medical reports and/or any other reports and questionnaires submitted to us in relation to this master contract;

(collectively referred to as the "**Material Information**")

and such Material Information will form an integral part of this master contract between us and the person covered and shall, together with the terms and conditions of this contract, constitute the entire contract between us and the person covered. However, in the event of any pre-contractual misrepresentation made in relation to such Material Information, only the remedies in Schedule 9 of the Islamic Financial Services Act 2013 will apply.

3.2 If the person covered is required by us, before the certificate of takaful is varied, to answer any questions or if he/she is required to confirm or amend any matter previously disclosed by him/her to us in relation to the certificate of takaful, it is the person covered's duty to take reasonable care

not to make a misrepresentation when answering the questions or confirming or amending any matter previously disclosed.

- 3.3 The person covered must inform us of any change to the information given to us in his/her answers or in respect of any matter previously disclosed to us in relation to the certificate of takaful if such changes had taken place after the person covered has submitted the application for variation but before the certificate of takaful is varied.

4. Eligibility

- 4.1 The person eligible for this master contract are clients of the master contract holder as specified in the master contract schedule.

5. Evidence of permissible takaful interest

- 5.1 We will require satisfactory evidence of permissible takaful interest between the person covered and the master contract holder before the person covered is accepted for takaful coverage.
- 5.2 If the master contract holder ceases to have any interest in a person covered, all rights and privileges of the takaful coverage will be automatically transferred to the person covered.

6. Period of cover

- 6.1 The takaful coverage for each person covered will commence on the certificate commencement date as stated in the person covered's certificate of takaful.

7. Free look period (cancellation period)

- 7.1 If the person covered decide not to take up the takaful coverage for whatever reason after it has been issued, the person covered may return the certificate of takaful to us for cancellation by giving us written notice within 15 calendar days from the delivery date of the certificate.
- 7.2 Upon receiving the cancellation notice of this certificate of takaful, you will no longer have the takaful coverage.

8. Misstatement of age

- 8.1 The certificate of takaful is issued for the age of the person covered as shown in the certificate of takaful, based on the date of birth given upon application. We will need proof of the person covered's age before we pay any benefits.

9. Incontestability clause

- 9.1 If we discover misrepresentation within 2 years from the certificate issue date, the certificate of takaful may continue to be in force on different terms or avoided and all claims refused in accordance with Schedule 9 of the Islamic Financial Services Act 2013.
- 9.2 We will not be able to challenge the certificate of takaful if it has been in force for more than 2 years from the certificate issue date, unless we can show that material information

was suppressed, omitted or fraudulently provided by the participant or the person covered. In such an event, the remedies under Schedule 9 of the Islamic Financial Services Act 2013 will be applied.

10. Ability to travel and any restrictions on where the person covered lives

- 10.1 This master contract does not restrict the person covered from travelling and is not affected by where they live.

11. Change of contract

- 11.1 We reserve the right to amend the terms and provisions of this contract in order to comply with Malaysian Law and regulations. We will provide prior written notice by ordinary post to the person covered's last known address in our records or via other alternative modes of communication.
- 11.2 The person covered's request for any alteration or endorsement to this master contract will not be valid unless authorised by us and such approval is endorsed on the certificate of takaful.

12. Rights and using amounts owed

- 12.1 We have the right to deduct any unpaid contribution due the full year (if applicable) under the certificate of takaful.
- 12.2 We can offset any amount we owe the person covered (for example, benefits) under the certificate of takaful with any amount the person covered owe us (for example, contribution, tabarru' and etc) under the certificate of takaful.
- 12.3 Upon the distribution of surplus (if any), investment profit (if any) and/or the maturity of certificate of takaful (if any), any amount payable which is equal to or less than RM10 per person covered on each financial year will be credited to the person covered's latest bank account in our records. If the person covered does not provide us with his/her bank account information, the amount will be donated to charitable organisations as approved by our Shariah committee.

13. Certificate surrender

- 13.1 The person covered may, at any time during lifetime of the person covered and while this certificate of takaful is in force, surrender the certificate by giving us a written notice. All benefits and rights under the certificate will end. Upon receiving the surrender notice of the certificate, the person covered will no longer have the takaful coverage.
- 13.2 Clause 7 would apply if the person covered cancel the certificate of takaful within the free look period.

14. Cash surrender value

- 14.1 Upon surrender of the certificate of takaful, the person covered will no longer have the takaful coverage and no cash surrender value will be payable to the person covered.

15. Termination

- 15.1 We may terminate this master contract by giving the person covered 60 days' written notice. However, the coverage for each person covered will continue until the end of certificate term as stated in the respective person covered's certificate of takaful.
- 15.2 The certificate of takaful will be terminated at the earliest of any of the following circumstances:
- a) On the date we approve and pay the death benefit as stipulated under the benefit conditions in the annexure GTTAD004 in this master contract;
 - b) When the person covered ceases to be eligible under this master contract;
 - c) Upon surrender of the certificate of takaful;
 - d) Upon cancellation of the certificate of takaful; or
 - e) On the expiry date as stated in the certificate of takaful.

16. Laws

- 16.1 This master contract and our responsibilities under this master contract are governed by the laws, rules, regulations and Shariah principles currently in force in Malaysia. The laws, rules and regulations will include but are not limited to any circulars, directives or guidelines.
- 16.2 If there is a difference between the conditions of this master contract and any law, rule or regulation, then the law, rule or regulation shall prevail and apply.
- 16.3 This master contract will be governed by the laws of Malaysia. Any dispute will be dealt with by the courts of Malaysia.

17. Tax

- 17.1 All taxes, including but not limited to any goods and services tax, and/or other forms of sales or consumption tax, whether currently in force or implemented after the date of the certificate of takaful will be charged in accordance with the applicable legislation at the prevailing rate. Where necessary, we will amend the terms of this master contract to take into account any such tax.

18. United States Foreign Account Tax Compliance Act (FATCA)

- 18.1 If the person covered has a U.S. indicia, the person covered agrees to provide us with such information, consent and/or assistance as we may from time to time reasonably request, to allow us to comply with the United States Foreign Account Tax Compliance Act (FATCA). This request includes but is not limited to any required reporting to the U.S. Internal Revenue Service of information relating to person covered or beneficiaries in connection with this certificate of takaful. If the person covered does not provide such information, consent and/or assistance as mentioned above, we reserve the right and will be entitled to take the necessary action to be in compliance with FATCA which may include submitting the necessary reports, suspending person covered's certificate of takaful, withholding the necessary monies to be remitted and terminating the certificate of takaful.

- 18.2 For the purpose of this master contract, the definition of U.S. indicia will be as that is stated by the U.S. Internal Revenue Service (IRS) through their website at www.irs.gov, or any subsequent revision by the IRS of that definition.

19. Contribution payment

- 19.1 The contribution will be funded by us.

20. Wakalah fee

- 20.1 We will deduct the wakalah fee from the contribution payable. This will be a percentage (%) of the contribution as shown in the certificate of takaful.
- 20.2 We reserve the right to revise this percentage from time to time by notifying the person covered in writing at least 90 days in advance.
- 20.3 If there are any circumstances that would be deemed as mismanagement and negligence by us, we will take all actions necessary to correct and rectify such circumstances including revising the relevant procedures.
- 20.4 In the event of dissolution of the certificate of takaful due to cancellation within the free look period, surrender of certificate or termination of certificate, the person covered will no longer have the takaful coverage and no cash surrender value will be payable.

21. Tabarru'

- 21.1 We will take a tabarru' which is the contribution payable less the wakalah fee, and transfer this amount into the participants' tabarru' fund described below.
- 21.2 The tabarru' amount is not guaranteed and may be revised from time to time by notifying in the person covered in writing at least 90 days in advance. The revision shall take effect on the next contract anniversary after the notice period.

22. Participants' tabarru' fund

- 22.1 The tabarru' amount will be allocated into the participants' tabarru' fund, which is the holding fund from which we pay all takaful benefits prescribed under this master contract. The participants' tabarru' fund is collectively owned by the pool of takaful participants.
- 22.2 The takaful coverage will take into effect when there is tabarru' allocated into the participants' tabarru' fund.
- 22.3 We will manage the assets of the participants' tabarru' fund and decide how to invest and manage the assets in line with Shariah principles. The investment profit (if any) will be retained in the participants' tabarru' fund.
- 22.4 We will manage any surplus from the participants' tabarru' fund in any of the following manners:
- a) The surplus to remain in the participants' tabarru' fund; or
 - b) Donate the surplus to any charitable organisation approved by our Shariah committee.

- 22.5 If there are insufficient funds in the participants' tabarru' fund to pay the takaful benefit, and we provide a Qard (interest-free loan) from our fund to cover the shortfall, the Qard will have to be repaid when participants' tabarru' fund returns to surplus position.
- 22.6 We will pay all costs, expenses and charges for maintaining and investing the assets of the participants' tabarru' fund and any other direct claims related expenses from the participants' tabarru' fund.

23. Ownership

- 23.1 Master contract holder is defined as the legal owner of this master contract. The person covered is defined as the legal owner of the certificate of takaful issued under the master contract.
- 23.2 The person covered may use all the rights and options that the certificate of takaful provides (subject to the rights of any nominee).

24. Nominee

- 24.1 This clause only applies if the person covered is 16 years old and above.
- 24.2 The person covered may nominate in our nomination form, a nominee(s) to receive the takaful benefits payable upon his/her death under the certificate of takaful either as an executor, or as a beneficiary under a conditional hibah. Nomination may be made at the time of application of the certificate of takaful or at any time after the certificate of takaful has been issued. The person covered may download the nomination form from our website at sunlifemalaysia.com.
- 24.3 The nominee named in the nomination form or any future amendments the person covered makes, will receive the death benefits in accordance with the Islamic Financial Services Act 2013. The person covered may revoke or change the nominee at any time by giving us written notice. The written notice must be received and registered by us during the person covered's lifetime. The revocation and change of nominee will take effect from the date we receive the written notice.

25. If this master contract takes part in our profits

- 25.1 This master contract does not benefit from any of our profits.

26. Notice of claim

- 26.1 The person covered or his/her legal representative must give written notice of claim to our head office within 30 days from the date the covered event happens. Failure to give us written notice within 30 days from the date the covered event happens will not invalidate any claim if it can be proven not to have been reasonably possible to give such notice and this notice must be given to us within 12 months from the date the covered event happens.

27. Proof of claim

- 27.1 Satisfactory proof of claim must be given to us within 30 days from the date of giving us notice of claim, at the expense of the claimant.

- 27.2 We have the right to ask for any other additional document(s) that may be considered necessary to support the claim.
- 27.3 As part of giving us proof, we may need the person covered to be examined by our medical examiners. We will pay for this medical examination. We will tell the person covered if this is needed.

28. Paying benefits

- 28.1 Upon receipt and approval of the proof of claim of the person covered, we will pay the applicable takaful benefits under the certificate of takaful to the person covered and/or the rightful claimant .
- 28.2 The takaful benefits applicable to the person covered are determined based on the certificate of takaful issued in respect of such person covered. The certificate of takaful will be terminated upon payment of the above.

29. Sanction exclusion clause

- 29.1 In the event we become aware that the person covered or any person named in the certificate of takaful has been subjected to any laws and/or regulations (including but not limited to United Nations Security Council Resolutions (UNSCR) and Domestic List trade or economic sanctions) administered by any regulatory authorities or law enforcement agencies in any country that prohibits us from providing takaful coverage or benefits, the person covered or any named person in the certificate of takaful agree that we may suspend, terminate or void the takaful coverage under the certificate of takaful and stop all transactions with the person covered or any named person in connection with the certificate of takaful. Under any of these circumstances, we shall not be deemed to provide cover and/or be liable to pay any claims, benefits and other reimbursements including acceptance of contribution payments under the certificate of takaful or application submitted, whichever applicable.

ANNEXURE GTTAD004

Benefit conditions – Death benefit

1. Death benefit

- 1.1 Subject to the general conditions, while the certificate of takaful is in force, should we receive satisfactory proof of the death of the person covered due to any cause other than the excluded risks as stated below, we will pay the sum covered as stipulated in the certificate of takaful for death benefit, from participants' tabarru' fund.
- 1.2 We will deduct any amount the person covered owe us from this benefit.
- 1.3 The certificate will be terminated upon death of the person covered and payment of the claims under this benefit.

2. Exclusions

- 2.1 We will not pay the benefit and the certificate will be terminated in the following circumstances:
 - a) If the person covered dies due to suicide (while sane or insane) within 12 months from the certificate commencement date; or
 - b) If the person covered dies due to pre-existing condition within 12 months from the certificate commencement date.
- 2.2 This exclusion shall not be applicable after the first year of cover.

3. Claim procedure

- 3.1 Satisfactory proof of death must be given to us within 30 days from the date of death. Failure to give us written notice within 30 days from the date of death will not invalidate any claim if it can be proven not to have been reasonably possible to give such notice and this notice must be given to us within 12 months from the date of death.
- 3.2 We will provide the appropriate claim forms to the claimant upon claim notification. We will also need all the relevant documents and information to assess the claims as soon as possible.
- 3.3 We will only be able to assess the claim upon receipt of all the required documents, information and evidence.

4. Termination of coverage

- 4.1 The benefit will end upon the termination of the certificate of takaful as stated under clause 15 of annexure GTTAD003.

ANNEXURE GTTAD005

Benefit conditions – Accidental death benefit

1. Accidental death benefit

- 1.1 Subject to the general conditions, while the certificate of takaful is in force, should we receive satisfactory proof of the death of the person covered due to and occurs within 180 days of the date of the event, the sum covered as shown in the certificate of takaful will be payable in one lump sum from participants' tabarru' fund.
- 1.2 The payment of the accidental death benefit is in addition to the payment of benefit under the death benefit of annexure GTTAD004.
- 1.3 This benefit will be terminated upon death of the person covered and payment of this benefit.

2. Exclusions

- 2.1 The accidental death benefit will not be payable if the accidental death resulted directly or indirectly from, or as a result of the following:
 - a) attempted suicide (while sane or insane), immorality or intentional self-injury;
 - b) bodily infirmity, or mental or functional disorder, or illness or disease of any kind, or any infection other than an infection occurring simultaneously with and in consequence of a cut or wound of an accidental injury;
 - c) childbirth, pregnancy and complications thereof;
 - d) being under the influence of intoxicating liquor, intoxicating substance, any narcotic or drugs;
 - e) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power;
 - f) active duty in any navy, army, air force, military, fire service, civil defense, police or law enforcement organisation;
 - g) participation in any hazardous sports or pastime or activities, including but not limited to aerial activity, bungee jumping, rock climbing or mountaineering, underwater activities, racing of any type other than on foot;
 - h) entering, operating or servicing, ascending or descending from or with any aerial device or conveyance except while the person covered is in an aircraft operated by a commercial passenger airline on a regular schedule passenger trip over its established passenger route;
 - i) Criminal act, involvement in a breach of law, resisting arrest by a lawful authority, or membership of an illegal organization;
 - j) Acquired Immuno-deficiency Syndrome (AIDS), AIDS related complications, infection of the person covered by Human Immunodeficiency Virus (HIV);
 - k) Pre-existing physical or mental defect or infirmity;

- l) While engaging in professional sport activities of any kind; or
- m) Willful or negligent exposure to unnecessary risks or perils.

3. Claim procedure

- 3.1 Satisfactory proof of death must be given to us within 30 days from the date of death. Failure to give us written notice within 30 days from the date of death will not invalidate any claim if it can be proven not to have been reasonably possible to give such notice and this notice must be given to us within 12 months from the date of death.
- 3.2 We will provide the appropriate claim forms to the claimant upon claim notification. We will also need all the relevant documents and information to assess the claims as soon as possible.
- 3.3 We will only be able to assess the claim upon receipt of all the required documents, information and evidence.

4. Termination of coverage

- 4.1 This benefit will end at the earliest of the following circumstances:
 - a) On the date we approve and this benefit is paid in full amount;
 - b) Upon cancellation of this benefit; or
 - c) Upon the termination of the certificate of takaful as stated under clause 15 of annexure GTTAD003.