

TAKAFUL CERTIFICATE

[to insert name of the Takaful Product]

SCHEDULE

Participant Name :

Personal Identification :

Postal Address :

Certificate No. :

Effective date :

Period of Takaful :

Total Sum Covered :

Annual Contribution :

Contribution Due :

Total Amount Due :

Risk : Death, loss or damage of the Cattles under ZeroH Platform

Location of Risk : As specified in the ZeroH Platform

Section A: Introduction

Takaful is a mutual assistance scheme based on the spirit of brotherhood and solidarity where Participants like You agree to assist each other financially in case of certain defined need. With this intention in mind, Participants pay their contributions on the basis of Tabarru' (donation) to the General Takaful Fund (Fund) managed by • (•) (Takaful Operator). Payment of sum covered to Participants is payable from the Fund based on the concept of Tabarru'.

As the Takaful Operator, We are responsible for selecting Participants and to determine and collect the contributions. We are also responsible for investing the Fund and paying benefits to entitled Participants. All proceeds from investments will be credited into the Fund. The Fund is collectively owned by the Participants where Tabarru' portion of the contribution is placed for the purpose of takaful. The relationship between You and Us is governed by the Wakalah (agency) contract.

The surplus from the Fund will be determined annually and will only be payable for annual Certificate. The distribution, if any, makes allowance for contingency provisions, and is subject to the surplus policy approved by Our Shariah Committee. The distributable surplus, if any, is fifty percent (50%) paid to Us for operating and managing the Fund, based on the contract of Ju'alah (wage), and the remaining fifty percent (50%) is shared between Participants whose Certificates have not terminated and who have not made any claims within the financial year. In the event of any deficit from the Fund, there will be no surplus distribution for that financial year. Under such circumstance, the deficit will be first funded by the amount allocated for contingency purposes. If the Fund is still in deficit, a Qard (interest-free loan) will be arranged. The Qard will be carried forward to the following financial year and any surplus emerging thereafter will be used to pay off the Qard. If the surplus is less than • (•), We shall credit such sum into a charitable fund, which will be utilized as Amal Jariah on behalf of the Participants.

Your application to join this takaful scheme as a Participant has been accepted based on the application You have signed and any other information provided to Us. If You did not fill in an Application Form, Our acceptance is based on the statement of fact and on any other information You gave Us. As a Participant, You will receive takaful cover for accident or incident as specified in the Schedule that may happen to You during the Period of Takaful according to the terms and conditions of this takaful contract.

This takaful contract is made up of the Application Form, this Certificate and the Schedule. You should read them together carefully to make sure that You get the cover You need.

Section B: Our Agreement

This Certificate is issued in consideration of the payment of Contribution as specified in the Certificate Schedule and pursuant to the answers provided in the participant's Application Form (or when the participant applied for this takaful) and any order disclosure made by the participant between the time submission of the participant's Application Form (or when the participant applied for this takaful) and the time this contract is entered into. The answers and any other disclosure given by the participant shall form part of this contract of takaful between the participant and the Takaful Operator. In the event of any pre-contractual misrepresentation made in relation to the participant's answers or in any disclosures made by the participant, it may result in avoidance of the participant's contract of takaful, refusal or reduction of the participant's claim(s), change of terms or termination of the participant's contract of takaful.

This Certificate reflects the terms and conditions of the contract of takaful as agreed between the participant and the Takaful Operator. However, in the event of any pre-contractual misrepresentation made in relation to Your answers or in any disclosure given by You, the following remedies, at the discretion of the Takaful Operator, shall be applied:

1. Voidance of the Takaful contract and refusal of all claims.
2. Refusal or reduction of claim(s).
3. Variation of the terms of the certificate.
4. A change in the contribution amount.
5. Termination of the Takaful contract.

Section C: General Terms

1. The heading does not form part of the Certificate wording.
2. The Certificate, Schedule and Endorsements must be read together as they form Your Takaful contract.
3. This Certificate sets out what You are covered for as shown on the Schedule and the circumstances where You are not protected or covered.
4. Some words and expressions have been printed out in bold because they have been given specific meaning in the Certificate. You will find their meaning in the Glossary.
5. The coverage provided under this Certificate is subject to You fully observing and fulfilling the terms, provisions, Endorsements and clauses of the Certificate.

Section D: Duty to Inform

1. Where You have applied for this takaful wholly for purposes related to Your trade, business or profession, You have 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 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 claims(s), change of terms or termination of Your contract of takaful.
2. 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.
3. You must inform Us of any other takaful that You have participated at the time of participating this takaful, and also during the period of this takaful, covering any of the same Cattles covered under this Certificate.

4. Such notice should be given and endorsed by Us in this Certificate before the Occurrence of any loss or damage.

Section E: Coverage Clause

1. We will cover the Cattles as prescribed and registered with unique and special identification details in the ZeroH Platform during the Period of Takaful.
2. This cover will be given on the basis that You agree to pay Us the Contribution for the cover.
3. In respect of Covered Events occurring during the Period of Takaful and subject to the limitations, exceptions and conditions contained or endorsed in the Certificate, We will, by payment or by reinstatement or repair, indemnify You against death, loss or damage to the Cattles covered as mentioned in the Schedule.
4. This Certificate covers You up to the amount of the Sum Covered as stated in the Schedule for death, loss or damage to the Cattles caused by an Covered Event.

Section F: Covered Event

We will provide for the death, loss or damage to your Cattles caused by the following event:

1. Fire, lightning, thunderbolt and subterranean fire;
2. Flood;
3. Explosion of any buildings on the farm;
4. Aircraft & Other Aerial Devices and/or articles dropped there from;
5. Theft and robbery;
6. Hurricane, Cyclone, Typhoon, Windstorm; and
7. Earthquake, Volcanic Eruption.

Section G: General Exceptions

General Exception 1

We will not cover loss or damage or another contingency caused directly or indirectly by:

1. War, invasion, act of foreign enemy, hostilities, or warlike operations (whether war be declared or not), civil war;
2. Mutiny, riot, military or popular uprising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege;
3. Any act of terrorism.

For this purpose an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or groups of persons, whether acting alone or on behalf of or in connection with any organizations or governments, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.

Any loss or damage or other contingency happening during the existence of abnormal conditions (whether physical or otherwise) which are caused directly or indirectly, of any of the said Occurrences shall be deemed to be loss, damage or a contingency which is not covered by this takaful. You have to prove that such loss, damage or other contingency happened independently of the existence of such abnormal conditions.

In any action, suit or other proceedings, where We alleges that by reason of the provisions of this Condition any loss or damage is not covered by this takaful, the burden of proving that such loss or damage is covered shall be upon You.

General Exception 2

We will not cover loss or damage:

1. caused by cessation of work, or by confiscation, commandeering, requisition or destruction of or damage to the Cattles by order of the Government de jure or de facto or any Public Municipal or Local Authority of the country or area in which the Cattles are situated;
2. to Cattles by its own fermentation, natural heating or spontaneous combustion or by it undergoing any heating or drying process;
3. arising from or in consequence of or contributed to by nuclear weapons material;
4. arising from or in consequence of or contributed to by ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for this purpose, combustion shall include any self-sustaining process of nuclear fission.

Section H: Settlement of Claims

1. Permissible Takaful Interest

Only You have rights to claim from Us, except upon Your death, or by operation of law, the passing of interest of this takaful to another person shall only take effect after We have endorsed the Certificate.

2. Our Maximum Liability

Our total liability to You in respect of loss or damage during any one Period of Takaful will not exceed the amount stated against each item or in the aggregate, the Total Sum Covered specified on the Schedule or such other sum or sums endorsed in this Certificate.

3. Average

If the market value of the Cattles covered at the time of any loss is collectively of higher value than the Sum Covered stated in the Schedule, then You will be responsible for

the difference and bear a proportional share of the loss. The sharing of proportional loss will apply separately to each item covered.

4. Excess

For loss or damage to the Cattles by any Covered Event where Excess applies, Excess shall separately apply to:

- (a) each cattle.
- (b) each incident. If the same Covered Event occurs within seven (7) consecutive days, it is considered the same incident.

5. Other Takaful

If there are any other certificates covering the same or part of the same loss, damage or liability, We will only pay a share of the total loss, damage or liability proportionally.

6. Subrogation

We are entitled to undertake in Your name and on Your behalf:

- (a) the full conduct, control and settlement of any proceedings;
- (b) recover compensation or secure Indemnity from any third party in respect of anything covered by this Certificate.

at Our own expense and benefit.

7. Fraud

We will not pay if Your claim is in any way fraudulent by You or persons acting on Your behalf

8. Right of Access and Control

On the happening of any loss or damage We are entitled to:

- (a) enter any building where the death, loss or damage has happened;
- (b) take and keep possession of the covered Cattles; and
- (c) deal with the salvage of the damaged covered Cattles.

However, You shall not abandon the damaged covered Cattles to Us.

9. Arbitration

Any difference on the amount of any loss of damage between You and Us shall be referred to an arbitrator who shall be appointed in writing by You and Us. In case You and Us are unable to agree on a single Arbitrator, within two months of being required in writing to do so by either party, then You and Us shall be entitled to appoint an Arbitrator each who shall appoint an Umpire to preside over their meetings. However, one party is at liberty to appoint a sole Arbitrator, should the other party within two months of the written notice fail to appoint the other Arbitrator.

The costs of arbitration and awards shall be decided by the Arbitrator, Arbitrators or Umpire.

You and Us clearly agree that the awards by the Arbitrator, Arbitrators or Umpire shall be obtained first before You can commence legal proceedings on Us.

Section I: Claiming Requirements

1. Notice and Proof of Claim

You must immediately notify in writing to Us of any loss or damage and:

- (a) at Your own expense and within 30 days after the incident, deliver to Us a claim in writing with detailed particulars and proofs as We may reasonably require;
- (b) for loss or damage by theft or attempted theft, You must immediately make a Police report.

2. Liability Claims

You shall upon receiving any notice of any accident or claim from other parties, give Us immediate notice in writing and as soon as possible supply Us full particulars in writing.

You shall send to Us immediately any writ, summons or other legal process issued or commenced against You and provide all necessary information and assistance to enable Us to settle or resist any claim or institute proceedings.

You shall not without Our written consent:

- (a) admit or repudiate any claim or liability;
- (b) offer or negotiate to pay a claim.

Section J: Your Responsibility

1. Duty of Care

You shall use all reasonable diligence and care to keep the Cattles in proper state. As owner of the Cattles, You shall make good as soon as possible any defect discovered and shall, in the meantime, take additional precautions to prevent injury, loss or damage.

We will not be liable for any injury, loss or damage caused by You failing to remedy such defect after receiving notice from Us or from any person or public body.

2. Reinstatement of Sum Covered

After a loss, the full Sum Covered of this takaful shall be maintained.

You are required to pay an additional pro rata Contribution based on the amount of loss calculated from the date of loss to the expiry date of takaful.

3. Unvalued Certificate Clause

This is an unvalued Certificate. You must prove to the satisfaction of the Takaful Operator the value of the Cattles at the time of the happening of its destruction or the amount of such damage.

Section K: Cancellation

1. You may cancel this Certificate at any time by giving Us notice in writing. You shall be entitled to a refund of Contribution after We have charged You based on Our customary short-period rates or minimum Contribution payable under the Certificate, whichever is higher.
2. We may also cancel this Certificate at any time provided it is necessary, reasonable and justifiable by giving You seven (7) days' notice in writing and will refund the pro rata Contribution equal to the unexpired Period of Takaful.

Section L: Other Conditions

1. Our representatives shall at any reasonable time have the right to inspect and examine the risk and You shall provide our representatives with all details and information necessary for the assessment of the risk.
2. You shall immediately notify us in writing of any material change in the risk and cause at his own expense such additional precautions to be taken as circumstances may require, and the scope of cover and/or contribution shall if necessary, be adjusted accordingly.
3. You shall be obliged to keep complete records. All records, e.g. inventories, production and balance sheets, for the three preceding years shall be held in safe keeping or, as a precaution against their being simultaneously destroyed, you shall keep separate sets of such records.
4. In the event of any occurrence which gives rise or is likely to give rise to a claim under this Certificate, you shall:
 - (a) immediately notify us within forty-eight hours of the occurrence;
 - (b) do and concur in doing and permit to be done all such things as may be reasonably practicable to minimize or establish the extent of any interruption of or interference with the business or to avoid or diminish the loss resulting therefrom;
 - (c) as far as may be reasonably practicable, without causing any increase in the period of interruption or interference, take precautions to preserve any things which might prove necessary or useful by way of evidence in connection with any claim.

Section M: Glossary

Some words and expressions when used in this Certificate have a specific meaning which is given below. Each word is printed in bold where it appears.

“Cattles” means the cattle as prescribed and registered with unique and special identification details in the ZeroH Platform during the Period of Takaful.

"Certificate" means Your takaful contract which consists of this Certificate wording and Schedule.

"Consequential Loss" means financial loss.

"Contribution" means any amount We require You to pay under the Certificate and includes Government charges.

"Covered Event" means one of the perils listed under this Certificate.

"Endorsement" means a written alteration to the terms, conditions and limitations of this Certificate which is shown on the Schedule.

"Erosion" means being worn or washed away by water or wind.

"Excess" means the amount You must pay towards a claim before We pay. The amount will be stated on the Schedule.

"Family" and "Household" means any person(s) who normally reside with You.

"Flood" means the overflowing or deviation from their normal channels of either natural or artificial water courses, bursting or overflowing of public water mains and any other flow or accumulation of water originating from outside the building.

"General Takaful Fund (Fund)" means the Participants' account where Tabarru' portion of the Contribution is placed for the purpose of Takaful. The Fund is collectively owned by the Participants and the Sum Covered shown in the Takaful Schedule is payable from the Fund.

"Ju'alah" is a wage contract. It is an exchange contract for a known or unknown task, that is difficult to precisely determine and for which payment is due only once the work has been completed. In relation to this Certificate, it refers to the reward given to Us agreed upfront by You and Us for good management of the Fund.

"Indemnity" means putting You back to Your same financial position immediately before the loss.

"Occurrence" means the exact period when the incident took place.

"Period of Takaful" means the period for which You are covered. It commences at the time We agree to give You takaful and finishes at midnight on the day of expiry. The expiry date is shown on the Schedule.

"Personal Effects" means personal items regularly worn or carried on the person for his/her personal use, for example clothing, watch, and wallet.

"Qard" in the context of this Certificate, it means an interest-free loan which is given by Us to the General Takaful Fund when it becomes insufficient to fulfil its Takaful obligation provided that the insufficiency is not due to Our mismanagement or negligence. The loan will be repaid by the future surpluses from the General Takaful Fund. If the insufficiency is due to Our mismanagement or negligence, We will make the outright transfer for the insufficiency.

"Robbery and Hold Up" means that the items covered are either taken away or surrendered; in both instances due to force, menaces or threat of physical violence made against You, or persons living with You in a common Household, or other persons authorized to be on Your Premises.

"Schedule" means the Certificate Schedule where both the covered items and Sum Covered are specified.

“Secured” means locked so as to prevent entry other than by using force.

“Sum Covered” means the amount You have covered on the Cattails as shown on the Schedule.

“Tabarru” means Contribution, donation or gift. In the context of this Certificate, it means Contribution for the purpose of Takaful. This portion is placed in the General Takaful Fund.

“Wakalah” refers to a contract where a party, as principal authorizes another party as his agent to perform a particular task on matters that may be delegated with or without imposition of a fee. In the context of this Certificate, it means that You has appointed Us to invest and manage the General Takaful Fund on Your behalf. You have also authorized Us to delegate its rights, duties and obligations to any third party as it deems fit. In the event of such delegation, We will remain liable and responsible for all such rights, duties and obligations towards You.

“Warranties” means either restriction or obligation that the Certificate imposes on You. A breach of a warranty will entitle Us to reject the claim for loss or damage or liability.

“Wear and Tear” means damage or a reduction in value through age, ordinary use or lack of maintenance.

“We, Our and Us” means the takaful operator.

“You and Your” means the person(s) named on the Schedule as the covered person.