

- S** 2.1.5 A FSP shall disclose the following information on policy/takaful benefits payable and exclusions-
- a. policy/takaful benefits payable and the circumstances or contingencies upon which policy/takaful benefits are payable by the FSP to financial consumers;
  - b. limitation on policy/takaful benefits and the duration for which it is applicable, if any;
  - c. restrictions of policy/takaful benefits (including lien imposed on the policy/takaful certificate) and exclusions of the insurance policy/takaful certificate to ensure financial consumers understand what is not covered under the policy/takaful certificate; and
  - d. surrender value payable under the policy/takaful certificate and whether it is guaranteed or not guaranteed.
- S** 2.1.6 A FSP shall disclose the details of premium/takaful contribution payments, including-
- a. amount of premium/takaful contribution, frequency with which and period over which payment is to be made in respect of the life insurance policy/family takaful certificate. The FSP must inform that the premium/takaful contribution rate is applicable to standard risks and that the policy/takaful certificate terms and rates may vary depending on the underwriting requirements of the FSP;
  - b. for life insurance products, whether the premium rate is guaranteed or non-guaranteed;
  - c. for family takaful products, the allocation of the takaful contribution to the respective funds available under the takaful certificate, e.g. PIF and PRF and whether such product participates in the investment profit and/or surplus of the respective funds available under the takaful certificate and the details of participation. The FSP must advise financial consumers to refer to the product illustration for further information; and
  - d. grace period which gives financial consumers additional period after the due date, for the payment of premium/ takaful contribution.
- S** 2.1.7 A FSP shall disclose the nature, amount and frequency of the payment of all applicable fees and charges borne by financial consumers, including the commission/wakalah fee expressed both in terms of aggregate amount and as a percentage of the premium/takaful contribution payable and the purpose of charging the commission/wakalah fee.

## **2.2 At the point of entering into a contract**

- S** 2.2.1 A FSP shall inform financial consumers of their contractual rights and obligations, including-
- a. any significant condition or obligation which financial consumers must meet;
  - b. duty of financial consumers in relation to disclosure and representations to the FSP for the insurance/takaful contract and the consequences of failure to disclose the relevant information, provision of inaccurate or false information;
  - c. the importance for financial consumers to ensure that the proposal form is completed accurately as it forms the basis of the insurance/takaful contract;
  - d. requirement for financial consumers to provide proof of age to FSP;
  - e. duration of the life insurance/family takaful contract and date of maturity or date on which the insurance/takaful benefits are payable, if applicable;
  - f. consequences of failure to pay premium/takaful contribution within the due date and grace period and reinstatement provisions;