



Z-Rider Takaful

Enhanced Motorcycle Certificate

EXPLANATORY NOTES

How to read this document

Please note that **Your Motorcycle 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 Motorcycle Certificate**. Please refer to Section F on pages 13 to 15 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**.

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** have a duty to take reasonable care not to make a misrepresentation in answering the questions in the Proposal 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 remedies of 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 Proposal 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** 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 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 Proposal 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 (if any) or recover any contribution not made;
- recover any shortfall in contribution;
- not pay any claim that has been or will be paying 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 Motorcycle**. Check out the **Schedule** that **We** issued to **You** to know the type of cover **You** obtained. The main types of cover are:

Page	Basic Cover	Comprehensive	Third Party, Fire and Theft
6 to 7	Section A: Loss or Damage to Your Own Motorcycle		
6	1a. What is Covered		
	i. accidental collision or overturning	✓	X
	ii. collision or overturning caused by mechanical breakdown	✓	X
	iii. collision or overturning caused by wear and tear	✓	X
	iv. impact damage caused by falling objects subject to certain exclusions	✓	X
	v. fire, explosion or lightning	✓	✓
	vi. burglary, housebreaking or theft	✓	✓
	vii. malicious act	✓	X
	viii. while in transit (limited cover)	✓	X
6	1b. Events We Do Not Cover	✓	✓
7	2. Basis of Settlement (how We will settle Your claim)	✓	✓
8	3. Towing Costs (to an Approved Repairer or safe place)	✓	✓
8	Section B: Liability to Third Parties		
8	1a. What is Covered (by this section)	✓	✓
8	1b. What is Not Covered (by this section)	✓	✓
8	2. Limits of Our Liability (the maximum that We pay)	✓	✓
8	3. Cover for Legal Personal Representatives (if You are dead)	✓	✓
8	4. Maximum Legal Costs (if approved)	✓	✓
8	5. Rights of Recovery	✓	✓
9	Section C: No Claim Discount	✓	✓
9 to 10	Section D: General Exceptions (what is not covered by the Certificate)	✓	✓
11 to 13	Section E: Conditions (terms that You must comply with)	✓	✓
13 to 15	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 made additional contribution)	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 three sections where **You** can find them:

- Section A1b – see 'Events **We** Do Not Cover' (page 6): applicable to Comprehensive **Certificate** only.
- Section B1b – see 'What is Not Covered' (pages 8): applicable to Comprehensive and Third Party, Fire & Theft certificates.
- Section D – see 'General Exceptions' (pages 9 to 10): applicable to Comprehensive and Third Party, Fire & Theft certificates.

There are generally three reasons why **We** put these exceptions in **Your basic Motorcycle Certificate**:

1. Cover is not provided for the exceptions. **We** have to charge additional contribution if **You** want to cover any of these exceptions. Some examples of the exceptions which are not covered by **Your basic Motorcycle Certificate** but which can be covered if **You** make additional contribution are:
 - flood, storm {see Section A1b – 'Events **We** Do Not Cover' (page 6)};
 - strike, riot, civil commotion {see Section D – 'General Exception 8b' (page 10)}; and
 - use outside Malaysia, Singapore or Brunei {see Section D – 'General Exception 6' (page 10)}.
2. There are other risks which are not covered by the basic **Motorcycle Certificate** or by any of its extensions. **We** would have to issue a different **Certificate** if **You** want these types of cover. For example, carriage of goods are not covered by **Your Private Motorcycle Certificate** but can be covered under a **Commercial Motorcycle 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 riding.

Your Motorcycle Certificate type is categorised by its permitted use – Make sure that You have bought the correct Certificate type for Your Motorcycle or You may have no cover.

Each type of **Motorcycle Certificate** covers a specific usage of the vehicle. If **You** have bought the wrong **Motorcycle Certificate** type, **You** may find that **You** actually have no insurance cover at all. The type of **Motorcycle Certificate** is stated in the **Certificate of Takaful** under the heading 'Limitations as to Use'. Users for whom **You** have bought cover are named under the heading 'Persons or Classes of Persons Entitled to Ride'.

The following are standard types of **Motorcycle Certificates**:

- i. Private Use
- ii. Commercial Use
- iii. Motorcycle Trade
- iv. Motorcycle Used for Hire

A Motorcycle Certificate for Private Use covers **You** if **Your Motorcycle** is used for "social, domestic and pleasure purposes and for the **Certificate** holder's business". The following are some examples of these personal situations for which **Your Takaful Certificate** will provide **You** cover:

- to visit relatives and friends, go shopping etc.;
- giving lifts where no fee will be charged or paid; and
- limited work or business related transport such as getting to and from work and for attending business meetings.

A Motorcycle Certificate for Commercial Use must be bought if the **Motorcycle** is meant or intended to ferry any goods in connection with any trade or business.

A Motorcycle Certificate for Trade Plate Use is intended for:

- **Motorcycle** retail trade (showroom display and / or for test ride, etc); and
- repair trade (towing / repair / test-ride, etc.)

A Motorcycle Used for Hire is intended for motorcycles which are in the business of being rented or hired out for use (see Very Important Note below).

VERY IMPORTANT NOTE: Unless **Your Certificate** is specifically extended for this purpose, **You** will have no takaful cover if **You** use **Your Motorcycle** in the following manner:

- to practise for or to take part in any race, rally, pacemaking, reliability trial or speed test;
- use on any racetrack; and
- for rental, hire and reward.

Who can ride Your Motorcycle?

- This depends on whether **You** have purchased the 'Single Rider' or the 'All-Riders' cover. The 'Single Rider' only covers one rider who is named in the **Certificate**. The person named is usually the owner of the **Motorcycle**. The problem with the 'Single Rider' cover is that the **Certificate** will not cover if an accident happens while the **Motorcycle** is being used by someone other than the insured named rider. As such, most customers prefer the 'All-Riders' cover as lending motorcycles to friends and relatives is quite commonly practised in Malaysia.
- With the 'All-Riders' cover practically anyone can ride **Your Motorcycle** as long as the rider:
 - has a valid licence of the relevant class to ride and is not disqualified to ride by law or for some other reason {(see exclusion on Unlicensed Riders in Section D – 'General Exception 1' (page 9));
 - has **Your** permission to ride (see definition of **Authorised Rider** in page 13); and
 - complies with all the terms and conditions of this **Certificate**.
- Note that for either cover, if **You** or **Your Authorised Rider** is not qualified to ride or breach any of the terms and conditions, **Your** claim may be rejected. If **We** are compelled by law to make payment, **We** can recover any sum(s) made and any expenses incurred from **You** or **Your Authorised Rider**.

In which territory is Your Motorcycle covered?

This takaful **You** have obtained only covers **You** in Malaysia, Singapore and Brunei in accordance to the laws of Malaysia. Additionally, note that if **You** intend to ride **Your Motorcycle** 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 **Motorcycle Certificate**, **You** will need to obtain **Endorsement 108** (see page 17), which provides a limited cover for **Your** liability for death or bodily injury of **Pillion**.

When is Your cover effective?

This takaful is effective from the time of participation of takaful contract 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**.

How much should You cover Your Motorcycle for under a Comprehensive or Third Party, Fire and Theft Certificate?

To be safe, **You** should cover **Your Motorcycle** at its current **Market Value** (see definition in page 14). In simple terms, this is the current cost to replace **Your Motorcycle** with another **Motorcycle** of the same make, model, age and general condition. The amount that **You** choose to cover is called the **Sum Covered**. Please note that **You** could be penalised if **Your Motorcycle** is under-covered (see Section A2e – 'Under-Covered in page 7).

For example, if the **Market Value** of **Your Motorcycle** is RM10,000 but **You** only covered it for RM8,000 then **You** could be penalised for under-coverage. Assuming the loss is assessed at **RM3,000**, instead of the takaful operator paying the full amount, **You** could be paying to bear a portion of the loss in proportion to the under-coverage as follows:

$$\frac{\text{Sum Covered}}{\text{Market Value}} \times \text{Loss} = \frac{\text{RM8,000}}{\text{RM10,000}} \times \text{RM3,000} = \underline{\text{RM2,400}}$$

Therefore, **RM2,400** will be paid while the balance of **RM600** will be borne by **You**.

You would be penalised as shown above if the **Market Value** of **Your Motorcycle** exceeds the **Sum Covered** by 10%. On the other hand, it would be a waste of money to over-cover as **Your** takaful operator would not pay more than the **Market Value**. One way to protect **Yourself** from being under or over coverage is to opt for the **Sum Covered** determined by a **Market Valuation System** approved by Persatuan Insurans Am Malaysia (PIAM).

What is No Claim Discount ("NCD")?

This is a form of discount on contribution 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 **You** obtain **Your Motorcycle Certificate**.

What is an Excess?

This is the first amount that **You** have to bear **Yourself** for each and every claim that **We** approve, even if the **Incident** is not **Your** fault. However, please note that the **Excess** does not apply to loss or damage caused by fire, explosion, lightning, burglary, housebreaking, theft, third party property damage or bodily injury claims. Please check **Your Certificate Schedule** to find out the amount that **You** are liable to pay. This is referred to as **Compulsory Excess** (see page 7) in **Your Certificate**.

As an example, if **We** assess the claim payable to be **RM3,000** but **Your Certificate** carries an **Excess** of **RM200**, **You** will have to bear the first **RM200 Yourself** and **We** will pay the balance of **RM2,800**.

Do's and Don'ts – after You have had an accident or theft

Do:

- call Zurich Call Centre **1-300-88-622** to make an enquiry on claims procedure;
- inform **Us** as soon as possible about any **Incident** which may give rise to a claim;
- report all accidents to the police within 24 hours as required by law;
- submit immediately to **Us** all letters, claims, writs and summons which **You** have received from third parties as a result of the **Incident**;
- remove **Your Motorcycle** to **Our Approved Repairer** for repairs or windscreen repairs or replacement;
- fully fill up the relevant sections of **Your** claim form – do not put "refer to police report"; and

Don't:

- negotiate, admit or repudiate any claim without **Our** consent (see Condition 2 in page 12); and
- authorise repair without **Our** consent (see Condition 2f in page 12).

Condition 2 of **Your Certificate** (see page 11 and 12) spells out the do's and the don'ts after an accident or theft in more detail.

Z-Rider Takaful

Enhanced Motorcycle Certificate



The Takaful Agreement

A. Where Your Motorcycle 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 contribution as specified in the **Certificate Schedule to the General Risk Investment Account (GRIA)** under the principle of Tabarru' to other participants of **GRIA** in the events defined in this **Certificate**.
- the answers given in **Your** Proposal Form (or when **You** applied for this takaful) and any other disclosures made by **You** between the time of submission of **Your** Proposal 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 **GRIA** on behalf of the participants under the model of Wakalah. In the event of insufficient balance in **GRIA** to pay **Your** takaful benefits during the **Period of Takaful**, **We** will make good the balance in the **GRIA** under the contract 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. **You** further agree that **Your** future surplus arising from **GRIA** during **Your** takaful period can be used to contribute to cover the outstanding Qard in **GRIA** (if any) to **Us**.

This **Certificate** reflects the terms and conditions of the contract of takaful as agreed between **You**, **Us** and the participants of the **GRIA**.

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 contribution as specified in the **Certificate Schedule to the General Risk Investment Account (GRIA)** under the principle of Tabarru' to other participants of **GRIA** in the events defined in this **Certificate**.
- the answers given in **Your** Proposal Form (or when **You** applied for this takaful) and any other disclosures made by **You** between the time of submission of **Your** Proposal 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 given 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 **GRIA** on behalf of the participants under the model of Wakalah. In the event of insufficient balance in **GRIA** to pay **Your** takaful benefits during the **Period of Takaful**, **We** will make good the balance in the **GRIA** under the contract 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. **You** further agree that **Your** future surplus arising from **GRIA** during **Your** takaful period can be used to contribute to cover the outstanding Qard in **GRIA** (if any) to **Us**.

This **Certificate** reflects the terms and conditions of the contract of takaful as agreed between **You**, **Us** and the participants of the **GRIA**.

Personal Data Protection Act 2010 (PDPA)

The Personal Data Protection Act 2010 which regulates the processing of personal data in commercial transactions, applies to **Us**. **You** may make inquiries, complaints, request for access, update, correct or change any of **Your** personal data, limit the processing of **Your** personal data and/or to opt-out of **Our** use at any time hereafter by submitting such request to **Us** by sending an email to callcentre@zurich.com.my. Requests for opt-out must state clearly the full name, identity document number, certificate number, telephone number and address of the person making such request.

The processing of **Your** personal data is subject to **Our** Personal Data Protection Notice as published on <https://www.zurich.com.my/pdpa>.

Section A: Loss or Damage to Your Own Motorcycle

This section spells out what **We** cover under Section A and is only applicable if **You** have Comprehensive cover.

1a: Events We Cover

We will indemnify **You** if **Your Motorcycle** is lost or damaged during the **Period of Takaful** arising from the following **Incidents**:

- (i) accidental collision or overturning;
- (ii) collision or overturning caused by mechanical breakdown;
- (iii) collision or overturning caused by wear and tear;
- (iv) impact damage caused by falling objects provided no convulsions of nature is involved;
- (v) fire, explosion or lightning;
- (vi) burglary, housebreaking or theft but **We** will not cover loss of or damage to **Accessories** (or any part thereof) and/or loss of or damage to any part(s) of **Your Motorcycle** unless **Your Motorcycle** is stolen at the same time;
- (vii) malicious act; or
- (viii) while in transit i.e. being carried from one place to another (including during loading and unloading) of **Your Motorcycle** by:
 - a. **Road**;
 - b. rail;
 - c. inland waterway i.e. across a river or canal etc.; or
 - d. across the sea by ferry or ship or any sea faring vessels etc. between the island of Penang and the mainland only.

*For an additional contribution, **Your Certificate** can be extended to cover for ferry transit between Sabah and Labuan (**Endorsement 109**).*

1b: Events We Do Not Cover

The events which are not covered are the exceptions listed below. These exceptions are specific to Section A and are in addition to exceptions listed in Section D and the applicable Endorsements.

We will not pay for the following losses:

- (i) **Consequential Losses**
Any direct or indirect losses of any kind that may arise as a consequence of any **Incident** other than that provided for in Section A2.
- (ii) **Loss of Use**
Any expense or financial loss that **You** may incur because **You** cannot use **Your Motorcycle** e.g. cost of hiring replacement **Motorcycle**, travelling expenses etc.
- (iii) **Depreciation**
The loss of value of **Your Motorcycle** due to the damage sustained or the time taken to repair the **Motorcycle**, and/or for any loss or damage that results over a prolonged period of time due to wear and tear, rust and corrosion.
- (iv) **Theft of Accessories**
Loss or damage to accessories (or any part thereof) caused by theft unless **Your Motorcycle** is stolen at the same time.
- (v) **Breakdown or Malfunction of Parts**
Any mechanical, electrical or electronic breakdown, equipment or computer malfunction, or any other failure or breakdown to **Your Motorcycle**.
- (vi) **Damage to Tyre(s)**
Any damage to the tyre(s) of **Your Motorcycle** unless other parts of **Your Motorcycle** are also damaged at the same time.
- (vii) **Convulsions of Nature**
Any loss or damage to **Your Motorcycle** caused by flood, typhoon, hurricane, storm, tempest, volcanic eruption, earthquake, landslide, landslip, subsidence or sinking of the soil/earth or other convulsions of nature.
- (viii) **Excess**
The amount of **Excess** stated in the **Schedule**. This is the first amount that **You** have to bear in respect of each and every claim under the **Certificate**.
- (ix) **Loss of Electronic Data**
Loss of electronic data and any consequences arising from it, directly or indirectly caused by or in connection with a computer virus. This includes loss of use, reduced functionality, or any other associated loss or expense in connection with the electronic data.
- (x) **Cheating or Criminal Breach of Trust**
Any loss or damage, including theft, caused by or attributed to the act of **Cheating** or **Criminal Breach of Trust** by any person.

2. Basis of Settlement

This section explains how **We** will settle **Your** claim once **We** accept that it is payable under Section A. If **Your Motorcycle** is damaged as a result of any **Incident**, **We** have the option of doing the following:

a. If Your Motorcycle is Repairable

If in **Our** opinion **Your Motorcycle** is economical to repair, **We** have the option to:

- arrange for **Your Motorcycle** to be repaired at an **Approved Repairer** and pay the cost of repairing **Your Motorcycle** to the condition which is as near as possible to the condition it was in before the loss happened;
- pay **You** in cash the amount **We** estimate it would cost to repair **Your Motorcycle**; or
- reinstate or replace **Your Motorcycle** with one of the same make, model, age and general condition.

b. If Your Motorcycle is not Repairable

If in **Our** opinion, the damage to **Your Motorcycle** is so great that it would not be safe or economical to repair, **We** will declare **Your Motorcycle** “Beyond Economic Repair” (“BER”) and **We** will pay **You** up to the maximum amount as stated in (d) below or offer **You** a settlement sum equivalent to the **Market Value**. **We** may also opt to replace **Your Motorcycle** with one of the same make, model, age and general condition. If **We** take any of these actions, this **Certificate** shall be automatically terminated once **We** make payment.

*In cases where the valuation of the franchise-holder vary from **Market Value** by more than 10%, **We** would also have the option to offer a settlement value which is equal to the cost of purchasing a replacement **Motorcycle** of the same make, model and age of the **Motorcycle** at the time of loss. It is **Our** option to offer **You** a replacement of the **Motorcycle**, should **You** not agree with the offer.*

c. Replacement Parts

If the spare parts or **Accessories** required to repair **Your Motorcycle** are not available in Malaysia, or if **We** choose to pay for the loss or damage in cash, **We** will settle **Your** claim on the following basis:

- the last known parts price list issued in Malaysia by the manufacturer or their agent. If the price list in Malaysia does not exist, **We** will use the price at the manufacturer’s production plant and include reasonable cost of transportation to Malaysia (but not the cost of air freight); and
- the reasonable labour cost of fitting such spare parts or **Accessories** in Malaysia.

d. The Maximum Amount We will Pay You

If **Your Motorcycle** is BER or stolen and not recovered, the amount payable under the **Certificate** will be the **Market Value** at the time of the loss or the **Sum Covered** as shown in the **Schedule**, whichever sum is the lesser. Upon **Our** payment of the said amount, this **Certificate** shall be automatically terminated. The **Market Value** is to be determined according to clauses 16 and 17 of Section F.

e. Under-Coverage

If the **Sum Covered** of **Your Motorcycle** is less than the **Market Value** at the time of the loss, the **Certificate** will only bear part of the loss in proportion to the difference between the **Market Value** and the **Sum Covered** as shown in the formula below:

$$\frac{\text{Sum Covered}}{\text{Market Value}} \times \text{Assessed Loss}$$

The balance has to be borne by **You**. However, this will only apply if the under-covered amount is more than 10% of the **Market Value**.

f. Betterment

If new original parts are used to repair **Your Motorcycle** and as a result of which **Your Motorcycle** is in a better condition than it was before the damage, **You** would be required to contribute to its betterment, a proportion of the costs of such new original parts. **Your** contribution would be according to the following scale:

Age of Your Motorcycle (Years)	Rate of Betterment
less than 5	0
5	15%
6	20%
7	25%
8	30%
9	35%
10 and above	40%

To determine the rate of betterment to be applied, the age of **Your Motorcycle** will be calculated based on when it was originally registered in Malaysia:

a. as a locally assembled Motorcycle	Date of Original Registration
b. as a new imported Completely Built Unit (CBU) Motorcycle	Year of Manufacture
c. as an imported second-hand/used/reconditioned Motorcycle	Year of Manufacture

g. Compulsory Excess (please see page 4 for explanation)

In addition to the **Excess** shown in the **Schedule**, **We** have the right to deduct the **Excess** from the amount that **We** would have to make for each and every claim under Section A arising out of one **Incident**.

This **Excess** does not apply if the loss or damaged is caused by fire, explosion, lightning, burglary, housebreaking, theft, third party property damage or bodily injury claims.

3. Towing Costs

If **Your Motorcycle** cannot be ridden as a result of any damage to it that is covered by this **Certificate**, **We** will pay up to a maximum of RM50 for the necessary and reasonable costs to remove **Your Motorcycle** to the nearest **Approved Repairer** or to a safe place of storage while awaiting repair or disposal.

Section B: Liability to Third Parties

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

1a: What is Covered?

You and / or **Your Authorised Rider** will be indemnified for the amount which **You** and / or **Your Authorised Rider** 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 Motorcycle** on a **Road**. This cover is extended to **Your Authorised Rider** provided **Your Authorised Rider** 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.

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 Rider** is charged for reckless and dangerous riding or careless or inconsiderate riding 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 Rider** 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 Rider**.

5: Rights of Recovery

We have a right to refuse to make **You** any indemnity or **Your Authorised Rider** 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 make 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 make, **We** have the right to ask **You** or **Your Authorised Rider** 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?

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 **Pillion Rider** 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 Rider**;

*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 or 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.*

- (iii) damage to property belonging to or in the custody of or control of or held in trust by **You** or **Your Authorised Rider** and / or any member of **Your** or **Your Authorised Rider's Household**;
- (iv) liability to any person being carried in or upon or entering or getting onto or alighting from **Your Motorcycle** unless he / she is required to be carried in or on **Your Motorcycle** by reason of or in pursuance of his / her contract of employment with **You** or **Your Authorised Rider** and / or his / her employer;

*In pursuance of the contract of employment – The **Pillion Rider** 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 Pillion other than:

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

*may be covered separately for additional contribution under **Endorsement 108**. If **You** have covered such liability, **You** will need to refer to the full text of **Endorsement 108: Legal Liability to Pillion** as to what this **Endorsement** covers or excludes and the applicable conditions.*

- (v) liability caused by a **Pillion Rider** travelling in or alighting from **Your Motorcycle**;
- (vi) any claims brought against **You** by any rider of **Your Motorcycle**, whether authorised or not;
- (vii) death of bodily injury to any person or damage to property caused or arising outside the limits of any carriageway or thoroughfare in connection with the loading onto and unloading from **Your Motorcycle**;
- (viii) any claims brought against any person in any country in courts outside Malaysia, the Republic of Singapore or Negara Brunei Darussalam; and/or
- (ix) 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 Motorcycle** for a continuous period of twelve (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	15%
After 2 continuous claim free years	20%
After 3 continuous claim free years	25%

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 Motorcycle** 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 Sections A1b (see page 6) and B1b (see pages 8 to 9).

1. Unlicensed Drivers

There is no cover under this **Certificate** if **You** or **Your Authorised Rider** do not have a valid driving licence to ride **Your Motorcycle**. This will not apply if **You** or **Your Authorised Rider** 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 Rider** 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 Rider** are incapable of having proper control of **Your Motorcycle**.

***You** or **Your Authorised Rider** shall be deemed as incapable of having proper control of **Your Motorcycle** 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 Rider** is higher than the prescribed limit pursuant to Section 45G(1) of the Road Transport (Amendment) Act 2020 of 50mg 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 pay 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 Rider** use **Your Motorcycle** 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 Motorcycle** was being used.

5. Use for Racing etc.

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

- a. practise for or to take part in any motor sport, competition (other than treasure hunt), rally, pacemaking, reliability trial or speed test; or
- b. 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(c)** or **24(d)**).*

6. Use Outside Malaysia

Unless this **Certificate** provide otherwise, this Takaful does not cover **You** in respect of claims arising whilst **Your Motorcycle** was being used or ridden outside Malaysia, the Republic of Singapore and Negara Brunei Darussalam. In Malaysia, the coverage under this **Certificate** is governed by the Road Transport Act 1987 and the terms and conditions of this **Certificate**, and the coverage 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 Motorcycle** in Thailand or Kalimantan only if **You** obtain the prescribed extension cover (**Endorsements 101 and 102**).*

7. Failure to take Precaution

We will not pay for any additional damages if after an **Incident** or breakdown **You**:

- a. left **Your Motorcycle** unattended or failed to take proper precaution to prevent further loss or damage; or
- b. continue to ride **Your Motorcycle** in an unroadworthy condition before any repair is done.

We will also not pay for claims that arise if, when using **Your Motorcycle**, **You** do not take reasonable precaution to keep **Your Motorcycle** secured. This includes but is not limited to leaving **Your Motorcycle** unattended while unlocked or with ignition key left in or on **Your Motorcycle**.

8. 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.

*For an additional contribution, **Your Certificate** can be extended to cover strikes, riots and civil commotion (**Endorsement 25**).*

9. 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.

10. Convulsions of Nature

There is no cover (unless specifically obtained) for any loss, damage or liability caused by flood, typhoon, hurricane, storm, tempest, volcanic eruption, earthquake, landslide, landslip, subsidence or sinking of the soil/earth or other convulsions of nature.

*For an additional contribution, **Your Certificate** can be extended to cover flood, typhoon, hurricane, storm, tempest volcanic eruption, earthquake, landslide, landslip, subsidence etc. (**Endorsement 57**).*

11. 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.

12. Unauthorised Rider

We will not pay for any **Incident**, loss, damage or liability caused, sustained or incurred whilst **Your Motorcycle**, in respect of which indemnity is provided by this **Certificate**, is being ridden by any person other than an **Authorised Rider** or person riding 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 the **Certificate** 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 Rider** 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** have a duty to take reasonable care not to make a misrepresentation in answering the questions in the Proposal 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 remedies 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 Proposal 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** 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 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 Proposal 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 contribution not made;
- 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 make because of any relevant road traffic legislation, plus any recovery cost.

2. Accidents and Claims Procedures

If **Your Motorcycle** 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.
- e. Send **Your Motorcycle** to an **Approved Repairer** so that **We** can inspect **Your Motorcycle** before **We** give approval to proceed with repairs or take reasonable action to safeguard **Your Motorcycle** from further loss or damage. Failure to remove **Your Motorcycle** to an **Approved Repairer** would be a breach of this condition and **Your Motorcycle** will not be covered under Section A of the **Certificate**.

- f. You must obtain **Our** consent in writing before **You** repair **Your Motorcycle** or incur any expenses in connection with a claim under this **Certificate**.

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 Rider's** name and/or on **Your** behalf, any claims made against **You** or **Your Authorised Rider** by a third party. If in **Our** assessment the third party claim made against **You** or **Your Authorised Rider** for property damage will exceed the limit of liability of RM3 million, the full amount of **Our** liability will be pay 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 participant.*

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 **Original 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 return of contribution if no claim was incurred prior to cancellation. **Your** return will be the difference between the total contribution and **Our** customary short-period rates calculated for the time **Your Motorcycle** was covered until the date **We** received the **CT** or SD:

Period of Takaful	Return 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 return of contribution allowed

- The **Certificate** will automatically lapse once **You** sell or dispose off **Your Motorcycle** because **Your** permissible takaful interest in the **Motorcycle** 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** with a valid reason, 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 return 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 return of contribution for any cancellation of **Certificate** (either by **You** or by **Us**) if **You** have made the **Minimum Contribution** only or if a claim has been made on this **Certificate**.

4. **If there is More Than One Takaful or Insurance Covering the Same Motorcycle**

- a. **You** must inform **Us** in writing if **You** have taken out any other takaful or insurance in respect of **Your Motorcycle** 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(s) or insurance policy(ies) taken by **You**, **We** will only contribute **Our** rateable proportion of the whole loss. **We** will not be liable to make the claim first and then seek recovery from the other co-takaful operators or insurers who is/are also liable for the loss.

This clause is not applicable to Endorsement 200 – Personal Accident Basic as Condition 4 relates only to “The **Motorcycle**”.

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 there are differences or disputes on any matters relating to this **Certificate** involving amounts exceeding RM250,000, an Arbitrator shall be jointly appointed by **You** and **Us** in writing to resolve the differences or disputes. If no agreement is reached on who is to be the Arbitrator within one month of being required to do so then **You** and **We** shall be entitled to appoint an Arbitrator each. Both Arbitrators shall then proceed to hear the difference or dispute together with an Umpire to be jointly appointed by them. If the Arbitrators cannot agree on an Umpire within thirty (30) days, then the Asian International Arbitration Centre shall appoint an Umpire.

If the disputed sum is less than RM250,000, **You** may refer the matter to the **Ombudsman for Financial Services** to resolve the dispute.

7. **Other Matters**

We will only be liable to pay **You** any indemnity under this **Certificate** if **You**:

- a. Comply with all the terms and conditions of this **Certificate**. These conditions are also applicable to **Your Authorised Rider** and any legal representative who seek assistance under this **Certificate**;
- b. Maintain **Your Motorcycle** 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 Motorcycle**;
- 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 Rider** 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 Motorcycle** unattended while unlocked or with ignition keys left in or on **Your Motorcycle**; and
- d. Make **Your Motorcycle** 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.

9. **Sanction**

Notwithstanding any other terms under this agreement, **We** shall not be deemed to make any payments or provide any service or benefit to any participant or other party to the extent that such cover, payment, service, benefit and/or any business or activity of the participant would violate any applicable trade or economic **sanctions** law or regulation under the **sanctions** regimes of **UNSC**, **MOHA**, and **OFAC**.

10. **Surplus Sharing**

We will manage **Your** takaful contributions by charging a Wakalah Fee as approved by the regulatory authorities under the model of Wakalah, and subsequently continue to invest into Takaful fund through a special account known as the **GRIA**. If at end of the **Period of Takaful** stated in the **Schedule** attached to the **Certificate**, there is a net surplus in **GRIA**, the net surplus shall be shared at 50:50 ratio between **Us** and Participants that have not incurred any claim and/or not received any benefits under the same class of risk as stated in the aforesaid **Schedule** whilst the **Certificate** is in force.

11. **Tax Provision**

All contribution and fees that should be made under this **Certificate** may be subject to **Tax**. If **Tax** is imposed, it will be stated in the invoice and **We** reserves the right to claim or collect the **Tax** from **You** in addition to the contribution and/or fees that should be made under this **Certificate**.

12. **Treatment of Small Amount**

Small Amount shall mean any amount below Ringgit Malaysia Ten (RM10) arises from contribution excess, cancellation, surplus distribution or claims that are to be made other than by way of electronic payment. The Small Amount shall be channeled to charity. However, if **You** decide otherwise, **You** are required to submit a formal request to **Us**.

We may review the applicability of the above stated small amount and any change to the amount will be subjected to **Our** Shariah Committee approval.

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. **Accessories**

This refers to the standard factory-fitted tools of the **Motorcycle** including air-conditioners and spare tyres and may include radio / cassette player / compact disc player and the like if specified in the **Schedule**.

2. **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.

3. **Adjuster**

This refers to a person or entity registered under the Islamic Financial Services Act 2013 who is appointed by **Us** to investigate the cause and circumstances of a loss and to determine the amount of loss.

4. **Approved Repairer**

This shall mean:

- a. motor repair workshops approved by **Us**;
- b. any **Repairer** that **We** have given **You** a special permission to use.

5. **Authorised Rider**

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

6. **Certificate**

Certificate includes the **Schedule**, the **Certificate of Takaful** and all **Endorsements** specifically listed in the **Schedule**.

7. **Certificate of Takaful (CT)**

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.

8. **Cheating**

This follows the meaning as defined under Section 415 of the Penal Code which is as follows:

Whoever by deceiving any person, whether or not such deception was the sole or main inducement:

- a. fraudulently or dishonestly induces the person so deceived to deliver any property to any person, or to consent that any person shall retain any property; or
- b. intentionally induces the person so deceived to do or omit to do anything which he would not do or omit to do if he were not so deceived and which act or omission causes or is likely to cause damage or harm to any person in body, mind, reputation, or property, is said to “cheat”.

9. **Criminal Breach of Trust**

This follows the meaning as defined under Section 405 of the Penal Code which is as follows:

Whoever, being in any manner entrusted with property, or with any dominion over property either solely or jointly with any other person, dishonestly misappropriates, or converts to his own use, that property, or dishonestly uses or disposes of that property in violation of any direction of law prescribing the mode in which such trust is to be discharged, or of any legal contract, express or implied, which he has made touching the discharge of such trust, or wilfully suffers any other person so to do, commits “criminal breach of trust”.

10. **Endorsement**

This refers to the document that **We** issue to **You** to confirm any changes or extensions of the coverage to the basic **Certificate**.

11. **Excess**

This refers to the amount that must be borne by **You** first for each claim. The amount of the **Excess** is shown in the **Schedule**. **You** have to pay the **Excess** irrespective of who is at fault in the **Incident**.

12. **Household**

This refers to all members of **Your** or **Your Authorised Rider’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 Rider**, in the case of his immediate family.

13. **General Risk Investment Account (GRIA)**

This refers to a fund established to pool portion of contributions made by participants, on the basis of Tabarru’ for the purpose of meeting claims associated with events or risks specified in this **Certificate**. This fund is collectively owned by all participants.

14. **Incident**

Any event which could lead to a claim under this **Certificate**.

15. **Limitations as to Use**

According to **Your Certificate of Takaful (CT)**, **Your Motorcycle** 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”.

16. **Market Value**

This refers to the reasonable cost to buy another **Motorcycle** of the same make, model, age and general condition similar to **Your Motorcycle** at the time of loss. The **Market Value** of **Your Motorcycle** at the time of loss would be determined according to the terms of the option that **You** had chosen at the time **You** obtained this takaful. If **You** had opted for a **Market Valuation System** to determine **Your Sum Covered** then the **Market Value** would be based on that valuation system as described in clause 17 below. However, if **You** had not opted for a **Market Valuation System** then the **Market Value** of **Your Motorcycle** in the event of dispute would be determined by the Head Office of the **Motorcycle** franchise-holder and this value should be equal to the cost of purchasing a replacement car of the same make, model and age of **Your Motorcycle** at the time of loss. If this valuation is not available or appears in **Our** opinion to be unduly low or high then valuation will be determined by an **Adjuster**, agreed by both **You** and **Us**.

17. **Market Valuation System**

This refers to the motor vehicle **Market Valuation System** approved by Persatuan Insurans Am Malaysia (PIAM) to determine the **Market Value** of **Your Motorcycle** at the time **You** obtained/renewed this **Certificate** as well as at the time of the loss. **You** can opt to use the valuation recommended by this system as the **Sum Covered** to avoid the consequences of under-coverage as described in Section A2e. Alternatively, **You** may choose to determine the **Sum Covered Yourself** but **You** would be subject to Section A2e if **You** are under-covered.

18. **Minimum Contribution**

The minimal contribution described in the **Schedule**.

19. **MOHA**

Shall mean Ministry of Home Affairs.

20. **Motorcycle**

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**.

21. **OFAC**

Shall mean Office of Foreign Assets Control.

22. **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.

23. 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.

24. Pillion

Pillion means a pillion rider who is a person seated in the pillion seat of the **Motorcycle**.

25. 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, roundabouts, 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".

26. Schedule

This document shows **Your** name and address, the **Period of Takaful**, the sections of this **Certificate** which apply, the contribution **You** have made, the **Motorcycle** which is covered, the **Sum Covered** and details of any extensions or **Endorsements**.

27. Sum Covered

This is the maximum that **We** will pay **You** for a claim under Section A. This amount is shown in the **Schedule**. The **Sum Covered** must be sufficient to cover the cost to replace **Your Motorcycle** in the event of an **Incident** that completely destroys it.

28. Tax

Tax shall mean any present or future, direct or indirect, **Tax**, levy or duty, including consumption **Tax** or any tax of similar nature, which is imposed on goods and services by government or **Tax** authority.

29. UNSC

Shall mean United Nations Security Council.

30. We, Our, Us

This refers to Zurich General Takaful Malaysia Berhad that is issuing **You** this **Certificate** representing the participants of **GRIA**.

31. You, Your, Yourself

This refers to the participant or person described in the **Schedule** as "the Participant".

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

*The following is a list 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 making additional contribution. Note that only **Endorsements** with their numbers specifically printed in the **Schedule** shall apply to this **Certificate**.*

Endorsement 3q: Third Party, Fire and Theft Takaful (please see page 2 "What is Covered?")

The cover that **You** have chosen for **Your Motorcycle** is called 'Third Party, Fire and Theft' Takaful. This means that the cover provided to **Your Motorcycle** under Section A is limited to any loss or damage caused by fire, explosion, lightning, burglary, housebreaking or theft only. For that reason, all the remaining covers under Section A1a are deleted and Section B coverage has been participated and is available to **You**.

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 proposal and declaration dated [state date] shall be the basis of this contract.

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

Endorsement 15: Hire Financing

We note that **Your Motorcycle** is under a Hire Financing agreement with the Financing company named in the **Schedule** as the Financiers. **You** unconditionally agree that the payment of any claim under Section A by **Us** by way of a cash payment shall be made to the Financiers as long as they remain as the Financier of **Your Motorcycle** at the time of the **Incident**. The receipt from the Financiers will fully discharge **Us** from any further claims or liability in respect of such loss or damage. For all other purposes **You** are the principal party under this **Certificate** and not an agent or trustee for the Financiers and that **You** have not assigned **Your** rights, benefits and claims under this **Certificate** to the Financiers. **You** cannot assign **Your** rights, benefits and claims under this **Certificate** to anybody without **Our** written consent.

Endorsement 15(a): Employer's Financing/Loan

We note that **Your Motorcycle** was bought under an Employer's Financing/Loan agreement. **You** unconditionally agree that the payment of any claim under Section A by **Us** by way of a cash payment shall be made to the Employer named in the **Schedule** as long as the financing remains outstanding at the time of the **Incident** giving rise to a claim. The receipt from the Employer will fully discharge **Us** from any further claims or liability in respect of the **Incident**.

Other than the above, **Our / Your** rights and liabilities under this **Certificate** are not affected.

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 24(c): Reliability Trials, Competitions etc.

In consideration of the additional contribution that **You** made for this endorsement, **We** agree that the takaful provided under this **Certificate** shall cover **Your Motorcycle** while it 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 24(d): Reliability Trials, Competitions etc. (Third Party Cover Only)

Pursuant to the additional contribution that **You** paid, the takaful provided under Section B of this **Certificate** shall cover legal liability while **Your Motorcycle** 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 25: Strike, Riot and Civil Commotion

In consideration of the additional contribution that **You** made for this endorsement, **We** agree that the takaful provided under Section A of this **Certificate** shall cover loss or damage to **Your Motorcycle** caused by:

- the wilful act of any striker or locked out worker to further a strike or to resist a lock out;
- the act of any person taking part together with others in disturbance of the public peace (whether in connection with a strike or lock out or not); and
- the action of any lawfully constituted authority in preventing, suppressing or attempting to prevent or suppress any of these acts or in minimising the consequences of them.

This endorsement does not cover:

- civil war, war, invasion or acts of foreign enemy hostilities or warlike operations (whether war is declared or not);
- revolution, rebellion or civil disturbance amounting to a popular uprising; and
- Act of Terrorism**.

It also does not cover any loss, damage or liability directly or indirectly, proximately or remotely caused by or contributed to or traceable to or arising out of or in connection with the above stated exceptions.

Endorsement 57: Inclusion of Special Perils

In consideration of the additional contribution that **You** made for this endorsement, **We** agree that the takaful provided under Section A of this **Certificate** will cover loss or damage to **Your Motorcycle** caused by flood, typhoon, hurricane, storm, tempest, volcanic eruption, earthquake, landslide, landslip, subsidence or sinking of the soil / earth or other convulsions of nature.

Endorsement 87: Agreed Value Clause

The Agreed Value shown in the **Schedule** is the maximum amount that **We** will pay for **Your Motorcycle**, less any **Excess** (if applicable) if **Your Motorcycle** is stolen or totally destroyed.

We and **You** have agreed at the commencement of this **Certificate** to use this value as the basis of settlement provided **We** are liable to pay for such loss or destruction under the terms and conditions of this **Certificate**. The **Market Value** of **Your Motorcycle** at the time of the loss will not be taken into account.

Endorsement 95: Leasing Agreement

We note that **Your Motorcycle** is under a Leasing Agreement with the Leasing company named in the **Schedule** as the Lessors. **You** unconditionally agree that the payment of any claim under Section A by **Us** by way of a cash payment shall be made to the Lessors as long as the Leasing Agreement remains valid at the time of the **Incident**. The receipt from the Lessors will fully discharge **Us** from any further claims or liability in respect of such loss or damage. For all other purposes, **You** are the principal party under this **Certificate** and not as an agent or trustee for the Lessors and **You** have not assigned **Your** rights, benefits and claims under this **Certificate** to the Lessors. **You** cannot assign **Your** rights, benefits and claims under this **Certificate** without **Our** written consent.

Endorsement 97: Separate Cover for Accessories fixed to Your Motorcycle

In consideration of the additional contribution that **You** made for this endorsement, **We** agree that the takaful provided under Section A of this **Certificate** shall cover the non-standard **Accessories** specified in the **Schedule**. The maximum amount that **We** will pay under this endorsement is the amount mentioned in the said **Schedule** under the heading ‘**Endorsement 97**’.

If **Your** claim is for the **Accessories** only and no other damages, **We** will not deduct any **Excess** and **You** will not lose **Your** No Claim Discount entitlement.

This cover is terminated on the date **Your** claim is settled under this endorsement. To restore this cover **You** must make additional contribution to **Us** for the renewed cover.

Endorsement 101: Extension of Cover to the Kingdom of Thailand

Pursuant to the additional contribution that **You** made, the Takaful provided under Section A and Section B1a(ii) of this **Certificate** shall cover **Your Motorcycle** while it is being used in the Kingdom of Thailand from the inception date 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 Motorcycle** is being used in the Kingdom of Thailand.

Endorsement 102: Extension of Cover to Kalimantan

In consideration of the additional contribution **You** made for this endorsement, 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 108: Legal Liability to Pillion

In consideration of the additional contribution that **You** made **Us** for this endorsement, **You** or **Your Authorised Rider's** liability will be made to any person being carried upon or getting onto or alighting from **Your Motorcycle** except for:

- a. death or bodily injury to any **Pillion** 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 Rider**;
- c. damage to property belonging to or in the custody of or control of or held in trust by **You** or **Your Authorised Rider** and/or any member of **You** or **Your Authorised Rider's Household**;
- d. liability to any person who is a member of **You** and/or **Your Authorised Rider's Household** who is a **Pillion** on **Your Motorcycle** unless he/she is required to be carried on **Your Motorcycle** by reason of or in pursuance of his/her contract of employment with **You** or **Your Authorised Rider** and/or his/her employer.
- e. liability caused by a **Pillion** travelling on or alighting from **Your Motorcycle**;
- f. any claims brought against **You** by any rider of **Your Motorcycle**, whether authorised or not;
- g. death or bodily injury to any person or damage to property caused or arising outside the limits of any carriageway or thoroughfare in connection with the loading onto and unloading from **Your Motorcycle**;
- h. any claims brought against any person in any country in courts outside Malaysia, the Republic of Singapore or Negara Brunei Darussalam; and/or
- i. 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 Motorcycle** is carrying **Pillion** in excess of the stated maximum number permitted by law, **Our** liability shall be limited to the number of **Pillion** specified for the vehicle as registered at the Road Transport Department.

If the number of **Pillion** 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 **Pillion** over the actual number of **Pillion(s)** carried, at the time of the **Incident**. The difference between the sum paid by **Us** and the claim to be paid to each **Pillion** claimant shall be borne by **You** or **Your Authorised Rider**:

Number of **Pillion** permitted by law _____ X Total Claim Awarded
Actual number of **Pillion(s)** carried at time of **Incident**

Endorsement 109: Extension of Cover for Ferry Transit to and/or from Sabah and the Federal Territory of Labuan

In consideration of the additional contribution that **You** made for this endorsement, **We** agree that the takaful provided under Section A of this **Certificate** shall cover loss or damage to **Your Motorcycle** when in transit to and / or from Sabah and Federal Territory of Labuan.
You must bear the first 1% of the **Sum Covered** or RM500 (whichever is higher) for each and every claim arising out of one transit for every claim payable under this endorsement. **We** have the right to deduct this amount in addition to the **Excess** mentioned in the **Schedule** of this **Certificate**.

Endorsement 113: Reference to Motor Vehicle Market Valuation System

This refers to the motor vehicle **Market Valuation System** approved by Persatuan Insurans Am Malaysia (PIAM) to determine the **Sum Covered** of **Your Motorcycle** at the time **You** obtained this takaful as well as the **Market Value** at the time of the loss.

When a claim is made, the **Market Value** of **Your Motorcycle** would be determined by the (name of motor vehicle **Market Valuation System**) and this value would be accepted as the cost of purchasing a replacement motorcycle of the same make, model and age of **Your Motorcycle** at the time of loss.

If no **Market Value** is available from the (name of motor vehicle **Market Valuation System**) for **Your Motorcycle**, the **Market Value** of the **Motorcycle** would be determined by an **Adjuster** agreed to by both **You** and **Us**.

The valuation done by the (name of motor vehicle **Market Valuation System**) or **Adjuster** will be conclusive evidence in respect of the **Market Value** of **Your Motorcycle** in any legal proceedings against **Us**.

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

Endorsement 200: Personal Accident Basic (Non-Tariff)

In consideration of the additional contribution that **You** made to **Us** for this endorsement, **We** will pay the amount as stated in the **Schedule** if **You** sustain **Bodily Injury** whilst riding on **Your Motorcycle** resulting in death within twelve (12) months from the date of accident.

If **Bodily Injury** does not result in death within twelve (12) months from the occurrence of the accident but result in any of the following losses within the said twelve (12) months, whichever occurs first, **We** will pay up to the amount as stated in the **Schedule** for:

- Injuries resulting in being permanently bedridden.
- Any other injuries causing **Permanent Total Disablement**
- Total and irrecoverable loss of sight in one eye.
- Total loss of use or physical severance of one hand or one foot.

Definition

Bodily Injury shall mean **Bodily Injury** sustained in accident directly and independently of all other causes.

Permanent Total Disablement shall mean disablement that result solely, directly and independently of all other causes from **Bodily Injury** and which occurs within three hundred sixty-five (365) consecutive days will in all probability entirely prevent the person from engaging in employment of any and every kind for the remainder of his/her life and from which there is no hope of improvement.

Exclusions

We will not pay if the death, disablement, injury or loss caused directly or indirectly by:

- a) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, self-inflicted injury, suicide (whether felonious or not) or any attempt thereat, provoked assault, deliberate exposure to exceptional danger (except in an attempt to save human life), **You/Authorised Rider/Pillion** criminal act, intoxication, drugs or insanity and in the event of any claim hereunder **You** shall prove that the claim arose independently of and was in no way connected with or occasioned by or contributed to by or traceable to any of the said occurrences or any consequences thereof and in default of such proof **We** shall not be liable to pay any payment in respect of such a claim;
- b) any pre-existing physical defects or infirmity, fits of any kind, disease or sickness of any kind;
- c) childbirth, miscarriage, abortion, pregnancy or any complications thereof unless caused solely and directly by the accident to **You/Authorised Rider/Pillion** while riding, alighting or boarding **Your Motorcycle**;
- d) ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear. For the purpose of this exclusion only, combustion shall include any self-sustaining process of nuclear fission;
- e) to any person while the **Motorcycle** is used for hire, racing, road rally, pace-making, speed-testing or used for any purpose in connection with motor trade;
- f) while the **Motorcycle** is used for illegal business pursuit as an unlicensed common carrier.

Endorsement 264: Free Helmet Replacement (only applicable to Comprehensive Motorcycle Certificate) (Non-Tariff)

We agree that the takaful provided under Section A of this **Certificate** will cover the cost to replacing your damaged helmet caused by accident and/or collision. This benefit is only applicable with **Your Motorcycle** Own Damage claim and does not cover loss due to fire, explosion, lightning, burglary, housebreaking, theft, third party property damage or bodily injury claims.

The maximum amount that **We** will pay under this endorsement is the amount mentioned in the **Schedule** under the heading '**Endorsement 264**'.

This benefit is limited to one (1) claim per **Period of Takaful**. **You** must provide **Us** a copy of the police report of the **Incident**, original receipt for the expenses incurred and photographs of the damaged helmet.

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

LODGING COMPLAINT & GRIEVANCE

If **You** have any complaint of unfair market practices by the company, **You** may call or write to:

Zurich General Takaful Malaysia Berhad

Level 23A, Mercu 3, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur, Malaysia.

Call Centre: 1-300-888-622 Tel: 03-2109 6000 Fax: 03-2109 6888 E-mail: callcentre@zurich.com.my

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.

Tel: 603-2272 2811 E-mail: enquiry@ofs.org.my Website: www.ofs.org.my

BNMLINK (Bank Negara Malaysia Laman Informasi Nasihat dan Khidmat)

4th Floor, Podium Bangunan AICB, No. 10, Jalan Dato' Onn, 50480 Kuala Lumpur.

Tel: 1-300-88-5465 (LINK) E-mail: bnmlink@bnm.gov.my Website: bnmlink.bnm.gov.my

IMPORTANT

You shall read this **Certificate** carefully, and if any error or mis-description be found herein, or if the cover be not in accordance with **Your** wishes, advice should at once be given to **Us** and the **Certificate** returned for attention.

The benefit(s) payable under this product is (are) protected by PIDM up to limits. For more information, please refer to PIDM's Takaful and Insurance Benefits Protection System brochure on **Our** website www.zurich.com.my or on PIDM's website www.pidm.gov.my.

Zurich General Takaful Malaysia Berhad

Registration No.201701045981 (1260157-U)

Level 23A, Mercu 3, No.3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur, Malaysia.

Tel: 03-2109 6000 Fax: 03-2109 6888 Call Centre: 1-300-888-622

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