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# PRIVATE MOTORCYCLE TAKAFUL PRODUCT WORDING

## INTRODUCTION

This is a Contract between **TAKAFUL BRUNEI AM SDN BHD** and **YOU**.

You have applied for this Contract with an Application Form for Motorcycle Takaful and by signing a declaration therein. In return for the Contribution, We will cover You against loss, damage or legal liability arising during the Period of Takaful.

### TYPES OF COVER

#### **Comprehensive**

##### **Cover**

If You have applied for Comprehensive Cover in the Application Form for Motorcycle Takaful, the whole of the contents of this Product Wording is applicable to You.

### Third Party Cover

If You have applied for Third Party Cover only in the Application Form for Motorcycle Takaful, the applicable provisions of this Product Wording are: -

- i. Sections 2 and 4
- ii. Meaning of Words
- iii. General Exclusions
- iv. General Conditions
- v. Endorsements (where specified)

### **Conditions Precedent to Our Liability under this Contract**

The due observance and fulfilment of the terms of this Contract insofar as they relate to anything to be done or not be done by You and the truth of the statements and answers in the Application Form and Declaration for Motorcycle Takaful shall be conditions precedent to any liability by Us to make any payment of benefit under this Contract.

In addition, You shall co-operate fully with Us and will fully and faithfully disclose all material facts and matters You know or ought to know and will upon request execute any document to empower Us to obtain relevant information, at Your own expense.

**Time of Payment of Contribution**

- i. The Contribution must be paid to Us or to Our authorised agent(s) at the time of issue of the cover note, Contract, the Personal Certificate, Endorsement(s) and renewal (as the case may be) UNLESS You are given a specific grace period by Us.
- ii. If You are given a grace period for payment of the Contribution and the Contribution is not paid to Us within that grace period the Contract, if it has come into effect will be automatically cancelled and We are entitled to claim pro-rata Contribution from You for the Period of Takaful We were on risk.

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## MEANING OF WORDS

Certain words in this Product Wording or Your Personal Certificate issued have meanings shown below. Each time We use one of these words, it will have the same meaning.

1. **Accident** means an unexpected and unintentional event that is violent, visible and external in relation to Your Motorcycle.
2. **Application Form** means the proposal, application or questionnaire form (including any declarations, statements and disclosures made thereunder) completed and made by or for You, whether in person, online, over the phone or otherwise.
3. **Contract** means the Application Form, Personal Certificate, Product Wordings and any Endorsements.
4. **Contribution** means the sum(s) specified as takaful Contribution in Your Personal Certificate.
5. **Endorsement** means authorised variation or amendment to Your Contract.
6. **Excess** means the initial amount each and every claim under the Contract that You must bear, irrespective of who is at fault in the relevant Accident. The amount of the Excess and type of Excess is shown in Your Personal Certificate.
7. **Mechanical Breakdown** means breakdown due to defects in materials or faulty workmanship and does not include damage due to negligence, damage caused by an Accident or the gradual reduction in operating performance due to wear and tear.
8. **Motorcycle** means the Motorcycle described in Your Personal Certificate and includes the manufacturer's standard options and accessories fitted to it that are specifically listed in Your vehicle registration book (Blue Card).
9. **Personal Certificate** means the Personal Certificate that shows Your personal details, details of Your cover, Endorsements, and Contribution. The Personal Certificate is issued to You with Your Product Wording.
10. **Period of Takaful** means the period in which You are covered for and is shown in Your Contract and may include any extension(s) thereof as may be granted at Our discretion.
11. **Product Wording** means the specific terms, conditions, and coverage details outlined in Your Contract.
12. **Surplus** means the surplus of Contributions over claims and expenses in a takaful fund, which may be distributed among participants or retained for future claims.
13. **Tabarru'** means the portion of the Contribution paid by participants that is donated to the Takaful fund to help other participants in need.
14. **Third Party** means a person or persons who make(s) a claim or claims against You under this Contract.
15. **Wakalah** means a contract where You appoint Us as Wakeel (agent) to administer, manage, invest and distribute the Takaful Fund in the event of claim and You agree to give Wakalah Fee for the services.
16. **You / Your** means the participant named in the Personal Certificate.
17. **We / Our / Us** means Takaful Brunei Am Sdn Bhd

## YOUR COVER

### SECTION 1 - LOSS OR DAMAGE TO YOUR MOTORCYCLE

#### What You are covered for

We will cover You for loss or damage of/to Your Motorcycle: -

<b>Accidental Collision</b>	i)	From Accidental collusion or Accidental overturning;
	ii)	From collusion or overturning caused by Mechanical Breakdown;
<b>Fire</b>	iii)	Due to fire or fire caused by external explosion or self-ignition or lightning;
<b>Theft</b>	iv)	Due to theft of Your Motorcycle or any standard and original accessories but expressly excluding personal property or belongings AND PROVIDED THAT in the case of theft of the whole Motorcycle, We must be satisfied that:
	a.	You have reported the theft of Your Motorcycle to the police;
	b.	Your Motorcycle cannot be recovered
<b>Malicious Act</b>	v)	As a result of malicious act; and
<b>In Transit</b>	vi)	Whilst in transit (including loading and unloading) by lift, elevator, road, rail, inland waterways but expressly excluding any sea route.

#### What You are not covered for

You are not covered for: -

- i. anything stated or mentioned in the General Exclusions of this Product Wording;
- ii. anything an Endorsement says is not covered;
- iii. wear, tear and depreciation;
- iv. loss of value of Your Motorcycle;
- v. any loss of use;
- vi. mechanical, electrical, electronic, computer failures or breakdowns or breakages;
- vii. damage to tyre(s) from braking, punctures, cuts or bursts unless the tyre(s) is/are damaged in an accident covered by this Contract;
- viii. loss or damage to accessories which are not standard and original accessories;
- ix. loss of or damage to radio, telephone(s) or two-way radio transmitter(s) or receiver(s);
- x. loss of Your Motorcycle or standard and original accessories due to and from any act of dishonesty;
- xi. loss or damage to Your Motorcycle due to any unlawful act including from offences in contravention of the Customs Act, Cap 36, Laws of Brunei and the Road Traffic Act, Cap 68, Laws of Brunei and its subsidiary legislations;
- xii. loss or damage from Your Motorcycle being left unlocked or where the keys or other device(s) are left in or about Your Motorcycle or where the keys or other device(s) are left where they could easily be stolen or taken away;

- xiii. loss or damage arising from Your Motorcycle being filled with wrong fuel;
- xiv. loss of Your Motorcycle to anyone who has agreed to purchase it but who subsequently, failed to pay for it whether in full or in part;
- xv. any additional damage from Your Motorcycle being moved after an accident or fire;
- xvi. any other consequential loss; or
- xvii. any loss or damage caused by or attributed to the act of criminal breach of trust by any person within the meaning of the definition of the offence of criminal breach of trust as set out in the Penal Code, Cap 22, Laws of Brunei.

## **TERMS FOR SECTION 1**

### **Excesses/Excess**

You must pay towards a claim the accidental damage excess or the territorial limit excess specified in Your Personal Certificate.

### **Territorial Limit Excess**

In the event of accident occurring outside Brunei Darussalam and Your Motorcycle is being repaired in that country/ territory, an additional excess of B\$500.00 will apply for each and every claim.

### **Fire or Theft**

In the event of claim caused by fire, theft or attempted theft or taking away without lawful authority leading to total loss or Your Motorcycle could not be found, an additional excess of B\$100.00 will apply.

### **Option for Repair**

We have the option to settle Your claim by repairing Your Motorcycle or paying in cash the amount of the loss or damage.

### **Option for Replacement of Parts**

We have the option to replace Your Motorcycle or any part(s) thereof or any or all (as the case may be) of the standard and original accessories or spare parts.

### **Maximum amount liable for repair/replacement**

In exercising Our option(s) for repair and replacement Our liability thereunder shall not exceed the market value of Your Motorcycle at the time of damage, loss or the amount stated as Your estimated value (sum covered) in the Schedule, whichever is lower.

### **Towing Charges**

Where Your Motorcycle is damaged under circumstances agreed under this Section, We will pay You any towing charges of up to a maximum amount of B\$50.00 to the nearest workshop or at Our option, to Your address as shown in Your Personal Certificate.

### **Hire Purchase or Ijarah (Leasing) Agreements**

If Your Motorcycle is the subject of a hire purchase or an Ijarah (leasing) agreement and We decide to pay in cash the amount of the loss or damage, payment will be made to the owner of the Motorcycle.

### **Payment for Theft of whole of the Motorcycle**

Payment for theft of the whole of Your Motorcycle shall only be made after one hundred and eighty (180) days have elapsed.

**Other Takaful Certificate/Insurance Policy**

If there is any other takaful certificate or insurance policy covering the same loss or damages as this Section, We will pay only Our share of any claim.

**SECTION 2 - LEGAL LIABILITY FOR PERSONAL INJURY AND DAMAGE TO THIRD PARTY PROPERTY****What You are covered for**

We will indemnify you for: -

**Your legal liability**

- i) You for the amount which You are legally liable to pay (Including any legal costs and expenses) from death or bodily injury to any Third Party resulting from an accident caused by or arising from the use of Your Motorcycle;
- ii) You for damage to property of the Third Party caused by or in connection with an accident involving Your Motorcycle to the limit of B\$100,000.00; and
- iii) in the same way as You, any person authorised by You to ride Your Motorcycle.

PROVIDED THAT such authorised rider: -

**Legal liability of Your Authorised Rider**

- a) shall as though Your Authorised Rider was the Participant, observe fulfill and be subject to the terms and conditions of this Contract (insofar as they apply);
- b) is not entitled to indemnity under any other takaful certificate/insurance policy; and
- c) is permitted under the relevant provisions of the Road Traffic Act, Cap 68, Laws of Brunei to ride Your Motorcycle.

**Cover for Legal Representative(s)**

Following the death of any person covered by this Contract, the legal personal representative(s) of that person for any legal liability covered by this Section PROVIDED THAT such legal personal representative(s) shall observe fulfill and be subject to the terms and conditions of this Contract (insofar as they apply).

### **What You are not covered for**

You are not covered for: -

- i. anything in the general exclusions of this Product Wording;
- ii. anything an Endorsement says is not covered;
- iii. liability to any passenger being carried for hire or reward;
- iv. liability incurred by any person covered under any other Takaful Certificate/insurance policy;
- v. liability to any person arising out of and in the course of employment;
- vi. liability to any person who being a member of Your or Your authorised rider's household who is a passenger or passengers in Your Motorcycle;
- vii. loss of or damage to property belonging to or held in trust or in the custody, care or control of You, Your authorised rider or any member of Your or Your authorised rider's household;
- viii. any contractual liability;
- ix. fines, penalties, punitive or exemplary damages;
- x. compensation for damages in respect of judgements not in the first instance delivered or obtained from Court of competent jurisdiction within Brunei Darussalam or Sabah or Sarawak or Wilayah Persekutuan Labuan; or
- xi. costs and expenses of litigation recovered by any claimant from You or Your authorised rider which are not incurred in and recoverable in Brunei Darussalam or Sabah or Sarawak or Wilayah Persekutuan Labuan.

## **SECTION 3 - NO CLAIM BONUS**

### **Your Bonus**

Provided no claim has been made during any Period of Takaful, Your No Claim Bonus will be increased in accordance with Our No Claim Bonus Scale applicable at the time You renew Your Contract.

### **Effect of making a Claim**

If You make one or more claim during the Period of Takaful, Your No Claim Bonus will be reduced when You renew Your Contract.

## **SECTION 4 - TERRITORIAL LIMITS AND USING YOUR MOTORCYCLE ABROAD**

### **Territorial Limits**

This Contract covers accidents caused by or arising out of the use of Your Motorcycle in Brunei Darussalam or Sabah or Sarawak or Wilayah Persekutuan Labuan.

### **Use of the Motorcycle outside the Territorial Limits**

There will be additional Contribution in the event You wish to bring Your Motorcycle for use outside the territories named above and PROVIDED THAT We agree to extend Your territorial limits.



## GENERAL CONDITIONS

We will only provide the cover described in this Contract if the following conditions are kept/met. Otherwise, You may lose the benefit of Your Contract or We may refuse to deal with Your claim.

### Changes in circumstances

You must inform Us in writing as soon as possible of any changes which may affect this Contract. No changes to Your Contract will be valid until We confirm to You in writing.

### Non-Disclosure of Facts

If proven where there is misrepresentation or non-disclosure of facts, this Contract shall become void and We will not be liable to pay the takaful benefit.

### Service Charge

In the event that the Contract is Endorsed or cancelled, We shall charge B\$10.00 per Contract.

### Treatment of Nominal Payment Amount

For the efficiency of the administration process, any payment amounts due to You which is less than B\$10.00 and has not been collected within 14 days, You hereby agree that the amount shall be made as Tabarru' (donation) in the Takaful Fund for the benefits of the takaful participants and the Takaful Fund itself

### Maintenance of Your Motorcycle

You must take all reasonable steps to protect Your Motorcycle from loss or damage and keep it roadworthy and in good repair. In the event of claim We will have the right to examine Your Motorcycle.

### Police Report

In the case of theft or other criminal act(s) which may give rise to a claim under this Contract, You shall give immediate notice to the police.

### Notification and Claim Procedure

You or Your legal representative must do the following when making a claim:

- i) inform Us as soon as possible, in any event not more than seven (7) working days from the date of the accident (excluding Saturday, Sunday and Public Holiday);
- ii) send Us any writ or summons and every relevant letter, claim or other document as soon as You receive it;
- iii) inform Us in writing as soon as You know of any future prosecution, inquest or fatal inquiry connected with any accident for which there may be a liability under this Contract;
- iv) give Us all the information, help and assistance We need.

You or Your legal representative must not: -

- i) admit or deny any claim made against You;
- ii) negotiate, pay or settle a claim without Our written permission.

We have the right to:

- i) take over and conduct in Your name the defence or settlement of any claim; and
- ii) try to get recoveries and compensation from anyone else at any time in Your name or in the name of anyone else claiming under this Contract.

**Right of Subrogation**

You shall, at Our expense and costs, do and concur in doing and permit to be done, all such acts and things as maybe necessary or reasonably required by Us for the purpose of enforcing any right and remedies, or of obtaining relief or indemnity from other parties to which We shall be or would become entitled or subrogated, upon Our payment for or making good any loss or damage under this Contract, whether such acts and things shall be or become necessary or required before or after Your indemnification by Us.

**Right of Recovery**

In the event that We pay a claim which is not covered by this Contract but by reason or the requirement of the relevant and applicable laws, We have the absolute right to recovery all sums paid (including costs) by Us from You or any other person who was liable.

We will not cover You for:-

- i) the cost of any legal expenses where You pursue or defend a case without Our agreement or against advice by the advocate and solicitor appointed by Us;
- ii) any claim where You are responsible for delay which We consider is prejudicial to the case;
- iii) any claim for which You have cover under another takaful certificate / insurance policy;
- iv) any claims relating to racing, rallies or competitions, the use by You of the Motorcycle for hire or reward or in connection with the Motor Trade; or
- v) anything in the general exclusions of this Contract.

**Cancellation of Contract**

This Contract may be cancelled:

- i) by You giving fourteen (14) days written notice to Us provided no claim has occurred in the current Period of Takaful. We shall retain in the General Takaful Fund the Contribution You have paid on a pro-rata basis in proportion to when this Contract was in force. The balance of the Contribution will be refunded to You after deduction of the Wakalah fee and service charge of B\$10.00 for the cancellation. Cancellation will take effect from the date the current Contract are received by Us;
  - ii) by Us giving fourteen (14) days written notice by registered post to You at Your last known address.
- If

You are entitled to a refund this will be given to You.

**Rateable Proportion**

We will not cover You for any loss, damage or liability covered under this Contract in the event that the same loss damage or liability is also covered by any other takaful certificate or insurance policy. Except that if we shall not be entitled to deny or exclude coverage under this condition then we shall only be liable to pay or contribute our rateable proportion of any claim, loss, damage compensation, costs or expenses provided also that nothing in this condition shall impose on Us any liability which but for this condition it would have been denied or excluded under this Contract.

**Authorised Workshops**

In the event of the Motorcycle being involved in an accident, giving rise to a claim under Section 1, the Motorcycle must be sent to one of the workshops approved by Us ('the Approved Workshops') for repairs. It is agreed and understood that the Approved Workshops shall at all times be acting as principals and independent contractors and not as Our agents. We shall not be liable or responsible for any willful, fraudulent, dishonest or negligent acts or omissions of the Approved Workshop, its employees, agents or contractors.

Provisions for where Accessories spare parts are not available in the territory where the Motorcycle is kept for repair.

Where accessories or spare parts are not available in the territory where the Motorcycle is kept for repair, Our liability in respect of such accessories or spare parts are limited to: -

- i) the price quoted in the latest catalogue or price list prepared by manufacturers or the manufacturers' agent(s) in the territory Motorcycle is held for repair; or
- ii) where such catalogue or price list is not available because the Motorcycle is no longer under production the price last obtained from the manufacturers' works plus reasonable costs of transportation.

#### **Average Clause**

If the market value of the Motorcycle at the material time of the Accident be of greater value than the estimated value (sum covered) specified in Your Personal Certificate, then Our maximum liability under this Contract shall be determined by applying the following mathematical formula:

$$\frac{\text{Sum Covered}}{\text{Market Value}} \times \text{Cost of Repairs} = \text{Cost borne by Us minus Excess}$$

and You shall bear the difference between the Cost of Repairs and the amount to be borne by Us.

#### **Constructive Total Loss**

In the event Your Motorcycle (covered under Section 1 of this Product Wording) is damaged to the extent that the cost of repairs would exceed 50% of the estimated value (sum covered) specified in Your Personal Certificate or 50% of the prevailing market value of Your Motorcycle, whichever is lower, We may at Our sole discretion and option pay You the prevailing market value of Your Motorcycle at the time of damage (but which sum not exceed the estimated value (sum covered) specified in Your Personal Certificate) as full and complete settlement of Your claim SUBJECT TO deduction of applicable excess(es). In such an event, the salvage shall become Our property.

#### **Indemnity in the event of a Total Loss**

In the event of a total loss, whether actual or constructive to Your Motorcycle, Our liability shall be Your total estimated value as specified in Your Personal Certificate (sum covered) or the market value of Your Motorcycle whichever is lower SUBJECT TO deduction of applicable excess(es). In such an event, the salvage shall become Our property.

#### **Market Value Clause**

In the event of a total loss whether actual or constructive to Your Motorcycle, Our liability shall be Your estimate of the present value of Your Motorcycle (inclusive of standard and original accessories and spare-parts) or the market value of Your Motorcycle, whichever is lower.

In the event of a dispute, the market value of Your Motorcycle shall be determined by Us and the method adopted to determine the market value shall be at Our sole and absolute discretion and option as follows: -

- i) the valuation obtained by Us from the franchise holder, importer or distributor of the Motorcycle;
- ii) the valuation obtained by Us from another reputable new Motorcycle dealer, second hand Motorcycle dealer or such other person as We may appoint; or
- iii) the average of the valuations obtained from (i) and (ii) above.

The valuation determined by Us by adopting any one of the methods (i) to (iii) above shall be binding on You and shall be conclusive evidence in respect of the market value of Your Motorcycle in any legal proceedings against Us.

**Additional Accessories Clause**

This Contract does not cover You for loss or damage to any accessories fitted to Your Motorcycle except standard and original accessories (which are covered).

**Authorised Rider**

The person expressly authorised by You to ride the Motorcycle or a named rider in Your Personal Certificate is an authorised rider SUBJECT TO AND PROVIDED THAT the person driving the Motorcycle.

- i) is permitted in accordance with the licensing or other laws regulations to ride the Motorcycle;
- ii) is not holding a provisional driving license;
- iii) has not been disqualified from driving by order of a Court of Law or by any laws or regulations.

**Sale, Transfer or Assignment of Your Motorcycle**

No liability shall attach against Us under this Contract and this Contract shall be deemed to have been automatically cancelled (without any requirement to give notice) in the event that You, (whether or not subject to a Hire Purchase /Ijarah Lease Agreement), should sell or purport to sell, assign or transfer possession or ownership of the Motorcycle or assign Your rights or benefits, or claims under a Hire Purchase/Ijarah Lease Agreement, whether with or without written notification to, or consent by, the owner, PROVIDED HOWEVER THAT if You shall have notified Us of any such transaction in writing within two (2) days of such transaction, We may at Our absolute discretion, reinstate this Contract upon payment of additional Contribution, if required and upon such other terms and conditions as We may at Our discretion impose. It is agreed that You shall not assign or transfer Your rights benefits and claims under this Contract without Our prior consent in writing. Should We consent to an assignment or transfer of Your rights and interest in this Contract, the period during which the interest was in, You shall not accrue to the benefit of the assignee/transferee.

**Fraudulent Claim**

If any claim made under this Contract is in anyway fraudulent or if any false declaration is made or used to support a claim or if any fraudulent means or devices is used by You or by anyone on Your behalf to obtain any benefit(s) under this Contract or if the loss or damage be occasioned by Your willful act or connivance all benefits under this Contract shall be forfeited and withdrawn and We shall be under no liability or obligation to make any payment under this Contract.

**Limitations as to Use**

Your Motorcycle shall be used only for social, domestic and pleasure purposes and for Your own business.

This Contract does not cover use for hire or reward, racing, pace making, reliability trial, speed-testing or the Carriage of goods (other than samples) in connection with any trade or business or use for any purpose in connection with the Motor Trade.

**Costs of defending charges Under the Road Traffic Act Cap 68**

We may, at Our absolute discretion pay for the costs of up to the maximum of B\$2,000.00, for defending any charge(s) preferred against You under the Road Traffic Act, Cap 68, Laws of Brunei.

**Applicable Laws and Jurisdiction**

- i) In the case of accident(s), damage or loss occurring within Brunei Darussalam, the applicable law shall be the Motor Vehicle Insurance (Third Party Risks) Act, Cap 90, Laws of Brunei and the Road Traffic Act, Cap 68, Laws of Brunei and the parties agree that the courts of Brunei Darussalam shall have exclusive jurisdiction;

- ii) In the case of accident, damage or loss occurring in Sabah, Sarawak and Wilayah Persekutuan Labuan, the applicable law shall be the Road Transport Act, 1987 (Malaysia) and the parties agree that the courts of Sabah, Sarawak and Wilayah Persekutuan Labuan shall have exclusive jurisdiction respectively.

## MOTOR CLAIM GUIDELINE (MCG)

1. Pursuant to Section 33 of the Road Traffic Act (Amendment) Order, 2017, which is deemed to have commenced on 14th August 2017, You must stop Your vehicle in the event of an Accident and take the following steps as applicable:
  - (i) As the rider, provide Your particulars if You have been requested to provide Your particulars;
  - (ii) As the rider, take reasonable steps to inform the owner (if any) of the damaged vehicle or structure, or injured animal, of the damage or injury caused to the vehicle, structure or animal;
  - (iii) Report the accident to the police within 24 hours after the accident if the following has not occurred:
    - a. The other driver has provided his/her particulars to You when requested;
    - b. The owner referred to in Item 1(ii) has contacted You;
    - c. You were prevented from making a report by a cause that is sufficient in the circumstances.
2. The particulars referred to in Item 1(i) includes:
  - (i) The name and address of the driver of the motor vehicle;
  - (ii) The name and address of the owner of the motor vehicle;
  - (iii) The identification marks of the motor vehicle.
3. Regardless of whether or not You are going to make a claim under this Contract, if Your vehicle is involved in an Accident or is otherwise damaged or lost, You must:
  - (i) Take reasonable steps to limit and prevent further loss, damage or injury; and
  - (ii) Send Your vehicle for inspection (whether damaged or not) to the Claims Division and report Your accident within 24 hours of the accident or by the next working day (excluding Saturday, Sunday and Public Holidays).

*\*Note: All incidents must be reported within the prescribed timeline after the Accident or even if there is no visible damage, unless proper justification is given and approved under Our discretion.*
4. Where You fail to report Your Accident within the required timeframe:
  - (i) We may repudiate liability and deny indemnity under this Contract;
  - (ii) We may cancel or decline renewal of Your Contract; and
  - (iii) Your No Claim Bonus will be affected.
5. The liability of all the parties involved in the Accident will be subject to the apportionment of liability as per the appropriate scenario depicted in the Brunei Insurance Takaful Association (BITA) Liability Assessment Directives (LAD) Chart. Where the scenario of the Accident is not listed, the parties involved in the Accident shall seek assistance from the Brunei Insurance Takaful Association (BITA) Motor Sub-Committee appointed Panel of Adjudicators (POA) to guide on the appointment of liability for each party involved in the Accident. All rulings and apportionment of liability by the POA will be considered precedent and binding

## TAKAFUL PRINCIPLES AND DISTRIBUTION OF UNDERWRITING SURPLUS

This takaful cover is a syariah compliant Contract, which is based on a principle of mutual cooperation and helping each other. Here are the principles that this Contract relies on:

**Tabarru'** – with Your Contribution entrusted to us, We will donate 65% of it to the appropriate takaful fund to help other eligible participants under the same Contract.

**Wakalah** – with this Contract, You are appointing us to be a wakeel to administer, manage, invest, and distribute the takaful fund to other participants when they need the help. To perform the service, We will get 35% of Your Contribution as a Wakalah fee. If there is an underwriting Surplus (hereinafter referred to as "Surplus") in the fund, We will receive a performance fee as a percentage of that Surplus for responsibly and sustainably managing the takaful fund. The percentage is approved by Our Syariah Advisory Body and does not exceed the portion of the Surplus distributed to all participants.

**Surplus** – any Surplus from the fund will be managed by us in ways We consider appropriate according to syariah principles. The Surplus will be used to strengthen the takaful fund and it will be distributed to You as hibah (gift) if any, upon renewal of this Contract provided that You have not incurred any claim under this Contract whilst it is in force subject to Our discretion and the integrity of the takaful fund itself. If You have incurred any claim or choose not to renew the Contract, no Surplus can be given to You, and it will be donated into the takaful fund for the benefit of all the participants and the fund itself.

## GENERAL EXCLUSIONS

Your Contract does not cover any of the following:

1. A claim involving the Motorcycle covered by this Contract while it is being: -
  - a) ridden by a person who has consumed or is under the influence of alcoholic drink or drugs, whether or not below any prescribed legal limits;
  - b) ridden by a person who is using it for any unlawful act (s) or purposes or other activities deemed or are prohibited (expressly or otherwise) by Shariah;
  - c) ridden by a person who is not allowed to ride by this Contract;
  - d) ridden by a person who is not an Authorised Rider;
  - e) ridden by a person who does not hold a valid license to ride Your Motorcycle unless that person has held and is not disqualified from holding or obtaining such a license;
  - f) ridden by a person who has been disqualified by order of a Court of Law or by reason of any enactment or regulation from driving the Motorcycle;
  - g) ridden by a person suffering from ailment, disease, medical condition, medical deficiency, physical and mental exhaustion that may affect his consciousness while riding the Motorcycle;
  - h) used for purpose not allowed by this Contract;
  - i) used otherwise than in accordance with the Limitations as To Use unless prior written consent is obtained from Us; or
  - j) used outside the permitted Territorial Limits.
2. Any liability You have accepted by an agreement where normally the liability would not have existed without it.
3. Any claim for which You have cover under another takaful certificate / insurance policy.
4. Any claim arising as a result of strike, riot or civil commotion.
5. Any consequence of war, invasion, act of foreign enemy, hostilities (whether war has been declared or not), civil war, rebellion, revolution, insurrection, military force or coup.
6. You are not covered for:
  - a) death or bodily injury to any person being carried in or upon or entering in or alighting from Your Motorcycle;
  - b) death or bodily injury; if directly or indirectly used by, contributed to by, or arising from: -
    - i. ionizing radiations or contamination by radio activity from any nuclear fuel or from any nuclear waste from the combustion; or
    - ii. the radioactive, toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear assembly or nuclear component of it.
  - c) loss damage caused by or arising from Your Motorcycle being parked near to or within the vicinity of the entrance to a runaway or landing path of an aircraft.
7. Loss or damage caused directly by flood, typhoon, hurricane, volcanic eruption, earthquake or pressure waves from aircraft and other aerial devices travelling at sonic or supersonic speeds.
8. Loss or damage caused directly by pollution or contamination.
9. Loss or damage directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism. For the purpose hereof, "Terrorism" is defined as an act, including but not limited to the use of force or violence and / or the threat



thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), 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.

## ENDORSEMENTS

The following terms conditions special perils will apply in addition to the terms conditions exclusions of the Contract, when Endorsed and specified in Your Personal Certificate thereto the Contract.

### **M2 - Excesses/Excess**

You are liable to pay the excesses /excess endorsed and specified in Your Personal Certificate in respect of each and every claim.

### **M3P - Third Party Cover Only**

Cover is limited to Third Party Cover Only (Section 2 of the Product Wording-Legal Liability for Personal Cover Only Injury and Damage to Third Party Property).

### **M15 - Hire Purchase or Ijarah (Leasing) Agreements**

It is agreed that any payment We are liable under Section 1 of the Product Wording for loss or damage to Your Motorcycle (which loss or damage is not made good by repair, reinstatement or replacement) will be paid to the owner of Your Motorcycle specified in Your Personal Certificate ('the Owner') Your Motorcycle being under Hire Purchase or Ijarah (Leasing Agreement) and so long as the Owner is the owner of Your Motorcycle. It is further agreed that receipt for the payment issued by the Owner shall be deemed as full and final discharge of Our liability to You under Section 1.

### **M15A - Employer's Financing Facility**

You have instructed Us and You have agreed that until We have received written notice from You to instruct otherwise, any payment We are liable to pay to You under the Contract for loss or damage to Your Motorcycle will be paid to Your employer named in Your Personal Certificate. It is further agreed that receipt for the payment issued by Your employer shall be deemed as full and final discharge of Our liability to You for the said loss and damage.

### **MKSR - Key System Replacement**

In consideration of the additional Contribution received from You, We will cover the cost of Your Key System Replacement in the event Your Motorcycle keys have been stolen of up to the amount specified in Your Personal Certificate. On the Condition that there must be proof of forced entry into Your house and You must report the theft of Your keys to the Police. The cover under this Endorsement will be automatically terminated once the Key System has been replaced. You may, however, renew the cover by payment of additional Contribution. Any claim made under this Endorsement will not affect Your No Claim Bonus.

### **MCEBB100 - 100% Excess Buy Back**

In consideration of the additional Contribution received from You, We will waive any excess incurred where the cost of repairs exceed the applicable excess specified in Your Personal Certificate in the event of a claim being made under this Contract. Should We consent to the transfer of interests in this Contract, this Endorsement shall be deemed cancelled and have no effect unless the transferee applies for this Excess Buy Back Cover and satisfies the requirements for the granting of this Cover.

### **MC89 - Windshield cover**

In consideration of the additional Contribution received from You, We will cover You for the cost of replacing or repairing (as the case may be) breakage of windshield up to the amount specified in Your Personal Certificate. No excess applied for this cover. Any claim made under this cover will not affect Your No Claim Bonus.

### **MC25 - Strike, Riot and Civil Commotion**

It is agreed that by this Endorsement the words "strike, riot and civil commotion" (see under GENERAL EXCLUSIONS of the Product Wording) shall not apply to any Accident, loss, damage or liability directly caused by:

- i. the act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lockout or not) or the action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequences of such disturbance;
- ii. the willful act of any striker or locked out worker done in furtherance of a strike or in resistance to a lockout or the action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act.

PROVIDED THAT the indemnity given by reason of this Endorsement shall not apply to any accident loss damage or liability (except so far as is necessary to meet the requirements of any Legislation) directly or indirectly proximately or remotely occasioned by contributed to or traceable to or arising out of or in connection with:

- i. War invasion the act of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war;
- ii. Mutiny civil commotion assuming the proportions of or amounting to a popular arising military rising rebellion revolution insurrection military or usurped power or any act of any person acting on behalf of or in connection with an organization with activities directed towards the overthrow by force of the Government de jure or de facto or the influencing of it by terrorism or violence or by the direct or indirect consequences of any of the said occurrences.

In the event of any claim under this Endorsement, You shall prove that the accident loss damage or liability arose independently of and was in no way connected to traceable to any said occurrences or any consequences thereof and in the default of such proof We shall not be liable to make any payment in respect of such a claim.

### **MCPA1 & MCPA2 - Accidental Death/Permanent Total Disability of Participant/Pillion**

In consideration of the additional Contribution that You paid Us for this Endorsement, it is hereby declared and agreed that if You or Your Pillion sustain any bodily injury or death that is caused solely and directly by violent accidental external and visible means whilst boarding, alighting, riding, repairing and changing tyres at the roadside of the Motorcycle, payment of benefits will be paid as stated in Your Personal Certificate in respect of:-

- i. death; or
- ii. permanent loss of all sight in one or both eyes; or
- iii. loss of any limb.

This benefit does not provide coverage under any of the following circumstances:

- i. Loss caused directly or indirectly, wholly or partly:
  - a. by bacterial infections (except pyogenic infections which shall occur through an accidental cut or wound);
  - b. by any kind of disease or sickness;
  - c. by medical or surgical treatment; or
  - d. childbirth, miscarriage, pregnancy or any complications thereof.
- ii. Intentional self-inflicted injuries, insanity, suicide or any attempt thereof (sane or insane);

- iii. Death or disablement directly or indirectly arising out of or consequent upon or contributed to by Acquired Immune Deficiency Syndrome (AIDS) or AIDS Related Complex (ARC) howsoever this syndrome has been acquired or may be named;
- iv. Any pre-existing conditions or physical defect or infirmity, fits of any kind;
- v. While You are participating in a brawl or strike, riot, civil commotion or demonstration. Any claim under this benefit shall not affect Your NCD entitlement and no Excess will apply. The cover is limited to one (1) occurrence in each Period of Takaful and reinstatement of this cover is not allowed;
- vi. Anyone who is under the age of 18 years old or over 65 years old as at the date of the Accident;
- vii. Further loss of or injury to eye(s) or any limb with pre-existing condition/injury to the injury covered by this Contract;
- viii. Death or bodily injury whilst under the influence of alcoholic drink or drugs, whether or not below any prescribed legal limits; or
- ix. Death or bodily injury arising from any activities prohibited expressly or otherwise by Shariah.

#### **MCFO - Fallen Object**

In consideration of the additional Contribution received from You, We will indemnify You if Your Motorcycle is damaged arising from the impact damage caused by falling objects provided no convulsions of nature is involved. Any claim made under this cover will not affect Your No Claim Bonus.

#### **MC57 - Flood and Special Perils Cover**

In consideration of the additional Contribution received from You, We will cover You for Flood, Typhoon, Hurricane, Tempest, Volcanic Eruption and Earthquake.

Special Provision in respect of flood:

- i. This Contract does not cover any loss or damaged caused by Your attempt to restart Your Motorcycle after incurring flood damage as this may cause an electrical or mechanical fault.
- ii. This Contract does not cover any loss or damage resulting from Your attempt to navigate Your way through flood water causing Your Motorcycle to break down.

Any claim made under this cover will not affect Your No Claim Bonus.

#### **MCNCB - No Claim Bonus (NCB) Protection**

In consideration of the additional Contribution received from You, it is hereby understood and agreed that You will not lose Your current NCB upon renewal of Your Contract even after a claim has been made to Us, provided that following the settlement of a claim the benefit under this extension shall terminate unless it is reinstated and a further additional Contribution is made.

**MCH1 - Accessories Coverage**

In consideration of the additional Contribution received from You, We will provide under Section 1 of this Product Wording to cover the non-standard Accessories limited to helmets and trunk/top box up to the amount specified in Your Personal Certificate. You have to specify and list down Your additional accessories. This cover under this Endorsement will be automatically terminated once the accessories has been settled under this endorsement. You may however, renew the cover with payment of additional Contribution. Any claim made under this cover will not affect Your No Claim Bonus.