



HongLeong MSIG Takaful

# PRODUCT DISCLOSURE SHEET

## Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on your family takaful.

Other customers have read this PDS and found it helpful;  
**you should read it too.**

Date: 08-January-2026

## 1 What is HLM Takaful Mortgage Reducing Term Takaful?

HLM Takaful Mortgage Reducing Term Takaful offers takaful protection for 20 years. It provides a lump sum benefit upon death or total and permanent disability (TPD) during the term of the certificate.

Below are the applicable Shariah concepts:

- (a) **Tabarru'** - Donation from the portion of Participant's contribution, allocated to the Participant's Risk Fund (PRF). This is based on the concept of *Iltizam Bi Al-Tabarru'*, which reflects the Participant's commitment to donate.
- (b) **Wakalah** - Agency contract where the Takaful Operator manages the PRF and Participant's Account (PA) on behalf of Participants and earns the wakalah fee.
- (c) **Ju'alah** - Agreement where the Participant rewards the Takaful Operator for successfully managing the PRF and generating surplus. Any surplus from the PRF shall be distributed between eligible Participant and the Takaful Operator at a ratio of 50:50.
- (d) **Qard** - An interest-free loan provided by the Takaful Operator in the event of deficit in the PRF.
- (e) **Mudarabah** - A profit-sharing contract where the Takaful Operator invests Participant's contribution and shares any profits from the PA between the Participant and Takaful Operator at a 90:10 ratio. Any investment losses are borne by the Participant.

## 2 Know Your Coverage/Benefits

As an illustration, for a single contribution of RM14,501.00, you will receive the following family takaful coverage:

<b>Death or TPD Benefit</b>	Reducing Sum Covered and Account Value (if any) are payable. Please refer to the Benefit Illustration. Note: TPD coverage is up to 65 age next birthday (ANB) or certificate expiry date, whichever is earlier.
<b>Maturity Value</b>	Upon maturity of Your certificate, the Account Value (if any) will be payable.

Note:

1. Account Value means the accumulated balance in the PA.
2. Upon payment of 100% of the benefits (Death / TPD), the Certificate shall terminate with immediate effect and no further benefits will be payable.

### Provisional Takaful Coverage

The Provisional Takaful Coverage shall commence from:

- (a) The date of issuance of the Takaful Operator's Letter of Acceptance; or
- (b) The date of the Participant accepted and signed the Takaful Operator's Letter of Offer.

Whichever is earlier.

#### First six (6) months of Provisional Takaful Coverage

Same benefits as in the Master Certificate, with Sum Covered stated in the signed Letter of Acceptance or Letter of Offer, within stated maximum limits. No Account Value will be payable.

#### Second six (6) months of Provisional Takaful Coverage

- Letter of Acceptance - Benefits apply only for Accident as defined in the Master Certificate. Coverage is up to RM 250,000 or the Sum Covered stated in Letter of Acceptance, whichever is lower. No Account Value will be payable.
- Letter of Offer - Benefits apply only if Participant satisfying all terms in the Letter of Offer and the written approval of the Takaful Operator. Benefits apply only for Accident as defined in the Master Certificate. Coverage is up to RM 250,000 or the Sum Covered stated in the signed Letter of Offer, whichever is lower. No Account Value will be payable.

Note: This Provisional Takaful Coverage is only applicable for Financed cases.

Your family takaful **excludes**:

- Suicide – If death was due to suicide within 12 months from the Entry Date.
- Pre-existing condition – If TPD existed prior to or on the Entry Date.

No benefit except the Account Value (if any) shall be payable if any of the above events occur.

**Note:** This list is **non-exhaustive**. You must refer to the takaful certificate for the full list of exclusions.

If you have any questions or require assistance on your family takaful, you can:



Call us at:  
+603-7650 1800



Visit us at:  
[www.hlmtakaful.com.my](http://www.hlmtakaful.com.my)



Email us at:  
[ReachUs@takaful.hongleong.com.my](mailto:ReachUs@takaful.hongleong.com.my)

### 3 Know Your Obligations

For this family takaful, you must pay a takaful contribution of:

Contribution	RM14,501.00 as single contribution
Duration: until the age of 66 years	
You also have to pay the following fees and charges:	
Wakalah Fee (is inclusive in the single contribution amount)	40.00% of single contribution or RM5,800.40 (inclusive of 10.00% Commission or RM1,450.10 which is payable to the intermediary)
Surrender Charge	RM50.00
Stamp duty	RM10.00 (borne by Master Certificate Holder)
Tabarru' Charges	This will be deducted monthly from the Account Value.

Note:

1. The takaful contribution rate is applicable to standard risks. The certificate terms and rates may vary depending on the underwriting requirements.
2. Your contribution less Wakalah Fee will be allocated into your PA. The unallocated amount (Wakalah Fee) will be used to pay for the management expenses and direct distributions costs, including commission to agents. Please refer to the Benefit Illustration for further details.

### 4 Other Key Terms

- You must disclose all material facts such as medical condition and state your age correctly. Otherwise, you may risk having your claim rejected or certificate terminated.
- Any amount accumulated in the PA at the point of surrender less the surrender charge will be payable as surrender value.
- The maximum TPD limit per life is RM8 million, covering all certificates and riders issued or to be issued for the same Person Covered.

**Note:** This list is **non-exhaustive**. You should refer to the takaful certificate for the full list of terms and conditions.

### ? Can I cancel my certificate?

Yes, you may cancel your certificate by giving a written notice to us.

- **Free-look period:** You may cancel your certificate by returning the certificate within 15 days after the certificate has been delivered to you. The Takaful Operator will refund the full contribution paid less deduction of medical examination fees incurred by the Takaful Operator.
- **Surrender:** You can cancel your certificate upon completing payment of the financing with the Master Certificate Holder before the expiry date of the Takaful Certificate. Upon the Takaful Operator's receipt of the Master Certificate Holder's release letter, the Takaful Operator shall terminate the Takaful Certificate. Takaful Operator shall refund the Account Value, if any, less the Surrender Charge, to the Participant.

**The benefit(s) payable under eligible product is(are) protected by Perbadanan Insurans Deposit Malaysia (PIDM) up to limits. Please refer to PIDM's TIPS Brochure or contact Hong Leong MSIG Takaful Berhad or PIDM (visit [www.pidm.gov.my](http://www.pidm.gov.my)).**

Underwritten by Hong Leong MSIG Takaful Berhad 200601018337 (738090-M)  
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