



RHB ISLAMIC BANK BERHAD (680329-V) Incorporated in Malaysia

Specific Terms and Conditions for RHB Children Account-i

The opening of RHB Children Account-i (“the Account”) is subject to the terms and conditions as set out herein, in addition to the provisions under Part 1 - Generic Terms & Conditions of RHB Islamic Bank Berhad (“the Bank”) Account and the terms & conditions imposed from time to time in respect of savings accounts maintained with the Bank:-

The RHB Children Account-i is a statement based savings account for below the age of eighteen (18) years old. The accounts available for these RHB Children Account-i are as follows:-

- Trust Account : Individuals aged 30 days to 12 years (opened with parent or legal guardian)
- Minor Account : Individuals aged 12 to 18 years (the account can be solely managed by them with the consent of a parent or legal guardian)
- Joint Account : Individuals aged 12 to 18 years (opened with parent or legal guardian)

When the accountholder of the RHB Children Account-i (“the Accountholder”) reaches the age of eighteen (18) years old, the Bank reserves the right to convert the account to another appropriate account (“the New Account”) by giving a twenty one (21) calendar days’ notice to the Accountholder. Upon the expiry of that notice:

- (i) the Bank is authorised to take any necessary actions on behalf of the Accountholder to effect such conversion; and
- (ii) the Accountholder is deemed to have agreed to such conversion and bound to the new terms and conditions of the New Account.

The Shariah concept applicable for this product is Commodity Murabahah via Tawarruq arrangement whereby it refers to the trading of commodities which acts as the underlying assets of a transaction.

- A. Calculation of Base Profit Rate for RHB Children Account-i is a savings account which pays profit to the daily credit balance in the account on a daily basis at the profit rate specified by the Bank. The Base Profit Rate will be accrued on a daily basis and credited to the account on the last day of the month.

$$\frac{\text{Calculation of Base Profit Rate}}{\text{Actual number of days for the year}} = \frac{\text{Total daily credit balance} \times \text{Base Profit Rate \% p.a.} \times \text{Total Calendar days in the month}}{\text{Actual number of days for the year}}$$

- B. Takaful Coverage
- 1. Benefits

Benefits		Plan (RM)
A	Accidental Death	Between 500 to 50,000 (i.e. Account balance at the time of accident)
B	Permanent Disablement Double Indemnity whilst travelling on school bus is applicable for child only	

- a) The cover compensates the Person Covered for death and bodily injury arising from violent, accidental, external and visible means in accordance to the following table of benefit(s):-

Percentages of the Sum Covered		
A.	Accidental Death	100%
B.	Permanent Disablement	100%
	Loss two limbs	
	Loss of both hands, or of all fingers and both thumbs	100%
	Total loss of sight of both eyes	100%
	Total paralysis	100%
	Injuries resulting in being permanently bedridden	100%
	Any other injury causing permanent total disablement	100%
	Loss of arm between shoulder and elbow	100%
	Loss of arm at shoulder	100%
	Loss of arm at elbow	100%
	Loss of arm between elbow and wrist	100%
	Loss of hand at wrist	100%
	Loss of leg	
	- at hip	100%
	- between knee and hip	100%
	- below knee	100%
Eye: Loss of		
- whole eye	100%	
- sight of one eye except perception of light	50%	
- lens of one eye	50%	
Loss of four fingers and thumb of one hand	50%	



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Loss of four fingers	50%
Loss of thumb	
- Both phalanges	25%
- One phalanx	10%
Loss of index finger	
- three phalanges	10%
- two phalanges	8%
- one phalanx	2%
Loss of middle finger	
- three phalanges	6%
- two phalanges	4%
- one phalanx	2%
Loss of ring finger	
- three phalanges	5%
- two phalanges	3%
- one phalanx	2%
Loss of little finger	
- three phalanges	4%
- two phalanges	3%
- one phalanx	2%
Loss of metacarpal	
- first or second (additional)	3%
- third, fourth or fifth (additional)	2%
Loss of toes	
- all	15%
- great, both phalanges	5%
- great, one phalanx	2%
- other than great if more than one toe lost, each	1%
- if more than one toe lost, each	1%
Loss of hearing	
- both ears	75%
- one ear	15%
Loss of speech	50%

- b) In the event of a total loss of 100% having been paid, all coverage hereunder shall immediately cease to be in force in respect of that Person Covered. All other losses, smaller than 100%, if having been paid shall reduce the respective Person Covered's coverage under Benefits A and B by that amount from the date of the accident until the expiration of the Certificate.
- c) Person Covered will be paid double the account balance at the time of the accident up to the maximum of RM50, 000 for a Permanent Loss of Use of Two Limbs or Total Paralysis of the Person Covered arising from an accident occurring **whilst travelling on a school bus**. Please refer **Appendix 1** for Personal Accident Takaful Protection.

2. Illustration of Benefits

a) **Scenario 1 (Child aged 12 years old and parent is not eligible due to age exceeded 65)**

Child A deposits RM500 into RHB Children Account-i on 1st January 2016.
 Child A deposits RM 100 into RHB Children Account-i on 16th January 2016.
 Child A withdraws RM200 from RHB Children Account-i on 30th January 2016.

In the event Child A passes away due to an accident:-

A. On 16th January 2016 :-

Subject to no other transaction be carried out on 16th January 2016, the Certificate will pay based on the credit balance in the account together with profit, if any.

B. On 30th January 2016 :-

Subject to no other transaction be carried out between 16th January 2016 to 30th January 2016, the Certificate will pay based on the credit balance in the account together with profit, if any.

b) **Scenario 2 (Child Cover only)**

Child B deposits RM300 into RHB Children Account-i on 1st January 2016.
 Child B deposits RM300 into RHB Children Account-i on 16th January 2016.

In the event Child B passes away due to an accident on 18th January 2016, claim will be entitled provided that the balance in the account is RM500 or more on 18th January 2016.

c) **Scenario 3 (Child + Parent/Legal Guardian Cover)**

Child C deposited a total RM1,000 into RHB Children Account-i on 1st January 2016.

In the event Parent C and Child C passes away due to accident on 15th January 2016 due to car accident, both Parent C and Child C are covered and the coverage amount will be the credit balance in the account for each one of them.



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APPENDIX 1: PERSONAL ACCIDENT TAKAFUL PROTECTION

Issued to RHB Children Account-i holder (child and adult)

RHB CHILDREN ACCOUNT-i PERSONAL ACCIDENT TAKAFUL UNDERWRITTEN BY SYARIKAT TAKAFUL MALAYSIA BERHAD (131646-K) ("STMB")

COVERAGE:

Bodily injury caused by violent accidental external and visible means which injury shall solely and independently of any other cause result in the following losses, benefit of which are payable as specified in the table of Benefits:

- A. Death occurring within twelve (12) calendar months of bodily injury as aforesaid.
- B. Permanent disablement occurring within twelve (12) calendar months of injury as aforesaid. The details of the percentage are stated in the Table of Benefits.

Benefits		Plan (RM)
A	Accidental Death	Between 500 to 50,000
B	Permanent Disablement Double Indemnity* whilst travelling on school Bus is applicable for child only	(i.e. Account balance at the time of accident)

Double Indemnity*

STMB will pay double the account balance at the time of accident up to the maximum of RM100,000 for permanent loss of use of two limbs or total paralysis of the Person Covered arising from accident occurring whilst travelling on a school bus.

Shariah Concepts

This scheme applies the Shariah concepts of Wakalah and Tabarru'.

Wakalah is a contract where the participant appoints the takaful operator to carry out transactions on behalf of the participant to invest and manage the contribution in the General Takaful Fund (hereinafter referred to as "GTF") in accordance with the Shariah. In return, the participant allows the takaful operator to deduct a certain amount as a wakalah fee for the services rendered. Contribution less wakalah fee will be credited to the GTF as Tabarru'.

Tabarru' means a donation for the purpose of which is not commercial and is used to help other participants in times of misfortune for the purposes of solidarity, brotherhood and cooperation among participants.

Definitions

- 1. Age: Age of next birthday of the Person Covered
- 2. Takaful Effective Date: This shall be the date of opening of the RHB Children Account-i
- 3. Participant: RHB Islamic Bank Berhad

Eligibility

- 1. RHB Children Account-i holder between the Age of (thirty) 30 days to (eighteen) 18 years old next birthday
- 2. Parent/legal guardian of RHB Children Account-i holder between the Age of (eighteen) 18 to (sixty five) 65 years old next birthday

Termination of Coverage

The coverage on the Person Covered shall terminate immediately on the earlier of the following events:-

- a) Termination of the Master Certificate by Participant;
- b) On the last day of the month immediately after the child of the Person Covered has attained the age of eighteen (18) years next birthday; or
- c) If Person Covered fail to maintain a minimum balance of RM500 as determined by the Participant.
- d) Upon Parent/legal guardian of RHB Children Account-i holder reaching (sixty five) 65 years old next birthday.

Claims Procedure

- a) Written notice should be given to RHB Bank branches within thirty (30) days of the Accident causing such injury or loss;
- b) On Without Admission to Liability, the Participant shall procure and act upon medical or surgical advice as soon as practical;
- c) The Person Covered is required to furnish a medical report or undergo further medical examination at the claimant's cost if deemed necessary.
- d) STMB will only pay the benefits, if any medical certificates and other evidence which STMB may require are provided on request at the Participant's expenses;
- e) Participant is required to pay any amount/contributions owed to STMB before any benefit payment. Such payment, if any, will be payable to the named nominee, according to the terms and conditions of this Master certificate;
- f) On the payment of benefits under accidental permanent disability benefit, for which once the Participant gives STMB a receipt or discharge voucher, our liability in that respect will reduce by the sum paid or cease if full benefits have been paid;



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All certificates, information, medical reports and evidences as required by STMB shall be furnished at the Participant's expense, and in such a form that STMB may require. In any event, all notices, which STMB shall require the Participant or the Person Covered to give, must be in writing and addressed to STMB. A Person Covered shall, at our request and expense, submit to STMB a medical examination whenever such is deemed necessary.

Major Exclusion and Limitation

This Personal Accident Takaful does not cover:

1. Death or disablement or any other loss caused directly or indirectly by:
 - a. War, invasion, act of foreign enemy, hostilities (whether war be declare or not), civil war, rebellion, revolution, insurrection, mutiny or usurped power, strike, riot, civil commotion, military or popular uprising, when the Person Covered(s) is/are taking part therein;
 - b. Insanity, suicide (whether sane or insane), intentional self-inflicted injuries or any attempt thereat;
 - c. Effect or influence of drugs or alcohol;
 - d. Pre-existing physical or mental defect or infirmity; or
 - e. Provoked murder or assault.
2. Death or disablement or any other loss sustained by the Person Covered:
 - a. While travelling in an aircraft as a member of the crew, except only as a fare-paying passenger in an aircraft licensed for passenger service; or
 - b. While committing or attempting to commit any unlawful or criminal act.
3. Whilst participating in professional sports and/or hazardous activities including but not limited to hunting, mountaineering, ice hockey, polo playing, steeple chasing, winter sports, yachting, caving, potholing white-water rafting, sky diving, cliff diving, bungee jumping, water-ski jumping, under-water activities involving the use of breathing apparatus, martial arts or boxing, aerial activities such as parachuting, paragliding and hand-gliding or participation in any form of race or competition other than on foot.
4. Individuals such as pilots, aviation crews and firemen during the course of their work or whilst on duty, fishermen, professional motor racers, professional sportsmen, stevedores, building demolition workers, divers, jockeys, logging workers, miners, marine salvage crew, individuals directly involved in making or handling explosives, personnel in the armed forces, tree fellers, window cleaners of high-rise buildings and other hazardous and dangerous occupations.
5. The Person Covered whilst using machinery driven by mechanical power as a tool of trade.
6. Nuclear energy or radioactivity of any kind, including but not limited to ionizing radiations from or contamination by radioactivity from any nuclear fuel or from nuclear waste or from the combustion of nuclear fuel or nuclear weapons material.