



FINAL EXAMINATION

COURSE : INSURANCE AND TAKAFUL

COURSE CODE : PIB3023

DURATION : 02 HOURS

INSTRUCTIONS TO CANDIDATES:

1. This question paper consists of **TWO (2)** parts: PART A (30 questions)
PART B (03 questions)
2. Answer ALL questions from Part A and Part B.
 - i. Answer PART A in the True or False Answer Sheet.
 - ii. Answer PART B in the Answer Booklet provided.
3. Please check to make sure that this examination pack consists of:
 - i. The Question Paper
 - ii. An Answer Booklet
 - iii. A True/False Answer Sheet
4. Do not bring any material into the examination hall unless permission is given by the invigilator.
5. Please write your answer using a ball-point pen.

MYKAD NO : _____

ID. NO. : _____

LECTURER : _____

SECTION : _____

DO NOT OPEN THIS QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO

The question paper consists of 05 printed pages

OCT2023/A/PIB3023

PART A: TRUE OR FALSE

Indicate whether the statement is True or False.

1. **(1 point)**
Gharar and *Riba* are the prohibited elements in Takaful.
2. **(1 point)**
Two parties are involved in the underlying contract of Takaful which are participants and Takaful operator.
3. **(1 point)**
Takaful is practiced by the Muhajirin in Mecca and the Ansar in Medina.
4. **(1 point)**
Mudarabah, *Jua'lah*, *Waqf* and *Wakalah* are four underlying contracts between participants and Takaful operators.
5. **(1 point)**
In the *Mudarabah* model, the *Shariah* committee refuses the sharing ratio.
6. **(1 point)**
Takaful is a protection scheme with a group of participants.
7. **(1 point)**
In insurance, the concept of risks is transferred from the insured to the insurance company.
8. **(1 point)**
The fund manager on insurance does not guarantee protection and loss of the participant.
9. **(1 point)**
Takaful is a policy that revolves around the element of *gharar*, *riba'* and *maysir*.
10. **(1 point)**
A marriage agreement is required in Takaful contracts.

11. **(1 point)**
General takaful is categorized into motor and non-motor takaful products.
12. **(1 point)**
Tabarru' are the core element in takaful which is defined as mortgage facilities.
13. **(1 point)**
In General takaful, savings and investments will be distributed to the participant's account on annual basis.
14. **(1 point)**
Temporary and permanent total disablement are examples of benefits payable under personal accident takaful.
15. **(1 point)**
Family takaful products is a long-term policy.
16. **(1 point)**
Participant's account in the family takaful fund is invested in conventional investment bearing.
17. **(1 point)**
In order to make a claim is payable under a certificate, the participant should make sure that loss or liability must be caused by a covered peril.
18. **(1 point)**
Fire and education takaful are examples of products under non-motor takaful.
19. **(1 point)**
General takaful has elements of saving and investment since it is a long-term policy.
20. **(1 point)**
Protection for the policyholder as a borrower of a loan when purchasing a fixed asset like a house can be covered under mortgage policy.
21. **(1 point)**
In Malaysia, the Takaful industry is under the supervision of Bank Negara Malaysia.

22. **(1 point)**
The *wakalah* model is also known as the agency model in Takaful.
23. **(1 point)**
Shariah Advisory Council (SAC) is compulsory to be adhered by conventional insurance players.
24. **(1 point)**
Takaful Nasional is now known as Zurich Takaful.
25. **(1 point)**
Introduction of the Financial Master Plan 2001 is under phase IV in the Malaysian government's framework development of the Takaful industry.
26. **(1 point)**
MIFC stands for Malaysia International Islamic Financial Centre.
27. **(1 point)**
There is no need for a new marketing strategy by takaful operators since the market is saturated.
28. **(1 point)**
Seventy percent of Malaysia's population is aged below 35 years which shows age is one of the determinants of demography factors that contribute to the takaful industry.
29. **(1 point)**
The increase in the Muslim population worldwide gives huge potential to the takaful products market.
30. **(1 point)**
The establishment and setting up of the company Takaful Ikhlas are in 2011.

TOTAL: 30 MARKS

PART B: ESSAY

Answer ALL questions.

1. (10 points)

a. Explain **TWO (2)** concepts of Islamic insurance. (4 points)

b. Describe **THREE (3)** aspects of the responsibilities of the International Association of Insurance Supervisors (AIS) framework. (6 points)

2. (10 points)

Discover **FIVE (5)** features of general takaful.

3. (10 points)

Describe the **FOUR (4)** phases that the government adopted in developing the takaful industry in Malaysia.

TOTAL: 30 MARKS

END OF QUESTION PAPER