

DATED THIS 30<sup>th</sup> DAY OF *January* 2018

Between

**ZURICH TAKAFUL MALAYSIA BERHAD**  
(Company No. 731996-H)  
("Transferor")

And

**ZURICH GENERAL TAKAFUL MALAYSIA BERHAD**  
(Company No. 1260157-U)  
("Transferee")

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**BUSINESS TRANSFER AND RESTRUCTURING AGREEMENT**

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<b><u>SCHEDULE 3:</u></b>	<b><u>BUSINESS TRANSFER SCHEME</u></b>

THIS BUSINESS TRANSFER AGREEMENT FOR THE TRANSFER OF THE GENERAL TAKAFUL BUSINESS UNDER SECTIONS 112 AND 114 OF THE ISLAMIC FINANCIAL SERVICES ACT 2013 BETWEEN **ZURICH TAKAFUL MALAYSIA BERHAD** AND **ZURICH GENERAL TAKAFUL MALAYSIA BERHAD** (“**AGREEMENT**”) is made on this *30<sup>th</sup>* day of *January* 2018

BETWEEN

1. **ZURICH TAKAFUL MALAYSIA BERHAD** (Company No. 731996-H), a company incorporated in Malaysia under the Companies Act, 1965 and having its registered address at Suite 12.03, 12<sup>th</sup> Floor, No 566, Jalan Ipoh, 51200 Kuala Lumpur (“**Transferor**”);

AND

2. **ZURICH GENERAL TAKAFUL MALAYSIA BERHAD** (Company No. 1260157-U), a public company incorporated in Malaysia under the Companies Act, 2016 and having its registered office at 9<sup>th</sup> Floor, Menara Zurich, No. 12 Jalan Dewan Bahasa, 50460 Kuala Lumpur (“**Transferee**”).

WHEREAS:

- (A) The Transferor is licensed as a takaful operator and lawfully carries out the business of family takaful and general takaful.
- (B) To comply with Section 286 and Section 16(1) of the Islamic Financial Services Act 2013 (“**IFSA**”), the Transferor wishes to transfer its General Takaful Business to the Transferee with effect from the Effective Date.
- (C) By an application to BNM on June 23, 2017, the Transferor and Transferee sought, inter alia, the approval of BNM:-
  - (i) to the transfer of the General Takaful Business from the Transferor to the Transferee;
  - (ii) for the cancellation of the composite license granted to the Transferor;
  - (iii) for the grant of a license to the Transferor to carry out Family Takaful Business; and
  - (iv) for the grant of a license to the Transferee to carry out General Takaful Business

(collectively, the “**Business Transfer Scheme**”), which Scheme is set forth in **Schedule 3** of this Agreement.

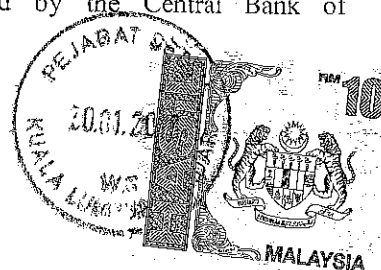
- (D) On October 31, 2017, BNM in accordance with Section 112 of the IFSA approved the Business Transfer Scheme.
- (E) It is intended that an application shall be made pursuant to Section 114 of the IFSA for the High Court to confirm the Business Transfer Scheme to effect the vesting of the General Takaful Business in the Transferee on the Effective Date.

## 1. INTERPRETATION

- 1.1 In this Agreement, unless the context requires otherwise the following expressions shall bear the following meanings:

“**Assets**” has its meaning ascribed to it in **Schedule 1**;

“**BNM**” means Bank Negara Malaysia, the Central Bank of Malaysia established by the Central Bank of Malaysia Act 1958;



<b>“Certificates”</b>	means the takaful certificates (whether Malaysian takaful certificates or offshore takaful certificates or otherwise) issued by the Transferor in respect of General Takaful Business and which remain in force as at the Effective Date and <b>“Certificate”</b> shall mean any one of them;
<b>“Effective Date”</b>	means 0001 hour on May 1, 2018 or such other date as may be agreed in writing between the Transferor and the Transferee, subject to this Agreement becoming unconditional where such date shall be the effective date on which the rights, titles and obligations in respect of the General Takaful Business will be effectively transferred to and assumed by the Transferee in accordance with the Business Transfer Scheme or such other date as may be determined by the High Court;
<b>“Excluded Employees”</b>	means the employees who shall continue to be employed by the Transferor in carrying out the Family Takaful Business and the Shared Services Employees upon the Effective Date;
<b>“Family Takaful Business”</b>	the entire and the whole Family Takaful Funds, assets, liabilities, duties and obligations of the family takaful business of the Transferor and all activities carried on in connection with or for the purpose of such family takaful business as at the Effective Date;
<b>“Family Takaful Funds”</b>	means all the assets and liabilities in the family takaful funds established and maintained as a legal requirement under Section 90 of the IFSA;
<b>“General Takaful Business”</b>	the entire and the whole General Takaful Funds, Assets, Liabilities, duties and obligations of the general takaful business of the Transferor and all activities carried on in connection with or for the purpose of such general takaful business as at the Effective Date;
<b>“General Takaful Funds”</b>	means all the assets and liabilities in the general takaful funds established and maintained as a legal requirement under Section 90 of the IFSA;
<b>“High Court”</b>	means the High Court of Malaya in Kuala Lumpur;
<b>“IFSA”</b>	means the Islamic Financial Services Act 2013;
<b>“Liabilities”</b>	has its meaning ascribed to it in <b>Schedule 2</b> ;
<b>“Notice of Transfer”</b>	means the written notice issued jointly by the Transferor and the Transferee to the Relevant Employees, giving notice of transfer their employment from the Transferor to the Transferee, and for the avoidance of doubt such notice shall be

conditional upon the transfer by the Transferor, and acquisition by the Transferee, of the General Takaful Business on the Effective Date in accordance with the terms of this Agreement;

**“Related Party”**

shall bear the meaning ascribed to it in the Financial Reporting Standard 124, being standards issued by the Malaysian Accounting Standards Board;

**“Relevant Employees”**

means all the employees employed by the Transferor in carrying out the General Takaful Business, but shall not include the Excluded Employees;

**“Ringgit Malaysia” or the symbol “RM”**

means the lawful currency of Malaysia; and

**“Shared Services Employees”**

means the employees of the Transferor who are employed to provide services both for the Family Takaful Business and the General Takaful Business as required.

- 1.2 References to statutory provisions shall be construed as references to those provisions respectively amended or re-enacted from time to time in so far as such amendment or re-enactment applies and shall include any provision of which they are re-enactments and any subordinate legislation being made under such provisions.
- 1.3 Words importing the singular include the plural and vice versa; words importing a gender includes every gender and references to persons include body corporate or unincorporate.
- 1.4 The headings are for convenience only and shall not affect the interpretation hereof.

**2. AGREEMENT**

- 2.1 The parties agree that this Agreement is conditional upon the confirmation of the High Court to the transfer of the General Takaful Business from the Transferor to the Transferee with effect from the Effective Date.

If the condition set out in this Clause 2.1 is not fulfilled within six (6) months from the date hereof, this Agreement shall terminate absolutely and neither party hereto shall have any claims against the other save and except for any antecedent breach of this Agreement.

- 2.2 The Transferor undertakes that it shall following the execution of this Agreement publish a notice stating:-
  - (a) its intention to apply to the High Court for confirmation by the High Court to the transfer of the General Takaful Business from the Transferor to the Transferee with effect from the Effective Date, in the Gazette and in the Star and Berita Harian;
  - (b) that a copy of the Business Transfer Scheme shall be open for inspection for a period of thirty (30) days at the principal place of business of the Transferor, all branches of the Transferor and the principal place of business of the Transferee; and
  - (c) that every person being the holder of a Certificate recorded in the certificate register of the Transferor, claimant or other creditor of the Transferor may object to this Agreement in writing to the Transferor within thirty (30) days from the date of publication of such notice.

- 2.3 Subject to the terms and conditions of this Agreement, the Transferor shall transfer, and the Transferee shall acquire, the General Takaful Business as a going concern as at, and with effect from the Effective Date comprising all Assets and Liabilities. For the avoidance of doubt, the transfer of the General Takaful Business shall exclude assets and liabilities which do not part of the General Takaful Business.
- 2.4 The consideration for the transfer of the General Takaful Business shall be RM1.00. The consideration shall be paid by the Transferee to the Transferor on the Effective Date, or such other date as they may mutually agree to.
- 2.5 Every person being the holder of a Certificate recorded in the certificate register of the Transferor as at the Effective Date shall, on and from the Effective Date, become entitled in substitution, for any right or rights available to him under such certificate or certificates against the Transferor to the same right or rights against the Transferee and (as regards certificates under which contributions continue to be payable) shall account to the Transferee for any further contributions as and when they become due and payable.
- 2.6 If on the Effective Date; any proceeding shall be pending by or against the Transferor in any court in connection with the General Takaful Business and the Assets and Liabilities of the Transferor to be transferred to the Transferee, the same shall be continued by or against the Transferee, and any judgment entered after the Effective Date for or against the Transferor in any such proceedings shall have effect between the Transferee and the Transferor as if such judgment had been entered for or against the Transferee.
- 2.7 The transfer of the General Takaful Business of the Transferor to be transferred to the Transferee under this Agreement is founded on the net book value of the General Takaful Business held by the Transferor as at the Effective Date.

### **3. APPORTIONMENTS**

- 3.1 Notwithstanding anything to the contrary in this Agreement, from the Effective Date, and until possession and control of the General Takaful Business is given to the Transferee by the Transferor, the Transferor shall, if required by the Transferee, and subject to compliance with all applicable laws, continue to maintain and carry on the General Takaful Business in trust for, on behalf of and for the account of the Transferee, which shall be solely entitled to any profits earned, and be liable for any losses incurred, by the Transferor arising therefrom as from the Effective Date.

The following items of expenditure and income shall be apportioned such that the cost of items of expenditure accrued, or referable to periods, prior to the Effective Date shall be borne by the Transferor and thereafter by the Transferee and the benefit of items of income accrued, or referable to periods, prior to the Effective Date shall belong to the Transferor and thereafter to the Transferee, such items of expenditure and income to include all salaries, wages and other emoluments and all statutory contributions of the Relevant Employees, rents, rates, gas, water, electricity and telephone charges and other outgoings relating to or payable in respect of the General Takaful Business.

- 3.2 The parties shall use all reasonable endeavours to agree to a statement of the apportionments referred to in Clause 3.1, and the balance owing by one party to the other, as soon as practicable after the Effective Date.

### **4. EMPLOYEES**

- 4.1 The Transferee agrees that the Relevant Employees shall be offered employment with the Transferee with effect from the Effective Date on terms no less favourable than those then enjoyed with the

Transferor.

- 4.2 On or prior to the Effective Date, the Transferor and the Transferee shall jointly issue the Notice of Transfer.
- 4.3 For the avoidance of doubt, the Excluded Employees shall continue to be employed by the Transferor.

## 5. NOTICES

- 5.1 Any notice or other document to be given under this Agreement and all other communications between the Parties with respect to this Agreement shall be in writing and may be given or sent by:

- (a) hand;
- (b) registered post, Pos Laju, or courier service; or
- (c) facsimile,

to the other Party at the address or facsimile transmission number set out below or such other address or facsimile transmission number as either Party may give notice of to the other:

### For the Transferor

Address: 8<sup>th</sup> Floor, No 566,  
Jalan Ipoh,  
51200 Kuala Lumpur.  
Attention: Phil Smith  
Telephone: 03-62876666  
Facsimile No. 03-62590088

### For the Transferee

Address: 11<sup>th</sup> Floor, Menara Zurich,  
No. 12, Jalan Dewan Bahasa,  
50460 Kuala Lumpur.  
Attention: David Fike  
Telephone: 03-21468000  
Facsimile No: 03-21433033

- 5.2. All such notices and documents shall be in the English language.
- 5.3 Any notice or other document shall be deemed to have been duly served upon and received by the addressee:-
- (a) if delivered by hand, at the time of delivery;
  - (b) if sent by registered post, within three (3) Business Days of despatch;
  - (c) if sent by Pos Laju or other courier service, when received; and
  - (d) if transmitted by way of facsimile transmission, on the date it is received by a responsible employee of the recipient in legible form,

unless the date of that delivery (or attempted delivery) or that receipt is not a Business Day or that communication is delivered (or attempted) or received, as applicable, after 5 p.m. (Kuala Lumpur time) on a Business Day, in which case that communication will be deemed given and effective on

the first following Business Day.

- 5.4 In proving the giving of a notice or any other document under or in respect of this Agreement it shall be sufficient to show:-
- (a) in the case of registered post, that the notice or other document was contained in an envelope which was duly addressed and posted; or
  - (b) in the case of facsimile transmission, that the facsimile transmission was duly transmitted from the despatching terminal, as evidenced by a transmission report generated by the transmitting equipment; or
  - (c) if any notice or communication is sent by way of facsimile transmission, a confirming copy thereof shall be sent to the other Party by post.
  - (d) if delivered by courier, as indicated by the courier's acknowledgment of receipt.

## 6. GENERAL

- 6.1 If any assets or liabilities of the Transferor to be transferred under this Agreement are situated outside Malaysia, and in the event that the following shall occur:
- (a) this Agreement and the order of the High Court is not effective under the laws of the foreign jurisdiction in which such assets and liabilities are situate to effect the transfer of the same; or
  - (b) the High Court does not grant an order confirming this Agreement in respect of the transfer of the Transferor's General Takaful Business in the foreign jurisdiction,

each of the Transferor and the Transferee shall use its best endeavours to procure the transfer of such assets and/or liabilities as soon as practicable after the Effective Date.

- 6.2 The Transferor and the Transferee may jointly consent on behalf of all persons concerned to any modification of or amendment to this Agreement or to any condition affecting the same which the High Court may think fit to approve or impose.
- 6.3 The Transferor shall do and execute and deliver or procure to be done and executed and delivered all such further acts, deeds, documents, instruments, assignment, and transfer and things as may be necessary to give effect to the terms of this Agreement.
- 6.4 The Transferor and the Transferee shall be jointly and severally liable to reimburse BNM under Section 118 of the IFSA for any expenses incurred by it in connection with this Agreement and such liability shall as between the Transferor and the Transferee be borne equally by the Transferor and the Transferee.
- 6.5 The Transferor and the Transferee shall be jointly and severally liable to pay the costs and expenses which are incidental to the preparation and carrying into effect of this Agreement and such liability shall as between the Transferor and the Transferee be borne equally by the Transferor and the Transferee.
- 6.6 This Agreement shall be governed by, and construed in accordance with the laws of Malaysia, and the parties agree to submit to the non-exclusive jurisdiction of the courts of Malaysia.
- 6.7 No third party who is not party to this Agreement shall be entitled to enforce any term of this Agreement.



6.8 The stamp duty on this Agreement and the stamp duty for the transfer of the General Takaful Business (if any) shall be borne by the Transferee solely.

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IN WITNESS WHEREOF this Business Transfer and Restructuring Agreement has been executed on the day and year first written above:

Signed by  
for and on behalf of  
**Zurich Takaful Malaysia Berhad**  
(Company No. 731996-H)  
in the presence of:



**ALAN HO**  
General Counsel  
Legal & Compliance Department

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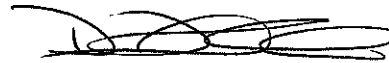
**PHILIP WALLACE SMITH**  
(Director)

Signed by  
for and on behalf of  
**Zurich General Takaful Malaysia Berhad**  
(Company No. 1260157-U)  
in the presence of:



**ALAN HO**  
General Counsel  
Legal & Compliance Department

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**DAVID JERRY FIKE**  
(Director)

## SCHEDULE 1

“Assets” shall mean all of the Transferor’s property, rights, undertaking and assets used, employed or exercised directly or indirectly connected with the General Takaful Business whatsoever and wheresoever situated as at the Effective Date including:

- (a) all Certificates;
- (b) all the contribution outstanding and due to, or receivable by, the Transferor in respect of the Certificates, and net of allowance for doubtful debts;
- (c) all contracts, agreements or other commitments (whether or not in writing) entered into before the Effective Date by or on behalf of the Transferor with third parties in connection with the General Takaful Business and which remains (in whole or in part) in force at the Effective Date;
- (d) all investments in Malaysian Government Papers made by the Transferor prior, and up, to the Effective Date, and net of amortization of premiums and/or accretion of discounts;

“Malaysian Government Papers” include:

- (i) Malaysian Treasury Bills;
- (ii) BNM Bills; and
- (iii) Government Investment Issues,

“BNM Bills” means the zero-coupon short-term securities issued by BNM and offered to principal dealers through competitive auction;

“Malaysian Treasury Bills” means the zero-coupon short-term securities issued by the Federal Treasury of Malaysia for working capital, sold through competitive auction, facilitated by BNM; and

“Federal Government” means the Government of the Federation of Malaysia;

- (e) all monies due and payable from the Related Party of the Transferor for inter-company charges,
- (f) all book debts, notes and accounts receivable or other rights to payment arising from the operation of the General Takaful Business prior, and up, to the Effective Date;
- (g) all other assets of any nature owned by the Transferor and used or intended to be capable of being used in connection with the General Takaful Business;
- (h) copies of the records and information relating to clients, principals, and contract parties and other books and documents which relate to the General Takaful Business, including but not limited to the certificate registers and takaful claim register required to be kept pursuant to the IFSA and client lists (“Books”);
- (i) all investments in Cagamas Instruments made by the Transferor prior, and up, to the Effective Date, and net of amortization of premiums and/or accretion of discounts;
- (j) all investments in debentures, bonds and unconvertible loan stocks made by the Transferor prior, and up, to the Effective Date, and net of amortization of premiums and/or accretion of discounts and/or allowance for diminution in value;
- (k) all investments in warrants made by the Transferor prior, and up, to the Effective Date, and net of allowance for diminution in value;

- (l) all shares acquired, and all proceeds arising from the disposal of the shares prior, and up, to the Effective Date, and net of allowance for diminution in value;
- (m) all investments in fixed deposits and money market instruments issued by any financial institution licensed under the IFSA made by the Transferor prior, and up, to the Effective Date;
- (n) all cash-in-hand and at bank, prior, and up, to the Effective Date;
- (o) all assets held or to be held in the Transferor's accounts with all financial institutions;
- (p) all balance of contributions, claims, brokerage and commissions in respect of retakaful ceded whether directly or through brokers, and net of allowance for doubtful debts;
- (q) all cash, rights, emoluments, or entitlements accrued to the Transferor arising from the investment made by the Transferor prior to the Effective Date on the assets set forth in paragraphs (d), (i), (j), (k), (l) and (m) above;
- (r) all stationery, stocks or consumables used by the Transferor in connection with the General Takaful Business;
- (s) the float maintained for the purpose of advancing monies to employees of the Transferor for travel or entertainment in connection with the General Takaful Business;
- (t) all amounts standing to the debit in the debit note clearing account in the Books of the Transferor prior, and up, to the Effective Date;
- (u) all deposits paid to, and refundable by, the landlord of properties rented by the Transferor;
- (v) all tenanted property including all tenant's and trade fixtures and fittings at the property, but excluding fixtures and fittings belonging to the landlord, subtenant or invitee;
- (w) all means all properties (including all easements, rights and licences appurtenant thereto and all buildings and structures thereon) owned by the Transferor on or prior to the Effective Date for the purpose of investment ("**Investment Properties**");
- (x) all properties (including all easements, rights and licences appurtenant thereto and all buildings and structures thereon) occupied and used, or let, by the Transferor for the purpose of undertaking the General Takaful Business;
- (y) all furniture, fixtures, fittings, computers, office equipment, renovation, software and hardware, motor vehicle, equipment and other movable assets;
- (z) all advance and/or deposit paid by the Transferor for any expense incurred by the Transferor in connection with the General Takaful Business prior, and up, to the Effective Date;
- (aa) all other assets relating to the General Takaful Business shown in the Transferor's balance sheet, as at the Effective Date,
- (bb) all amounts due and payable to the Transferor pursuant to the loans made available by the Transferor to the Relevant Employees prior, and up, to the Effective Date;
- (cc) all contracts, agreements or other commitments (whether or not in writing) entered into before the Effective Date by or on behalf of the Transferor with third parties in connection with the leasing of motor vehicles for the use of such motor vehicles by the Relevant Employees, and

- (dd) all advance and/or deposit paid by the Transferor for the assets set forth in paragraphs (a) to (cc) above, as the case may be.

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## SCHEDULE 2

“**Liabilities**” shall mean all liabilities, obligations, debts and duties, whether actual or contingent, whether present or future, whether vested or contingent, incurred by the Transferor directly or indirectly connected with the General Takaful Business as at the Effective Date including:

- (a) liabilities in respect of the Certificates;
- (b) all service tax and Government Service Tax, whichever is applicable payable on the Certificates;
- (c) all liability for claims which have been incurred but not yet reported and liabilities on reported claims;
- (d) all amounts due, directly or indirectly, to certificate holders, agents, financial advisors in respect of contributions, commission or any other types of agency compensations;
- (e) all the balance of contribution, claims, and commission due in respect of retakaful ceded;
- (f) all amounts retained from retakaful operators as deposits in respect of retakaful ceded where the deposits are not yet due for repayment;
- (g) all amounts received by the Transferor prior to the Effective Date towards contributions which are not yet due on the Certificates;
- (h) all stamp duty payable on the Certificates;
- (i) all amounts in accounts arising from the General Takaful Business;
- (j) all expenses accrued prior to the Effective Date by the Transferor in connection with the General Takaful Business;
- (k) all monies that are due and payable and have remained unpaid;
- (l) all bank overdrafts incurred prior to the Effective Date by the Transferor in connection with the General Takaful Business;
- (m) all deposits received from, and refundable to, the tenants of properties let or sub-let by the Transferor;
- (n) the tax obligations and/or recovery entitlements of the Transferor, including, but not limited to, current tax, deferred tax and tax deducted at source, incurred or arising prior to the Effective Date and an amount of cash sufficient to meet such tax obligations;
- (o) all monies due and payable to the Related Party of the Transferor for intercompany charges;
- (p) all amounts retained by the Transferor for renovation works conducted by independent contractors on the Investment Properties and the properties owned by the Transferor;
- (q) all deposits paid by the tenants of the Investment Properties and tenants of the properties owned by the Transferor; and
- (r) all other liabilities relating to the General Takaful Business shown in the Transferor’s balance sheet, as at the Effective Date.

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**SCHEDULE 3**

**Business Transfer Scheme**

**SCHEME OF TRANSFER**  
**SCHEME FOR THE TRANSFER OF GENERAL TAKAFUL BUSINESS**  
under Part VII of the Islamic Financial Services Act 2013 (Act 759)

BETWEEN

**ZURICH TAKAFUL MALAYSIA BERHAD**  
(Company No. 731996-H)  
(“Transferor”)

AND

**ZURICH GENERAL TAKAFUL MALAYSIA BERHAD**  
(Company No. 1260157-U)  
(“Transferee”)

This is the Scheme referred to in the Business Transfer Agreement dated *30 January* 2018 between **ZURICH TAKAFUL MALAYSIA BERHAD** (Company No. 731996-H) (“Transferor”) and **ZURICH GENERAL TAKAFUL MALAYSIA BERHAD** (Company No. 1260157-U) (“Transferee”) (the agreement is hereinafter referred to as the “Business Transfer Agreement”) for the transfer by the Transferor to the Transferee of the General Takaful Business (as defined below), in accordance with the terms and subject to the conditions set out in the Business Transfer Agreement, to be confirmed and effected by an order of the High Court of Malaya.

**PRELIMINARY**

1. **DEFINITIONS**

In this Scheme, the following expressions shall, unless the context otherwise requires, have the meaning set opposite each of them:-

“**Assets**” has its meaning ascribed to it in **Schedule 1**;

“**BNM**” means Bank Negara Malaysia, the Central Bank of Malaysia



established by the Central Bank of Malaysia Act 1958;

- “Certificates”** means the takaful certificates (whether Malaysian takaful certificates or offshore takaful certificates or otherwise) issued by the Transferor in respect of General Takaful Business and which remain in force as at the Effective Date and **“Certificate”** shall mean any one of them;
- “Court Order”** means the order or orders of the High Court under Part VII of the IFSA to enable the transfer of the General Takaful Business under the Business Transfer Agreement to be given effect to through confirmation of the Scheme together with any orders made supplementary or ancillary thereto;
- “Effective Date”** means 0001 hour on May 1, 2018 or such other date as may be agreed in writing between the Transferor and the Transferee, subject to this Scheme becoming unconditional where such date shall be the effective date on which the rights, titles and obligations in respect of the General Takaful Business will be effectively transferred to and assumed by the Transferee in accordance with this Scheme or such other date as may be determined by the High Court;
- “Excluded Employees”** means the employees who shall continue to be employed by the Transferor in carrying out the Family Takaful Business and the Shared Services Employees upon the Effective Date;
- “Family Takaful Business”** the entire and the whole Family Takaful Funds, assets, liabilities, duties and obligations of the family takaful business of the Transferor and all activities carried on in connection with or for the purpose of such family takaful business as at the Effective Date;
- “Family Takaful Funds”** means all the assets and liabilities in the family takaful funds established and maintained as a legal requirement under Section 90 of the IFSA;

<b>“General Takaful Business”</b>	the entire and the whole General Takaful Funds, Assets, Liabilities, duties and obligations of the general takaful business of the Transferor and all activities carried on in connection with or for the purpose of such general takaful business as at the Effective Date;
<b>“General Takaful Funds”</b>	means all the assets and liabilities in the general takaful funds established and maintained as a legal requirement under Section 90 of the IFSA;
<b>“High Court”</b>	means the High Court of Malaya in Kuala Lumpur;
<b>“IFSA”</b>	means the Islamic Financial Services Act 2013;
<b>“Liabilities”</b>	has its meaning ascribed to it in <b>Schedule 2</b> ;
<b>“Relevant Employees”</b>	means all the employees employed by the Transferor in carrying out the General Takaful Business, but shall not include the Excluded Employees;
<b>“Scheme”</b>	means this business transfer scheme for the transfer of the General Takaful Business as at the Effective Date from the Transferor to the Transferee made pursuant to Part VII of the IFSA which is to be confirmed and to take effect in accordance with the Court Order; and
<b>“Shared Services Employees”</b>	means the employees of the Transferor who are employed to provide services both for the Family Takaful Business and the General Takaful Business as required.

2. The Transferor is a company incorporated in Malaysia under the Companies Act 1965 and is licensed as a takaful operator and lawfully carries out the business of family takaful and general takaful.
3. To comply with Sections 286 and 16(1) of the IFSA, the Transferor wishes to transfer its General Takaful Business to the Transferee with effect from the Effective Date.

4. It is intended that an application shall be made pursuant to Section 114 of the IFSA for the High Court to confirm the business transfer scheme to effect the vesting of the General Takaful Business in the Transferee on the Effective Date.
5. Capitalised terms referred to in this Scheme, unless otherwise expressly defined herein, shall have the same meanings as those set out in the Business Transfer Agreement.

## **THE SCHEME**

- A. This Scheme shall be conditional upon the following being satisfied:-
  - (a) the Transferor and the Transferee having obtained the approval of BNM required for the transfer of the General Takaful Business to the Transferee and for this Scheme; and
  - (b) the Transferor and the Transferee having obtained the confirmation of the High Court to the transfer of the General Takaful Business from the Transferor to the Transferee with effect from the Effective Date.
- B. Upon obtaining the approval of the BNM to this Scheme, the Transferor shall publish a notice stating:-
  - (a) its intention to apply to the High Court for confirmation by the High Court to the transfer of the General Takaful Business from the Transferor to the Transferee with effect from the Effective Date, in the Gazette and in the newspapers of the Star and Berita Harian;
  - (b) that a copy of this Scheme shall be open for inspection for a period of thirty (30) days at the principal place of business of the Transferor, all branches of the Transferor and the principal place of business of the Transferee; and
  - (c) that every person being the holder of a Certificate recorded in the certificate register of the Transferor, claimant or other creditor of the Transferor may object to this

Scheme in writing to the Transferor within thirty (30) days from the date of publication of such notice.

- C. The Transferor shall transfer, and the Transferee shall acquire, the General Takaful Business as a going concern as at, and with effect from the Effective Date comprising all Assets and Liabilities.
- D. The consideration for the transfer of the General Takaful Business shall be as stated in the Business Transfer Agreement.
- E. Without prejudice to the generality of paragraph C above, the implementation of such transfer of the General Takaful Business and assumption thereof shall take effect in the following manner in accordance with the terms of the Court Order confirming the Scheme:-
  - (a) that every person being the holder of a Certificate recorded in the certificate register of the Transferor as at the Effective Date shall, on and from the Effective Date, become entitled in substitution, for any right or rights available to him under such certificate or certificates against the Transferor to the same right or rights against the Transferee and (as regards certificates under which contributions continue to be payable) shall account to the Transferee for any further contributions as and when they become due and payable;
  - (b) that if on the Effective Date; any proceeding shall be pending by or against the Transferor in any court in connection with the General Takaful Business and the Assets and Liabilities of the Transferor to be transferred to the Transferee, the same shall be continued by or against the Transferee, and any judgment entered after the Effective Date for or against the Transferor in any such proceedings shall have effect between the Transferee and the Transferor as if such judgment had been entered for or against the Transferee;
  - (c) that the rights and title to the Assets whether moveable or immovable vested in or held by the Transferor either alone or jointly with any other person shall on and from the Effective Date, be transferred to and be vested in or held by the Transferee or as the case may be, jointly with such other person subject to all powers and provisions applicable thereto respectively, without the need to effect the transfer of rights and titles to each asset forming the Assets individually;

- (d) that any existing instrument, whether in the form of a contract, deed, indentures, deed polls and other instruments, and any order of any Court under or by virtue of which any assets became vested in the Transferor pertaining to the Assets, shall be construed and have effect, on and from the Effective Date, so far as the context permits, as if for any reference therein to the Transferor there were substituted by a reference to the Transferee;
- (e) that any existing agreement or contract concerning the Assets and Liabilities (to the extent that it is still in force or has any effect) to which the Transferor was a party thereto shall have effect on and from the Effective Date as if the Transferee had been a party thereto and executed such existing agreements or contracts in place of the Transferor;
- (f) that any existing instruction, order, direction, mandate, power of attorney, authority, undertaking, consent, licence, permits or approvals whether or not expressed in writing pertaining to the Assets and Liabilities, given to the Transferor either alone or jointly with any other person, shall have effect, on and from the Effective Date, in respect of anything due to be done, as if given to the Transferee either alone or, as the case may be, jointly with such other person;
- (g) that any negotiable instrument or order for payment of money pertaining to the Assets and Liabilities drawn on, or given to, or accepted or endorsed by, the Transferor or payable at the place of business of the Transferor, whether so drawn, given, accepted or endorsed before, on, or after the Effective Date, shall have the same effect, on and from the Effective Date, as if it had been drawn on, or given to, or accepted or endorsed by the Transferee or were payable at the place of business of the Transferee;
- (h) that the custody of any document, title, certificates, goods or things pertaining to the Assets and Liabilities held by the Transferor as bailee immediately before the Effective Date, shall pass to the Transferee on the Effective Date, and the rights and obligations of the Transferor under any contract of bailment relating to any such document, goods or things shall, on and from the Effective Date, be transferred to the Transferee;
- (i) that any security (whether on movable or immovable properties) pertaining to the Assets and Liabilities held immediately before the Effective Date by the Transferor, or by a nominee of, or trustee for the Transferor as security for the payment or

discharge of any liability of any person shall, on and from the Effective Date, be held by the Transferee or, as the case may be, by that nominee or trustee as the nominee of, or trustee for the Transferee, and to the extent of those liabilities, be available to the Transferee as security for the payment or discharge of such liabilities in the same manner as such security was held by or for the Transferor as aforesaid. Any security which extends to future advances or future liabilities, it shall, on and from the Effective Date, be held by, and be available as aforesaid to the Transferee as security for future advances by, and future liabilities to the Transferee in the same manner in all respects as future advances by, or future liabilities to the Transferor were secured thereby immediately before the Effective Date;

(j) in respect of any right or liability of the Transferor transferred to the Transferee pursuant to the Court Order, the Transferee shall have the same rights, powers and remedies (and in particular the same rights and powers as to taking and resisting legal proceedings or making or resisting applications to any authority) for ascertaining, protecting or enforcing that right or resisting that liability of the Transferor, as if it had at all times been a right or liability of the Transferee (including those rights or liabilities in respect of any legal proceedings or applications to any authority pending immediately before the Effective Date by or against the Transferor); and

(k) that the certification in writing by an authorised signatory of the Transferee be conclusive evidence of the Assets and Liabilities or interest therein that is to be vested in and transferred to the Transferee.

F. On and after the Effective Date, and until possession and control of the General Takaful Business is given to the Transferee by the Transferor, the Transferor shall, if required by the Transferee, and subject to compliance with all applicable laws, continue to maintain and carry on the General Takaful Business in trust for, on behalf of and for the account of the Transferee, which shall be solely entitled to any profits earned, and be liable for any losses incurred, by the Transferor arising therefrom as from the Effective Date. The expenditure and income shall be apportioned in the manner as stated in the Business Transfer Agreement.

G. This Scheme shall become operative on the Effective Date.

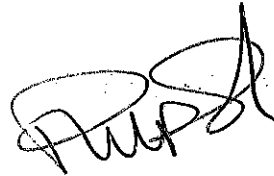
H. The Transferor and the Transferee shall be jointly and severally liable to reimburse the BNM under Section 118 of the IFSA for any expenses incurred by it in connection with this

Agreement and such liability shall as between the Transferor and the Transferee be borne equally by the Transferor and the Transferee.

Dated the 30<sup>th</sup> days of January 2018

Signed by )  
for and on behalf of )  
**Zurich Takaful Malaysia Berhad** )  
(Company No. 731996-H) )  
in the presence of: )

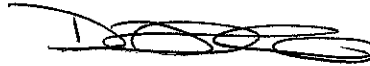
  
**ALAN HO**  
General Counsel  
Legal & Compliance Department



**PHILIP WALLACE SMITH**  
(Director)

Signed by )  
for and on behalf of )  
**Zurich General Takaful Malaysia Berhad** )  
(Company No. 1260157-U) )  
in the presence of: )

  
**ALAN HO**  
General Counsel  
Legal & Compliance Department



**DAVID JERRY FIKE**  
(Director)

## SCHEDULE 1

### ASSETS

“Assets” shall mean all of the Transferor’s property, rights, undertaking and assets used, employed or exercised directly or indirectly connected with the General Takaful Business whatsoever and wheresoever situated as at the Effective Date including:-

- (a) all Certificates;
- (b) all the contribution outstanding and due to, or receivable by, the Transferor in respect of the Certificates, and net of allowance for doubtful debts;
- (c) all contracts, agreements or other commitments (whether or not in writing) entered into before the Effective Date by or on behalf of the Transferor with third parties in connection with the General Takaful Business and which remains (in whole or in part) in force at the Effective Date;
- (d) all investments in Malaysian Government Papers made by the Transferor prior, and up, to the Effective Date, and net of amortization of premiums and/or accretion of discounts;

“Malaysian Government Papers” include:-

- (i) Malaysian Treasury Bills;
- (ii) BNM Bills; and
- (iii) Government Investment Issues,

“BNM Bills” means the zero-coupon short-term securities issued by BNM and offered to principal dealers through competitive auction;

“Malaysian Treasury Bills” means the zero-coupon short-term securities issued by the Federal Treasury of Malaysia for working capital, sold through competitive auction, facilitated by BNM; and

“Federal Government” means the Government of the Federation of Malaysia;



- (e) all monies due and payable from the Related Party of the Transferor for inter-company charges,
- (f) all book debts, notes and accounts receivable or other rights to payment arising from the operation of the General Takaful Business prior, and up, to the Effective Date;
- (g) all other assets of any nature owned by the Transferor and used or intended to be capable of being used in connection with the General Takaful Business;
- (h) copies of the records and information relating to clients, principals, and contract parties and other books and documents which relate to the General Takaful Business, including but not limited to the certificate registers and takaful claim register required to be kept pursuant to the IFSA and client lists ("**Books**");
- (i) all investments in Cagamas Instruments made by the Transferor prior, and up, to the Effective Date, and net of amortization of premiums and/or accretion of discounts;
- (j) all investments in debentures, bonds and unconvertible loan stocks made by the Transferor prior, and up, to the Effective Date, and net of amortization of premiums and/or accretion of discounts and/or allowance for diminution in value;
- (k) all investments in warrants made by the Transferor prior, and up, to the Effective Date, and net of allowance for diminution in value;
- (l) all shares acquired, and all proceeds arising from the disposal of the shares prior, and up, to the Effective Date, and net of allowance for diminution in value;
- (m) all investments in fixed deposits and money market instruments issued by any financial institution licensed under the IFSA made by the Transferor prior, and up, to the Effective Date;
- (n) all cash-in-hand and at bank, prior, and up, to the Effective Date;
- (o) all assets held or to be held in the Transferor's accounts with all financial institutions;
- (p) all balance of contributions, claims, brokerage and commissions in respect of retakaful ceded whether directly or through brokers, and net of allowance for doubtful debts;

- (q) all cash, rights, emoluments, or entitlements accrued to the Transferor arising from the investment made by the Transferor prior to the Effective Date on the assets set forth in paragraphs (d), (i), (j), (k), (l) and (m) above;
- (r) all stationery, stocks or consumables used by the Transferor in connection with the General Takaful Business;
- (s) the float maintained for the purpose of advancing monies to employees of the Transferor for travel or entertainment in connection with the General Takaful Business;
- (t) all amounts standing to the debit in the debit note clearing account in the Books of the Transferor prior, and up, to the Effective Date;
- (u) all deposits paid to, and refundable by, the landlord of properties rented by the Transferor;
- (v) all tenanted property including all tenant's and trade fixtures and fittings at the property, but excluding fixtures and fittings belonging to the landlord, subtenant or invitee;
- (w) all means all properties (including all easements, rights and licences appurtenant thereto and all buildings and structures thereon) owned by the Transferor on or prior to the Effective Date for the purpose of investment ("**Investment Properties**");
- (x) all properties (including all easements, rights and licences appurtenant thereto and all buildings and structures thereon) occupied and used, or let, by the Transferor for the purpose of undertaking the General Takaful Business;
- (y) all furniture, fixtures, fittings, computers, office equipment, renovation, software and hardware, motor vehicle, equipment and other movable assets;
- (z) all advance and/or deposit paid by the Transferor for any expense incurred by the Transferor in connection with the General Takaful Business prior, and up, to the Effective Date;
- (aa) all other assets relating to the General Takaful Business shown in the Transferor's balance sheet, as at the Effective Date,

- (bb) all amounts due and payable to the Transferor pursuant to the loans made available by the Transferor to the Relevant Employees prior, and up, to the Effective Date;
- (cc) all contracts, agreements or other commitments (whether or not in writing) entered into before the Effective Date by or on behalf of the Transferor with third parties in connection with the leasing of motor vehicles for the use of such motor vehicles by the Relevant Employees, and
- (dd) all advance and/or deposit paid by the Transferor for the assets set forth in paragraphs (a) to (cc) above, as the case may be.

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**SCHEDULE 2**  
**LIABILITIES**

“**Liabilities**” shall mean all liabilities, obligations, debts and duties, whether actual or contingent, whether present or future, whether vested or contingent, incurred by the Transferor directly or indirectly connected with the General Takaful Business as at the Effective Date including:-

- (a) liabilities in respect of the Certificates;
- (b) all service tax and Government Service Tax, whichever is applicable payable on the Certificates;
- (c) all liability for claims which have been incurred but not yet reported and liabilities on reported claims;
- (d) all amounts due, directly or indirectly, to certificate holders, agents, financial advisors in respect of contributions, commission or any other types of agency compensations;
- (e) all the balance of contribution, claims, and commission due in respect of retakaful ceded;
- (f) all amounts retained from retakaful operators as deposits in respect of retakaful ceded where the deposits are not yet due for repayment;
- (g) all amounts received by the Transferor prior to the Effective Date towards contributions which are not yet due on the Certificates;
- (h) all stamp duty payable on the Certificates;
- (i) all amounts in accounts arising from the General Takaful Business;
- (j) all expenses accrued prior to the Effective Date by the Transferor in connection with the General Takaful Business;
- (k) all monies that are due and payable and have remained unpaid;

- (l) all bank overdrafts incurred prior to the Effective Date by the Transferor in connection with the General Takaful Business;
- (m) all deposits received from, and refundable to, the tenants of properties let or sub-let by the Transferor;
- (n) the tax obligations and/or recovery entitlements of the Transferor, including, but not limited to, current tax, deferred tax and tax deducted at source, incurred or arising prior to the Effective Date and an amount of cash sufficient to meet such tax obligations;
- (o) all monies due and payable to the Related Party of the Transferor for intercompany charges;
- (p) all amounts retained by the Transferor for renovation works conducted by independent contractors on the Investment Properties and the properties owned by the Transferor;
- (q) all deposits paid by the tenants of the Investment Properties and tenants of the properties owned by the Transferor; and
- (r) all other liabilities relating to the General Takaful Business shown in the Transferor's balance sheet, as at the Effective Date.

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