

FIRE TAKAFUL PLANS IN MALAYSIA: A COMPARATIVE ASSESSMENT

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Abstract

Takaful, the Shariah-compliant alternative to insurance, provides protection against unexpected risks through principles of mutual cooperation (ta'awun). Fire remains one of the most significant perils to property owners, underscoring the importance of fire Takaful plans. In Malaysia, a variety of such plans are offered by different operators, particularly for home and property coverage. This study aims to compare the fire Takaful plans for individual available in the Malaysian market, highlighting their similarities, differences, and unique features. A qualitative content analysis was conducted using secondary data drawn from product brochures, disclosure sheets, and policy documents. The analysis focuses on coverage scope, sum covered, additional coverage and major exclusions embedded in the plans. The findings are expected to improve public understanding of fire Takaful, support consumer decision-making, and provide implications for enhancing transparency and competitiveness within the Malaysian Takaful industry.

Keywords: General takaful, fire takaful, property coverage, major exclusion.

INTRODUCTION

Property represents one of the most valuable assets for individuals and households, making protection against unforeseen risks a critical concern. In Malaysia, the increasing incidence of fire-related losses highlights the importance of financial preparedness against such events (Department of Statistics Malaysia, 2023). Fires caused by electrical faults, negligence, or natural disasters often lead to substantial damage, threatening both residential security and financial stability. Consequently, the need for structured financial protection has become more pressing, particularly as fire remains one of the most severe perils faced by property owners worldwide (Rahman et al., 2025).

Takaful, the Shariah-compliant alternative to conventional insurance, provides protection against risks through principles of mutual cooperation (ta'awun) (Soualhi, 2024; Billah, 2019; International Islamic Fiqh Academy, 2024). Unlike conventional insurance, where risk transfer and profit motives dominate, Takaful emphasizes shared responsibility and solidarity among participants (AAOIFI, 2015; Dahnoun & Alqudwa, 2018; ISRA, 2023). Takaful operators manage funds on behalf of participants, who pool contributions to provide mutual protection against specified perils, including fire and natural disasters. As the Takaful industry matures, product diversification has become crucial to addressing the growing

demand for Shariah-compliant risk management solutions (Abdul Wahab, Lewis, & Hassan, 2007; Abdusattarovich, 2024; Naim, Isa & Rahim, 2024; Naz, Ali & Abadullah, 2025).

Within this framework, fire Takaful serves as a key instrument to safeguard property owners against fire-related risks. In Malaysia, several operators offer dedicated fire Takaful plans, primarily targeting home and property coverage. However, despite the availability of such products, public awareness and understanding of fire Takaful remain limited (Saaty & Ansari, 2008; Rahman, Samsudin, & Osman, 2024). Many consumers are still unfamiliar with the distinctive features, coverage mechanisms, and exclusion aspects of these plans compared to conventional fire insurance (Bhatti & Shoaib, 2025). This lack of awareness creates a gap in uptake, underscoring the need for comparative studies that highlight the value, transparency, and competitiveness of fire Takaful in the Malaysian context. Thus, this study aims to compare and contrast the fire Takaful plans available for individuals in the Malaysian market, with a focus on highlighting their similarities, differences, and distinctive features.

This article is structured as follows. The next section reviews the relevant literature to provide a conceptual and regulatory background for understanding fire Takaful. This is followed by a description of the methodology employed. The findings section then presents the comparison of fire Takaful plans among Malaysian operators, highlighting similarities and differences in coverage, sum covered, additional coverage and major exclusions. The final section concludes the study by discussing implications for consumers, operators, and regulators, and by identifying areas for further research.

LITERATURE REVIEW

An Overview of Takaful

Takaful is fundamentally based on the principles of ta'awun (mutual cooperation) whereby participants pool resources to provide collective financial protection against risks. Unlike conventional insurance, which emphasizes risk transfer, takaful emphasizes mutual assistance and joint risk-sharing among participants (Alhabshi, Sharif, Abdul Razak & Ismail, 2012; ISRA, 2023). The operator manages the pooled contributions in trust, acting as a fund manager rather than an insurer in the traditional sense (Nazarov & Dhiraj, 2019).

The structure of Takaful relies on Shariah contracts such as wakalah (agency), mudarabah (profit-sharing), ju'alah (performance-based reward), and hibah (gift) (Ayub, 2003; Bakar, 2009; ISRA, 2023). These contracts ensure that operations remain compliant with Islamic principles while allowing flexibility in management and distribution of surpluses (AAOIFI, 2023; 2025).

Recent global developments reflect growing emphasis on standardized reporting and transparency. The issuance of AAOIFI's FAS 42 (2023) and FAS 43 (2025) illustrates a regulatory shift toward strengthening disclosure in Takaful

institutions. These standards aim to enhance comparability and protect participant interests, while ensuring that operators balance fund sustainability with fairness. In this sense, the conceptual foundation of takaful is continually being shaped by both classical Shariah principles and modern regulatory frameworks (IFSB, 2024). In Malaysia specifically, Islamic Financial Services Act (2013) (Bank Negara Malaysia, 2013) outlined the regulation and governance of takaful business, with further deliberation in Takaful Operational Framework (Bank Negara Malaysia, 2019).

Background of Takaful Industry in Malaysia

Malaysia is widely recognized as one of the most advanced takaful markets globally, with a well-developed dual structure encompassing family Takaful (life-equivalent products including protection and savings plans) and general takaful (non-life risks such as property, motor, health, and liability) (Alhabshi et al., 2012). The evolution of Malaysia's takaful industry has been driven by strong regulatory frameworks, industry innovation, and growing consumer demand for Shariah-compliant financial products (Fisher & Taylor, 2000; IFSB, 2024; Sanusi & Hasan, 2025).

Family Takaful has traditionally been the dominant segment, particularly through savings and investment-linked products, supported by favorable demographics and rising middle-class participation (Prudential BSN Takaful, 2025). General Takaful, while smaller in market share, plays a critical role in providing risk protection for households, businesses, and infrastructure. Operators increasingly integrate value-added features into products, such as surplus-sharing and charitable allocations, to enhance differentiation and consumer appeal (Sikander, 2024; Syarikat Takaful Malaysia, 2025).

Recent regulatory developments emphasize capital adequacy, risk-based frameworks, and transparency. Reports such as the Financial Stability Review (BNM, 2024a; 2024b) stress the importance of consumer trust and clear disclosures to sustain industry growth (Muhammad Zuki, Ishak & Roja, 2024; Madi & Ben Jedidia, 2025). Taken together, Malaysia's dual takaful structure has provided a strong platform for innovation while highlighting the need for robust governance to balance participant protection and operator incentives.

General Takaful Products

Within the general Takaful segment, property coverage is one of the most critical product lines. Fire, in particular, remains a central risk due to its potential for catastrophic loss of assets and livelihoods. In Malaysia, fire incidents continue to pose financial risks to both households and businesses, making fire Takaful a vital instrument of protection (Department of Statistics Malaysia, 2023; Rahman et al., 2025). Fire takaful typically covers losses due to fire, lightning, and explosion, with extensions available for flood, storm, and other allied perils (Takaful Ikhlas, 2025).

The design of fire takaful products reflects the Shariah-compliant ethos while incorporating practical insurance features. Operators such as Etiqa, Syarikat Takaful Malaysia, and Zurich offer plans that include clear surplus-sharing policies,

participant cashback through hibah, or charitable allocations for surplus balances (Syarikat Takaful Malaysia, 2025; Takaful Ikhlas, 2025). These features distinguish fire takaful from conventional fire insurance by integrating ethical dimensions and shared accountability with participants. However, disclosures and practices vary significantly across operators, which may affect consumer comparability and confidence.

Despite its importance, awareness and uptake of fire takaful remain relatively low compared to family takaful products. Studies highlight that many consumers lack understanding of surplus-sharing mechanisms, Shariah contracts, and even the availability of fire takaful products (Rahman et al., 2024; Iqbal, Ali & Audi, 2025). Regulators, including BNM, have consistently emphasized the need for enhanced product literacy and comparability tools (BNM, 2024a; IFSB, 2024). This awareness gap underscores the significance of the present study, which focuses specifically on comparing fire takaful plans offered in Malaysia to provide clarity on their similarities, differences, and implications for participants.

METHODOLOGY

This study employs a qualitative content analysis to examine the features of fire Takaful plans offered by Malaysian operators. Content analysis is suitable for systematically identifying patterns, similarities, and differences across documents while allowing contextual interpretation of underlying principles and practices (Krippendorff, 2019).

The analysis is based exclusively on secondary data obtained from publicly available sources, including product brochures, product disclosure sheets, and policy documents published by Takaful operators. These materials were purposively selected as they represent the official communication between operators and consumers and contain detailed information on product design, coverage features, and policy terms.

The study focuses on four key aspects of the fire Takaful plans:

- i. Coverage scope – the range of perils protected under the policy, such as fire, lightning, and allied risks;
- ii. Sum covered – the extent of financial protection or maximum compensation available to participants;
- iii. Additional coverage – optional extensions or add-ons, including flood, storm, or explosion coverage; and
- iv. Major exclusions – risks or conditions not covered by the plan.

All documents were reviewed and coded according to these themes. This enabled a comparative analysis across different operators to highlight areas of convergence and variation in fire Takaful offerings. The qualitative approach ensures understanding of product structures and provides insights into how operators communicate risk protection features to participants.

RESULTS AND DISCUSSION

This section employs a comparative analysis to critically evaluate the data collected. The discussion is organized into four parts. The first part reviews the range of fire takaful plans for property currently available in the market. The second part examines the total sum covered under these plans as offered by different takaful operators. The third part highlights the additional coverage options provided for fire takaful, while the final part analyzes the major exclusions specified in these products.

Fire Takaful Plans for Individu Offered by Malaysian Takaful Operators

The findings identified four takaful operators that currently offer fire Takaful plans for property, namely Etiqa General Takaful Berhad, Takaful Ikhlas General Berhad, Syarikat Takaful Malaysia Am Berhad, and Zurich General Takaful Berhad. In total, eleven fire Takaful plans for property were found to be available in the Malaysian market.

Most products provide standard protection against fire, lightning, and domestic explosion, with selected extensions for risks such as theft (with forcible entry), bursting of water tanks, and liability cover. Broader coverage is visible in plans like Syarikat Takaful Malaysia's myHouseowners & Householders and myHome Content, which include flood, windstorm, and third-party liability. Table 1 presents the list of operators alongside the specific fire takaful plans they provide.

These findings suggest a standardized baseline of fire-related protection, complemented by product differentiation to address consumer segments. This structure is consistent with regulatory expectations in Malaysia that emphasize clear consumer outcomes and comparability (BNM, 2024a, 2024b). At the international level, AAOIFI's standards on Takaful presentation and disclosure (FAS 42, 2025; FAS 43, 2025) reinforce the need for transparency in product terms to sustain participant confidence. However, reliance on certificate wording without explicit brochure details may hinder consumer understanding. This gap mirrors earlier observations that information asymmetry is one of the barriers to wider uptake of general Takaful compared to family Takaful (IFSB, 2024; Iqbal, Ali & Audi, 2025).

Table 1: Fire takaful plans for individu offered by takaful operators in Malaysia

Takaful Operators	Fire Takaful Plans offered	Basic Coverage
Etiqa General Takaful Berhad	MyRumah Takaful	<ul style="list-style-type: none"> • Damage to house/house contents due to fire, lightning, and domestic explosion. • Death of the Participants or one immediate family member due to fire, theft, robbery with violent and forcible entry at the Participant's residence. • Property damage due to fire or flood or windstorm at the house.
	Etiqa Takaful Home Secure	<ul style="list-style-type: none"> • Damage to building or contents caused by flood, fire, lightning, theft, and many other unfortunate events.

Takaful Operators	Fire Takaful Plans offered	Basic Coverage
	Houseowner and Householder Takaful	<ul style="list-style-type: none"> • Damages caused by fire, lightning, and domestic explosion. • Damages caused by road vehicles or animals. • Damages caused by bursting, or overflowing of domestic water tanks, apparatus, or pipes. • Coverage for theft by actual forcible, and violent entry into the house.
Takaful Ikhlas General Berhad	IKHLAS Fire Takaful IKHLAS Houseowner / Householder Takaful IKHLAS Home Protect Takaful	<ul style="list-style-type: none"> • Loss or damage to the property due to fire or lightning. • Loss or damage to the building or contents caused by fire, lightning, subterranean fire, and explosion. • Loss or damage to the building or contents of the caused by aircraft and other aerial devices or articles dropped therefrom. • Loss or damage to the building or contents caused by bursting or overflowing of domestic water tanks, apparatus, or pipes.
Syarikat Takaful Malaysia Am Berhad	Takaful myFire Takaful myHouseowners and Householders Takaful myHome Content Takaful myHome Cover	<ul style="list-style-type: none"> • Loss or damage to the buildings, stocks and contents caused by fire, lightning, and domestic explosion. • Loss or damage caused by fire, lightning, thunderbolt, subterranean fire, aircraft and impact by vehicles or animals, flood, hurricane, cyclone, typhoon, and windstorm. • Bursting or overflowing of water tanks or pipes. • Theft and burglary • Third party liability • Loss or damage to home contents due to fire, lightning domestic explosion, aircraft, road vehicles or animals, bursting or overflowing of water tanks or pipes, theft by forcible and violent entry, windstorm, earthquake, and flood. • Damage to mirrors • Servant's property • Liability to third parties for accidents in your house • Loss or damage by fire, lightning, explosions, flood, burst pipe, or by any perils mentioned in the certificate coverage.
Zurich General Takaful Berhad	Z-HomeProtect Takaful	<ul style="list-style-type: none"> • Coverage for loss or damage to the building or contents solely used for residential purposes only caused by the perils mentioned in the certificate.

Source: Authors' compilation

Sums Covered

The study found notable variation in how sums covered are presented. Some products disclose fixed limits (e.g., Etiqa's MyRumah Takaful up to RM20,000) or benchmarks (IKHLAS Fire Takaful at RM100,000), while others specify that coverage is subject to underwriting or based on reinstatement, market, or agreed value (Zurich's Z-HomeProtect). For several products, the sum covered was not stated leaving the final figure to underwriting discretion. Table 2 presents the sum covered for individual fire takaful plans offered by four takaful operators in Malaysia.

Table 2: Total sum covered for individual fire takaful offered by takaful operators in Malaysia

Takaful Operators	Fire Takaful Plans offered	Sum covered/ limits of liability (RM)
Etiqa General Takaful Berhad	MyRumah Takaful	Up to RM 20,000
	Etiqa takaful Home secure	Not specified
	Houseowner and Householder Takaful	Not specified
Takaful Ikhlas General Berhad	IKHLAS Fire Takaful	With RM100,000
	IKHLAS Houseowner / Householder Takaful	Not specified
		*Subject to the underwriting requirements of takaful operator.
	IKHLAS Home Protect Takaful	Not specified
		*Subject to the underwriting requirements of takaful operator.
Syarikat Takaful Malaysia Am Berhad	Takaful myFire	Not specified
		*Subject to the underwriting requirements of takaful operator .
	Takaful myHouseowners and Householders	Not specified
		*Based on the amount of coverage chosen
	Takaful myHome Content	Not specified
		*Total liability depends on loss or damage during any one Period of Takaful will not exceed the amount stated against each item.
	Takaful myHome Cover	Not dspecified
		*Total liability depends on loss or damage during any one Period of Takaful will not exceed the amount stated against each item.
Zurich General Takaful Berhad	Z-HomeProtect Takaful	Not specified
		*Based on reinstatement Value / Market Value Sum Covered determined by you or agreed Value Sum Covered by using Zurich agreed value calculator.

Source: Authors' compilation

This divergence reflects segmentation between micro-level products with pre-set limits and comprehensive home takaful equivalents tailored to individual properties. While this approach provides flexibility, the lack of upfront disclosure may reduce product comparability at point of sale. Recent regulatory guidance

underlines the importance of transparency in valuation methods, as different bases (market vs. reinstatement vs. agreed value) significantly affect indemnity outcomes (AAOIFI, 2025). Similarly, BNM's Financial Stability Reviews stress that consumers should be empowered with clear, standardized product information to make informed decisions (BNM, 2024a, 2024b).

The implication is that operators should integrate illustrative examples or digital calculators into product disclosure sheets. This would allow consumers to visualize the financial adequacy of coverage and prevent under-insurance, thereby strengthening trust and compliance with conduct expectations.

Additional Coverage

A wide array of additional perils are included or available as add-ons across the fire takaful plans reviewed. These include windstorm, flood, riot/strike/malicious damage, earthquake/volcanic eruption, subsidence/landslip, burst water pipes, and aircraft impact. The breadth of coverage varies significantly: STMB and IKHLAS products list comprehensive menus of optional or included perils, while some Etika plans highlight only selected risks, leaving others unspecified in the brochure. Zurich's Z-HomeProtect defers details to the certificate wording. Table 3 summarizes the additional coverage provided under the individual takaful fire plans.

This heterogeneity demonstrates that while natural hazard risks—especially windstorm and flood—are frequently addressed, catastrophic risks such as earthquake and landslip are less consistently covered. Given Malaysia's exposure to floods and storm-related damage, the inclusion of these perils reflects an attempt by operators to align coverage with local hazard realities (Wan Jusoh et al., 2023; Department of Statistics Malaysia, 2023). However, the inconsistent presentation across operators highlights a transparency gap. Both BNM (2024a, 2024b) and the IFSB (2024) emphasize the importance of product comparability tools to minimize information asymmetry.

Standardized peril-by-peril disclosure tables in brochures or product sheets could therefore be valuable. Such an approach would allow consumers to easily compare which perils are included, optional, or excluded, supporting informed purchasing decisions and reducing under-insurance risk for high-loss hazards.

Major Exclusions

The major exclusions identified in the fire takaful plans align with international practice, including war and civil unrest, nuclear risks, pollution/contamination, theft during or after fire, unoccupied property clauses, and spontaneous combustion. Some operators specify varying vacancy thresholds (30 or 90 days), while others explicitly exclude subsidence/landslip or riot/strike unless purchased separately. Notably, a few Takaful-specific exclusions include losses related to Shariah-prohibited items or activities, highlighting the industry's ethical dimension. Table 4

Table 3: Additional coverage for individual fire takaful for property offered by takaful operators in Malaysia

Additional Coverage	Etiqa General Takaful Berhad			Takaful Ikhlas General Berhad			Syarikat Takaful Malaysia Am Berhad			Zurich General Takaful Berhad	
	MyRumah	Etiqa Takaful Home secure	Houseowner and Householder	Fire Takaful	Houseowner and Householder	Home Protect	myFire	My Houseowner and Householder	myHome Content	myHome Cover	Z-Home Protect
Aircraft and other aerial devices and/or articles dropped therefrom	x	x	x	/	x	x	/	x	x	x	x
Earthquake and volcanic eruption	x	x	x	/	x	x	/	x	x	x	x
Hurricane, cyclone, typhoon, and windstorm	/	x	x	/	x	x	/	x	x	/	x
Flood	/	x	x	/	x	x	/	x	x	x	x
Explosion, excluding loss of or damage to boilers, economizers, or other vessels, machinery or apparatus in which pressure is used or their contents resulting from their explosion	x	x	x	/	x	x	x	x	x	x	x
Bursting or overflowing of water tanks, apparatus or pipes installed in or on the buildings covered or containing the property covered	x	x	x	/	x	x	/	x	x	x	x
Bush/lalang fire	x	x	x	/	x	/	/	x	x	/	/
Subsidence and/or heave of the site on which the buildings stand or land belonging thereto, or landslide	x	x	x	/	/	/	/	/	/	/	/
Fire only caused by its own spontaneous fermentation, heating, or combustion	x	x	x	/	x	x	/	x	x	x	x
Riot, strike, and malicious damage	x	/	/	/	/	/	/	/	/	/	/
Falling trees or branches and objects	x	x	x	/	x	/	/	x	x	/	/

therefrom

Table 4: Major Exclusions for individual personal fire takaful of property offered by takaful operators in Malaysia

Major exclusions	Etiqa General Takaful Berhad			Takaful Ikhlas General Berhad			Syarikat Takaful Malaysia Am Berhad			Zurich General Takaful Berhad	
	MyRumah	Etiqa takaful Home secure	Houseowner and Householder	Fire Takaful	Houseowner and Householder	Home Protect	myFire	My Houseowner and Householder	myHome Content	myHome Cover	Z-Home Protect
Losses due to theft during and after the fire	x	x	x	/	x	x	/	x	x	x	x
War and civil unrest	x	x	x	x	x	x	/	x	x	x	x
War, invasion, act of foreign enemy, hostility, or any violence.	/	/	/	x	/	/	x	/	/	/	/
Radiation pollution	x	x	x	x	x	x	/	x	/	x	x
Burning by the participants themselves	x	x	x	x	x	x	/	x	x	x	x
Rubble	x	x	x	x	x	x	/	x	x	x	x
The building and/or containing the protected property has not been occupied for a period exceeding 30 consecutive days	x	x	x	x	x	x	/	x	x	x	x
Government or Municipal Public or Local Authority directives.	x	x	x	/	x	x	x	/	/	/	x
Nuclear weapons or ionizing radiation or pollution.	/	/	/	/	/	/	x	/	/	/	/
Any form of loss or damage.	x	x	x	x	x	x	x	/	/	/	x
Property damage to data or software.	x	x	x	x	x	x	x	/	/	/	x
Beer, wine, pictures of animals or	x	x	x	x	x	x	x	/	/	x	x

Major exclusions	Etiqa General Takaful Berhad			Takaful Ikhlas General Berhad			Syarikat Takaful Malaysia Am Berhad			Zurich General Takaful Berhad	
	MyRuma h	Etiqa takaful Home secure	Houseowner and Householder	Fire Takaful	Houseowner and Householder	Home Protect	myFire	My Houseowner and Householder	myHome Content	myHome Cover	Z-Home Protect
items used for religious purposes such as idols.											
Any other events/activities that are prohibited/against Shariah	x	x	x	x	/	/	/	/	/	/	x
Earthquake, volcanic eruption or other convulsion of nature	/	x	x	x	x	x	x	x	x	x	x
Spontaneous Combustion	x	x	x	/	x	x	x	x	x	/	/
Subsidence and landslip, riot strike and malicious damage	/	/	/	x	x	x	x	x	x	x	/
Pollution / Contamination	/	x	x	x	x	x	x	x	x	x	x
Loss or damage if property is uninhabited more than 90 days	/	/	/	x	x	x	x	x	x	x	x
Loss or damage caused by theft by your housekeeper or any member family or household.	x	x	x	x	x	x	x	/	/	x	x
Consequential loss; except for Rent Takaful	x	x	x	x	x	x	x	x	x	x	/

Source: Authors' compilation

shows the major exclusion for the individual takaful fire plans offered by the four takaful operators.

This diversity in exclusion wording indicates potential for consumer confusion if not clearly explained. AAOIFI's Takaful standards emphasize that exclusions must be presented transparently to prevent disputes and ensure fairness (AAOIFI, 2025). Similarly, BNM's conduct-based supervision prioritizes clear communication of policy terms, particularly exclusions, as a determinant of consumer trust (BNM, 2024a). From a Shariah governance perspective, the explicit exclusion of prohibited items is significant, as it ensures both operational compliance and alignment with consumer expectations of ethical finance (Naz et al., 2025).

Operators can strengthen trust and fairness by adopting plain-language summaries of exclusions, highlighting critical thresholds (e.g., vacancy rules), and linking exclusions with optional add-ons where available (e.g., riot/strike buy-back). This would align practice with both regulatory conduct expectations and evolving consumer protection frameworks in Islamic finance.

CONCLUSION

This study examined the structure and features of fire takaful plans for individual property in Malaysia by analyzing coverage, sums covered, additional protection, and major exclusions across four takaful operators and eleven plans. The findings reveal that while all products share a baseline of fire, lightning, and explosion coverage, operators differentiate themselves through sum covered, optional add-ons, and exclusions perils. This balance between standardization and flexibility reflects the adaptability of the Takaful framework in meeting diverse consumer needs while maintaining Shariah compliance.

The analysis of sums covered highlights a dual approach: entry-level products with fixed limits and comprehensive plans subject to underwriting or valuation methods such as reinstatement and agreed value. Although this segmentation caters to different market segments, insufficient disclosure of valuation bases may hinder comparability and lead to under-insurance. Similarly, additional coverage options for perils such as flood and windstorm align with Malaysia's risk landscape, enhance disclosure across operators may further benefit participants. Exclusions, while largely aligned with global practice, vary in thresholds and wording, with some operators explicitly excluding Shariah-prohibited items, underscoring the ethical dimension of takaful.

From a practical perspective, these findings underscore the importance of enhanced transparency and standardization. Regulators such as Bank Negara Malaysia could encourage operators to adopt clearer, standardized disclosure templates—including peril-by-peril coverage tables, illustrative sum insured examples, and plain-language summaries of exclusions. For operators, ensuring greater clarity in product brochures and disclosure sheets can improve consumer trust and competitiveness, while integrating surplus-sharing and charitable features may strengthen the industry's ethical identity. For participants, increased

transparency enables better decision-making and reduces risks of under-insurance or disputes at claim stage.

However, this study has several limitations. The analysis was limited to individual or personal fire takaful plans for property, excluding business or commercial fire takaful products. Such plans may exhibit different features, including higher coverage limits, tailored risk-sharing mechanisms, and additional contractual complexities. Their omission means the findings cannot be generalized to the broader fire Takaful market. Furthermore, the study relied solely on secondary data drawn from brochures, disclosure sheets, and policy documents. While these sources provide useful insights into product design and marketing communication, they may not fully capture internal practices or participants' actual experiences.

Future research could extend the analysis to include fire takaful for businesses and commercial properties, enabling a more comprehensive understanding of the industry. In addition, primary data collection through interviews with regulators, operators, and participants would enrich perspectives on fairness, effectiveness of disclosures, and consumer awareness. Comparative studies across jurisdictions may also reveal best practices and inform efforts toward greater global standardization in takaful operations.

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