

Hemayah Takaful Group Savings Plan



EFU LIFE ASSURANCE LTD.

EFU Life House, Plot No. 112, 8th East Street, Phase I, DHA, Karachi, Pakistan
Fax: (021) 3453-7519 Email: csd@efulife.com

Hemayah – Aap ki Khushiyon ka Saibaan!

EFU Life – Window Takaful Operations



HEMAYAH
EFU FAMILY TAKAFUL

Joining Together for a Better Tomorrow



EFU Life introduces its range of Family Takaful products under “Hemayah” – a dedicated Shariah Compliant Window Takaful brand. Hemayah is derived from its roots in Arabic and signifies the “protection” that is offered by EFU Life’s Family Takaful products to support you and your family’s future, at every step of your life.

Hemayah Takaful Group Savings Plan

We’ve all heard that we should stay prepared for a rainy day. However, in these times of financial instability, saving a portion of one’s income might seem difficult. That is where a strong financial planning tool is needed for your family which is dependent on the prudent decisions you make today.

Hemayah Takaful Group Savings Plan is a Shariah-compliant unit-linked and waqf-based savings plan which lets you facilitate your employees’ efforts to build a financially secure future by saving a portion of their income while enjoying takaful coverage. It enables employees to regularly save a proportion of their income, building up to a substantial amount at maturity. With low contributions, higher allocation and an easy-to-administer plan, you can provide a unique package of funds management and financial security to your employees.



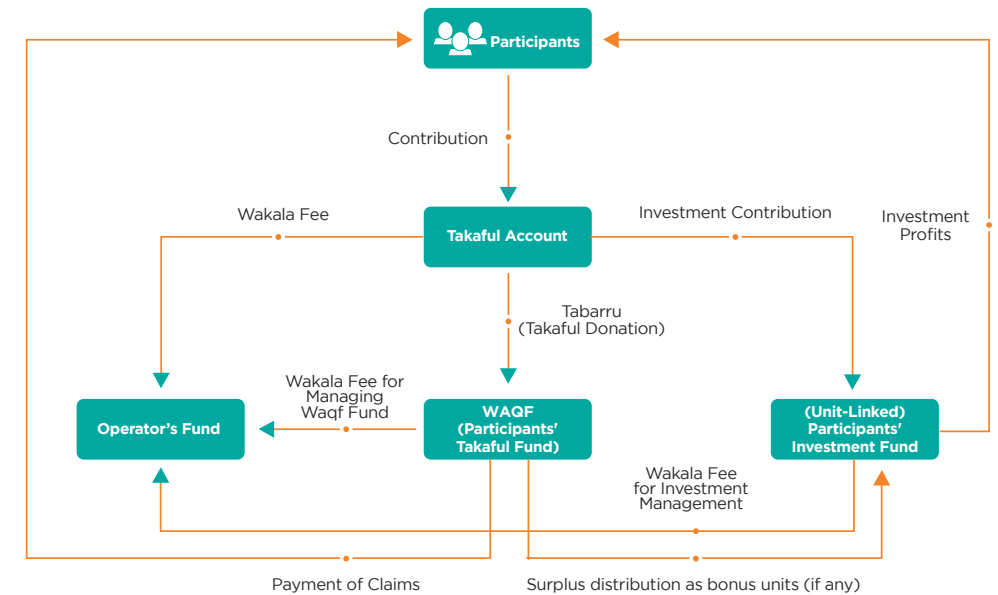
What is Takaful?

Takaful is a Shariah-compliant way of safeguarding yourself and your family against future financial losses. Individuals in the community unite for a common purpose and contribute to a Waqf fund operated by a Takaful operator to protect themselves against future financial losses. A Family Takaful Plan assists participants in sharing their risk on the basis of cooperation, brotherhood, mutuality, and solidarity for the common good.

How does the Takaful Membership operate?

Hemayah Takaful Group Savings Plan can be easily customized to suit your specific needs. You can decide on the level of takaful protection and investment which is in line with your long-term financial planning goals.

The following pictorial representation summarises how your takaful membership will operate with EFU Life:



Opportunity for growth – Shariah Compliant Investments

Your contributions to the Participant's Investment Account (PIA) will be utilised to purchase units of **EFU Takaful Growth Fund**. This is a unit-linked Participants' Investment Fund (PIF) comprising Shariah-Compliant investments. The objective of the Fund is to maximize capital growth by investing in a portfolio spread across a wide range of investments such as Islamic mutual funds, approved equities, term deposits in Islamic Banks and Sukuk Bonds. The fund is managed by in-house investment experts who adjust the mix of underlying investments in light of economic conditions and investment opportunities.

Surplus Sharing – A unique feature of takaful

Takaful offers the unique feature of surplus sharing to participants in addition to risk mitigation benefits. By contributing Tabarru (donation) to the Participants' Takaful Fund (PTF), the Participant may be entitled to a share of possible surplus funds. At the end of each year, EFU Life will determine the surplus in the PTF based on the method approved by the Shariah Advisor and Appointed Actuary.

A part of the surplus may be distributed back to you in the form of Bonus Units through an additional unit allocation in your PIA. These Bonus Units will enhance the Cash Value of your takaful plan.

Access to your savings – At any time

Nobody can predict the future. If your circumstances change and you require funds during the Membership Term, you can encash your Plan for the total cash value in the PIA at any time. Please remember that the cash values during early years will possibly be low, as the plan is designed for long-term financial needs.

Alternatively, you may just want a small portion of the capital you have built up; the

plan gives you the facility to make partial withdrawals at any time whilst keeping the plan in force.

Please note that this facility is subject to a minimum of PKR 10,000 remaining as Basic Cash Value after such withdrawals.

Takaful benefits – The essence of mutual cooperation

DEATH

The moment you start your membership with the Hemayah Takaful Group Savings Plan, you will be benefited by the guaranteed level of takaful protection. This means that, in the unfortunate event of death during the Membership Term, the benefit payable on death is as shown below:

The Sum at Risk and surplus (if any) from Participants' Takaful Fund

Plus

The Basic Cash Value of Participant's Investment Account (PIA)

Plus

The Cash Value of Fund Acceleration Contributions in the Participant's Investment Account (PIA)

MATURITY

At the end of the Membership term and whilst the Participant is still alive, the maturity benefit will be payable as follows:

The Basic Cash Value of Participant's Investment Account (PIA)

Plus

The Cash Value from Fund Acceleration Contributions in the Participant's Investment Account (PIA)



Additional Benefits - Enhance the Takaful Protection

The plan provides an additional accidental rider that can be attached to this plan to enhance takaful protection:

Takaful Accidental Death Benefit

If this rider is selected, then in case of death due to accident the rider provides an additional lump-sum on accidental death.

Important Details

ELIGIBLE AGE AND TERM

The product is available to anyone between the ages of 18 and 65.

CONTRIBUTION

The minimum Basic Plan contribution is PKR 7,200. The contribution Payment Term can vary from 5 to 25 years, subject to maturity age of 75 years.

CONVERSION OPTION

If, during the continuance of the membership, an employee wishes to discontinue the services with the employer, he/she shall have the option to convert from existing Hemayah Takaful Group Savings Plan to one of EFU Hemayah Takaful plans. This will ensure that the plan is continued to its maturity and the maximum benefit is attained from the takaful savings plan.

FUND ACCELERATION CONTRIBUTIONS

In case the Participant has extra funds available, the Plan provides the flexibility to invest these to provide a boost to your savings. These lump-sum contributions are called Fund Acceleration Contributions (FAC).

INFLATION PROTECTION

This option gives you the security and peace of mind of knowing that the benefits provided by your plan will automatically be updated in line with inflation every year regardless of your health.

Under this option, the Regular Contribution and Sum at Risk from Participants' Takaful Fund, including that applicable to the Additional Benefits attached to it, if any, may be increased by 5% on every Membership Anniversary.

This benefit is only available until 55 years of age, provided you were accepted on standard terms initially. You may waive your rights to this option at any time but subsequent reinstatement will be subject to medical evidence.

UNIT ALLOCATION

The allocation of the annual basic plan contribution to buy units in the selected fund is as follows:

Policy Year	Unit Allocation %
1	70%
2	80%
3	90%
4 & 5	100%
6 to 9	103%
10 to 14	105%
15 & onwards	110%

CHARGES

The following charges apply to the Hemayah Takaful Group Savings Plan based on the principle of Wakalat-ul-Istismar:

- An Allocation Fee will be charged, after which the remaining part of the contribution is as per the percentages mentioned in Unit Allocation.
- An Administration Charge of PKR 720 p.a. will be charged. This charge will be recurring and may be increased annually.
- A Bid/Offer Spread of 5% of the net allocable contribution will be charged.
- A Fund Management Charge of 1.5% of Fund Value p.a. will be charged. This charge will be recurring.
- A Wakala Charge of 25% of the Takaful donation from Participant Takaful Fund will be charged.

WAQF/TAKAFUL DONATION

A Waqf/Takaful Donation, depending on the Takaful cover and age of the Participant, will be transferred from Takaful Account into Participants Takaful Fund (PTF/ Waqf Fund).

SUM COVERED

The Sum Covered is determined as the basic plan contribution times the Protection Multiple based on the age at entry of the participant.

Age at Entry	Protection Multiple	
	MINIMUM	MAXIMUM
18-35	5	45
36-40	5	35
41-49	5	25
50-65	5	(75 - age)

FREE LOOK PERIOD

The membership shall have a free look period of fourteen days from the Commencement Date (as defined in Clause 3 of the Participant's Membership Document), during which the Participant may cancel the membership for a full refund of Regular Contribution paid. Prior to making the refund,

the Window Takaful Operator shall however be entitled to deduct all expenses incurred by it in connection with the medical underwriting of the Participant.

Disclaimer:

This product is underwritten by EFU Life - Window Takaful Operations, hence EFU Life is responsible for all underwriting risk.

- Arrangement of all Takaful Claims, charges and payments relating to the Takaful Policies shall be the sole and exclusive responsibility of EFU Life.
- The contributions in the plan are invested in the Takaful Growth Fund.
- The past performance of fund is not necessarily a guide to future performance. Any forecast made is not necessarily indicative of future or likely performance of the funds and EFU Life will not incur any liability for the same.
- The investment risk of the selected Fund shall be borne by the participant.
- A description of how the contract works is given in the Participant's Membership Document.
- Please contact our Head Office or Takaful Consultant for a personalized illustration of benefits.



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

CERTIFICATE OF SHARIAH COMPLIANCE

FOR EFU LIFE ASSURANCE LTD - WINDOW TAKAFUL OPERATIONS

In the capacity of Shariah Advisor of EFU Life Assurance Ltd - Window Takaful Operations, I certify that I have reviewed the structure of the **Hemayah Takaful Group Savings Plan** which is based on the Wakalah-Waqf Takaful model. I have also examined all relevant processes and documents included in the Participant's Membership Document. In addition, I have reviewed in detail the investments with regard to all Takaful Funds.

Based on Shariah rulings and to the best of my knowledge and belief, the **Hemayah Takaful Group Savings Plan** of EFU Ltd - Window Takaful Operations, investments of all Takaful Funds, relevant documents and processes are compliant with all aspects of Shariah.

In my opinion, it is permissible from the Shariah point of view to obtain Membership in this product and benefit from it.

And Allah Knows Best.

محمد ابراهيم

Mufti Muhammad Ibrahim Essa
Shariah Advisor

