

# Aafiat Takaful Plan For Savings

## About IGI Life

IGI Life Insurance Limited, part of the Packages Group, marked its entry into the Life Insurance business through acquisition of controlling shares in American Life Insurance Company (Pakistan) Limited in April 2014. Acquisition by Packages Group makes IGI Life a one-of-a-kind life insurance provider in Pakistan, as IGI Life's multinational heritage is now coupled with the local experience of the Packages Group, one of the most reputed business conglomerates in the country, having several joint ventures with leading global brands in the FMCG, Pharmaceutical and Packaging sectors. IGI Life's current product suite includes Life Insurance plans, Accident & Health Insurance and Employee Benefit Solutions. IGI Life is also amongst the first few companies to commence the Family Takaful business in 2015 under Window Takaful Operations, thus offering Shari'ah-compliant solutions to our clients.

## About Vitality Group

Guided by the core purpose of making people healthier, Vitality is the leader in improving health to unlock outcomes that matter. By blending smart tech, data, incentives, and behavioural science, we inspire healthy changes in individuals and organisations. Vitality brings a global perspective through successful partnerships with the smartest insurers and most forward-thinking employers around the world. More than 10 million people in 22 countries engage in the Vitality programme.

**IGI**

Financial Services

Insurance | Investment Bank | Securities | Life



Aafiat Takaful is IGI Life-Window Takaful Operation's premiere family takaful offering which provides protection as well as growth in your funds while following the globally accepted Shari'ah standards. It is specifically designed in a manner to address achievement of your major financial objectives such as building of your own home, marriage of your children, having a relaxed retirement life or management of your children's higher education expenses.

IGI Life has always been at the forefront of providing the best services to its Participants in line with their requirements. We were amongst the first companies who obtained the license to initiate Window Takaful Operations in 2015. We hope that Aafiat Family Takaful plan will be of great assistance to everyone particularly those that are seeking to manage their finances in a Shari'ah compliant manner.

## About Aafiat Takaful Plan

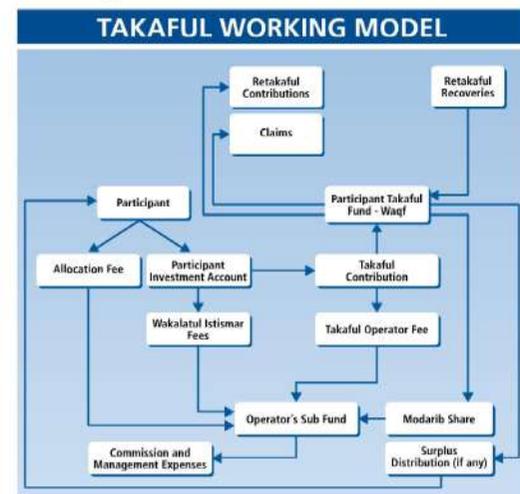
Aafiat Takaful plan offers a unique combination of savings, investment and protection. It offers

you the peace of mind and takes care of the future of your loved ones by not only providing Takaful coverage but also giving a Savings plan that is in line with the Shari'ah Principles.

The plan is being offered by IGI Life-Window Takaful Operations and has been exclusively designed for its Participants. It is only available through our Takaful Consultants and our pan Pakistan agency branch network.

## The Concept of Takaful

Takaful is an age old Islamic concept of mutual help & support blended with modern concepts of Actuarial Science, Underwriting and Investment under the supervision of Shari'ah Advisor. It is a Shari'ah compliant way of supporting each other in case of Death, Disability or Disease.



## How Does the Takaful Membership Operate?

IGI Life-Window Takaful Operations takaful model is based on the Wakalah-Waqf principle. Individuals in the community come together for a common purpose and contribute into a Waqf Fund operated by a Window Takaful Operator to protect themselves against future financial losses.

## Surplus Sharing

Participants of the takaful fund as per the terms and conditions of the Waqf, may be entitled to a share of possible surplus funds. Takaful offers a unique feature of Surplus Sharing to the Participants in addition to risk mitigation benefits. As approved by the Shari'ah Advisor and Appointed Actuary at the end of each year, IGI Life - Window Takaful Operations

will determine the surplus (if any) available in the PTF for distribution.

## Benefits under Aafiat Takaful Plan

### Death Benefit

Sum Covered or account value in Participant's Investment Account (PIA) whichever is higher. PLUS The accumulated account value of Top-Up amounts PLUS Surplus (if any) as per PTF Policies of WTO

**Basic Sum Covered:** The Basic Sum Covered will be a multiple of Basic Contribution depending on the age of the participant as follows:

Age	Multiples of Basic Contribution	
	Minimum	Maximum
Up to 55	5	30
56 to 60	5	20
61 & onwards	5	10

### Maturity Benefit

On completion of the membership term, the available Participant's Investment Account (PIA) value along with the account value of Top-Up amount (if any), will be payable to the participant as a lump sum amount.

### Complete Surrender

The participant has the right to fully surrender his/ her membership by redeeming all available units in the PIA. In case of complete surrender, the units will be redeemed at the bid price and the membership will be terminated. A processing fee will be charged at the time of surrender.

### Partial Withdrawal

Partial Withdrawals can be made from the PIA anytime during the membership term by redeeming a limited number of units as per the terms and conditions. The amount withdrawn is considered a permanent withdrawal and does not have to be repaid. A partial withdrawal will reduce the Death Benefit by the amount of partial withdrawal.

## What other supplementary benefits can I attach to the plan to enhance benefits payable on death or disability?

Following optional supplementary benefits

are available which may be attached to the basic membership to enhance the coverage level and submission of satisfactory evidence of insurability:

**Waiver of Contribution – Disability:** WoC waives the future contributions in case of permanent total disability of the participant up to the end of term and same is paid by Waqf.

**Additional Protection Benefit:** APB enhances the benefit payable on participant's death, whether due to accidental or non-accidental causes. The APB sum covered is payable in a single lump sum in addition to any other death benefit payable under the basic membership.

**Income Benefit - Death:** A monthly income benefit will be provided to the nominee following the death of the participant up to the end of the elected term.

**Income Benefit - Disability:** A monthly income benefit will be provided to the participant following the permanent total disability of the participant up to the end of the elected term.

**Accidental Death Benefit:** ADB pays a lump sum amount in case of accidental death of the participant in addition to basic sum covered.

## Contribution Indexation

Indexation is an optional feature offered in this plan. Under this feature your contributions will increase by a fixed amount every year leading to a better cash value accumulation and consequently a higher maturity benefit without any increase in the sum covered. Even once



opted, you still have a right to decline the option and continue paying level contribution subject to certain terms and conditions.

## Where are the contributions invested?

Your contributions will be invested in Shari'ah compliant investments to build the PIA.

You will be offered 3 different Shari'ah compliant investment strategies: Conservative, Balanced and Aggressive as described below:

### Takaful Conservative Strategy

The underlying assets include Shari'ah compliant government and/or other secured investments. There will be no exposure to stock market under this strategy.

Shari'ah Compliant Government securities and/ or Other Shari'ah Compliant fixed income investments: 100%

### Takaful Balanced Strategy

This strategy seeks steady growth in capital through a combination of investments in Shari'ah compliant stocks, government securities and/ or other secured investments. The mix of underlying assets would be:

Shari'ah Compliant Stock Market Funds: 0 to 40%

Shari'ah Compliant Government securities and/ or Other Shari'ah Compliant fixed income investments: 60 to 100%

### Takaful Aggressive Strategy

This strategy seeks to provide long term capital growth mainly through investments in Shari'ah Compliant equities. The mix of underlying assets here would be:

Shari'ah Compliant Stock Market Funds: 60 to 70%

Shari'ah Compliant Government securities and/ or Other Shari'ah Compliant fixed income investments: 30 to 40%

Under each strategy you have an investment account as listed in the application. The percentage of contribution you wish to allocate to buy units in Participant Investment Account (PIA) should be indicated in the application.

You can manage your investments by investing your own investment strategy portfolio from a range of options to suit your needs and preferences. You will have the option to transfer between the investments accounts subject to certain conditions. Please note that investment risk shall be borne by the participant and actual maturity or surrender values may be lower or higher than the projected figures.

#### Transfers between Investment Funds

A participant can also switch his/ her account value among different strategies. In that event, units from one strategy will be redeemed at prevailing bid price and allocated to the desired strategy at the bid price. This way a participant can change gears in view of the changing financial condition and maximize returns. A nominal processing fee is applicable at each switch.

#### Unit Price Publication

Unit prices under all strategies may be viewed at [www.igilife.com.pk](http://www.igilife.com.pk).

#### Top-Up Contributions

The plan is a regular contribution plan but a participant may top-up the regular contribution by depositing surplus funds as a lump sum contribution in the membership. These lump sum contributions, called "Top-Up Amounts", can be made at any time. Top-Up payments will increase the PIA account value of the membership but will not affect the Basic Sum Covered. The amount of the Top-Up is subject to the minimum and maximum limits as determined by the Takaful Operator from time to time.

#### What percentage of the contributions I pay is allocated to my account value?

The proportion of contributions allocated to Account Value is as follows:

Year	% Allocation of Contribution To Account Value
1	30%
2	85%
3	90%
4 - 5	100%
6 - 10	103%
11 - 15	105%
16 & onwards	107%
Top Up	100%

#### IMPORTANT DETAILS

##### Eligibility & Membership Term

The minimum entry age of the member in Aafiat Takaful plan is 18 years and maximum is 65 years. The membership term can be of any period from 10 years subject to a maximum attained age of 85 years. The supplementary benefits will terminate at the age mentioned in the supplementary benefit. It could be at an earlier date depending upon the benefit term available.

##### Contribution Paying Term

The minimum contribution payment term is 10 years and the maximum can go up to the membership term chosen.

##### Minimum Basic Contribution & Modes

The minimum collected Basic Contribution is PKR 25,000 for the following modes of contribution payment:

- Annual • Semi-Annual • Quarterly
- For Top-Up payments - Minimum payment is PKR 50,000 with no limit on the maximum.



#### What other charges are deducted from my account value?

The following charges are deducted:

Bid/ Offer Spread	5%
Wakalatul Istismar Fees	0.125% of Participant's Investment Account (PIA) value per month
Mudarib Share	40% share in the investment income of the Individual PTF
Takaful Operator's Management Fee in Takaful contributions	25% of each month's takaful contributions
Administration Fee	PKR 125 per month
Transfer Fee	PKR 500 for each transfer between investment fund
Processing Fee	PKR 500 on each partial withdrawal and complete surrender



#### Illustration of Benefits

The following example portrays the expected cash value of a person aged 35 years. The basic contribution is PKR 100,000 and the sum covered is PKR 500,000.

Member Age Year	Cumulative Regular Contributions Paid	ILLUSTRATIVE VALUES					
		8% Unit Growth Rate		10% Unit Growth Rate		12% Unit Growth Rate	
		Basic Death Benefit	Cash Value	Basic Death Benefit	Cash Value	Basic Death Benefit	Cash Value
5	500,000	500,000	441,580	500,000	464,370	500,000	488,150
10	1,000,000	1,186,707	1,186,207	1,313,401	1,312,901	1,454,309	1,453,809
15	1,500,000	2,213,218	2,212,718	2,593,361	2,592,861	3,046,003	3,045,503
20	2,000,000	3,623,964	3,623,964	4,517,907	4,517,907	5,661,218	5,661,218

**Disclaimer:** IGI Life- WTO refers to IGI Life Insurance Limited – Window Takaful Operations. Your relationship is with IGI Life - WTO. Aafiat Takaful Plan is underwritten by IGI Life – WTO which through Waqf Fund is responsible for all the underwriting risk. IGI Life - WTO makes investments in line with the strategies you have chosen, and your PIA values will reflect the performance of the strategies you select. The PIA values can fluctuate and contribution returns are not guaranteed. In order to continue to best serve the members, or in the event of change in applicable legislation and / or Shari'ah standards, IGI Life - WTO may add, combine, or delete sub-accounts and/or funds, which back the investment strategies without notice to its members. As the members' investments are made with IGI Life- WTO, in Aafiat Takaful Plan, rest assured that IGI Life – WTO's obligations to its members under the Aafiat Takaful Plan will not be altered or amended by any such change. Past performance of funds is not necessarily a guide to future performance. Any forecast made is not necessarily of future or likely performance of the funds. The investment risk shall be borne by the member and actual maturity or surrender values may be lower or higher than the projected figures. The Investment Strategies and Investment sub-accounts offered are subject to the IGI Life-WTO's ability to invest in mutual funds or in any other investment instruments as per the advice of the Shari'ah Advisor. All Takaful claims, charges and payments relating to the Takaful membership shall be the sole and exclusive responsibility of IGI Life – WTO.

*This is a brochure not a contract. The detailed terms and conditions are stated in the Participants Membership Document.*

A Packages Group Company

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Life | Window Takaful Operations

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Protection and Fund Growth in accordance to Shari'ah

