

Aatifa



Disclaimer

The following training contents are for educational & development purposes designed for the marketing personnel in providing foundational understanding and general information relating to the intended knowledge and skills.

It should not be considered as the only reference for the enhancement of related knowledge and skills.

All product-related terms and conditions should be referred to the respective certificate wording.

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Introduction

Creating Awareness

November 11, 2021

How are Malaysians Doing Financially Right Now?

Malaysians are **NOT SAVING ENOUGH** for the long-term



cannot survive more than 3 months with their current savings, the same number from 2019

AMONG THE YOUTH (RESPONDENTS UNDER 35),



cannot survive more than 3 months with their savings



state that their EPF savings were not enough for retirement



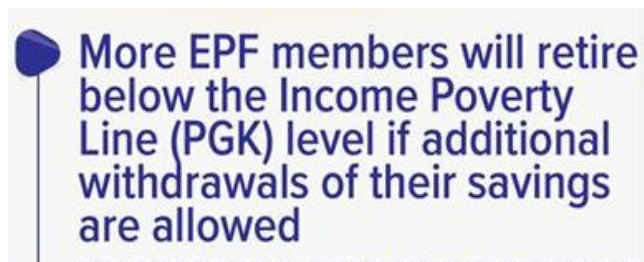
do not have a retirement plan at all

<https://versa.com.my/money-saving-plan-how-are-malaysians-doing-financially-right-now/>

Creating Awareness

Source: Finance Minister, Tengku Datuk Seri Zafrul Tengku Abdul Aziz

Published: Jan 16, 2022
Bernama Infographics



Creating Awareness

A well planned savings plan
is highly important to
achieve your dreams by
making smarter choices
with no worries.



Plan & receive your **CASH**
Payment from Etiqua to fulfill
your saving needs as early
as possible.

Introducing **Aatifa**

A limited pay takaful endowment protection plan for savings purpose.

- Aatifa is suitable for those looking for an affordable starter to supplement retirement income or an additional death cover with savings element.
- It provides coverage for death, accidental death, and other benefits such as cash payment and maturity benefits.



Aatifa's Marketing Proposition

Guaranteed Acceptance

Cash Payment Benefit -Enjoy up to 5% of the sum covered starting from the end of the 3rd certificate year & every 3 years thereafter until maturity.

Contribution payment up to 60 years old to boost your savings while you reap the benefits up to 80 years old.

Continuous cash payment as “passive income” for retirement without paying contribution after age 60.

Affordable contribution amount – RM100, RM150 or RM200 per month

An extra 100% of the sum covered in the event of Accidental Death.

Receive 150% of the sum covered and amount in PIF upon Maturity

Target Market



Mass & Emerging Affluent Markets

Aatifa as a Solution

How the Cash Payment Benefit Can Help?



Supplement Retirement



Financial Security
for loved ones



Down payment for
a house or car.

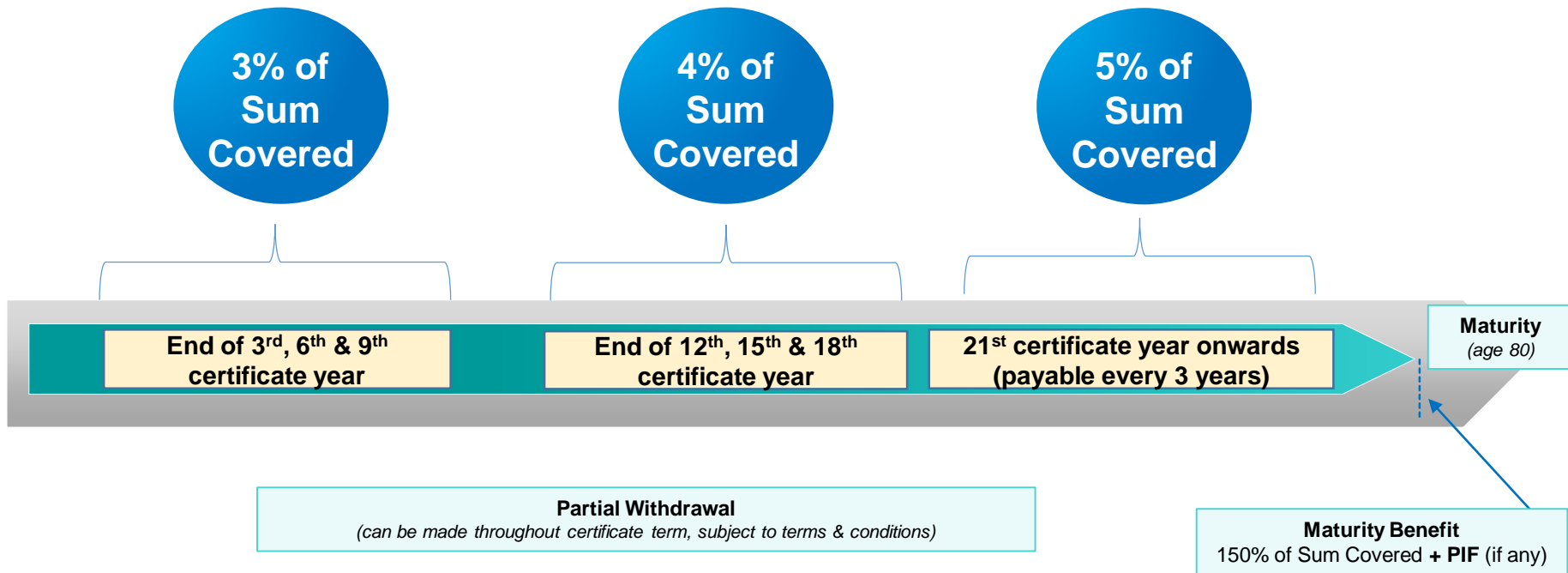


Unexpected cost –
medical bills, car repair or
even sudden loss of job



Irregular & Recurring Expenses
– taxes, zakat, holiday, home
improvement etc

How the Cash Payment Benefit Can Help?



How the Cash Payment Benefit Can Help?



Age (ANB)	30
Maturity Age (ANB)	80 years old
Sum Covered	RM 45,000
Contribution Pay Term	30 years (until age 60years)
Coverage Term	50 years
Monthly Contribution	RM 200.00
Total Contribution Paid (30 years)	RM 72,000
Cash Payment Term	Up to age 78 years

End of Certificate Year	Cash Payment (Percentage of Sum Covered)	Cash Payment Receivable (RM)	Total Cash Payment (RM)
3, 6, 9	3%	1,350	4,050
12, 15, 18	4%	1,800	5,400
21 onwards (Every 3 years)	5%	2,250	22,500
TOTAL			31,950

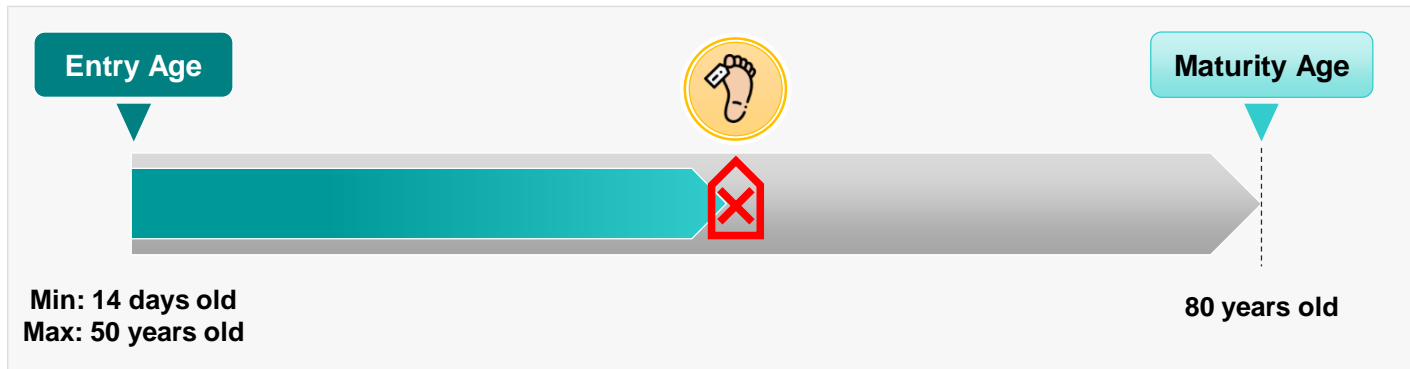
Maturity Amount (150% of Sum Covered)	67,500*
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Grand Total	99, 450*
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Note: *PIF value not included

Benefits & Features

1. Death Benefit



Benefit payable (in one lump sum):

Sum Covered

OR

**Total Contribution Received less any
Cash Payment Benefit Paid**

(whichever is higher)

+

Amount in Participant's Investment Fund (PIF), if any.

Note:

- The certificate will be terminated upon payment of Death Benefit.
- For non-accidental death occurs within the first 2 certificate years from the certificate issue date, we shall refund total contribution received by us.
- Juvenile Lien is applicable.
- Amount in PIF includes PIF investment profit & Participants' Risk Fund (PRF) surpluses that have been allocated to the Participant.

Restrictions on Suicide

If the Person Covered commits suicide:

While sane within 1 year*

Amount Payable = Total Contribution Received
No other benefits will be payable.

While sane after 1 year*

Amount Payable:

Sum Covered

OR

Total Contribution Received less Cash Payment Benefit paid
(whichever is higher)

+

While insane

Amount in Participant's Investment Fund (PIF), if any.

*Note: *From issue date or latest reinstatement date.*

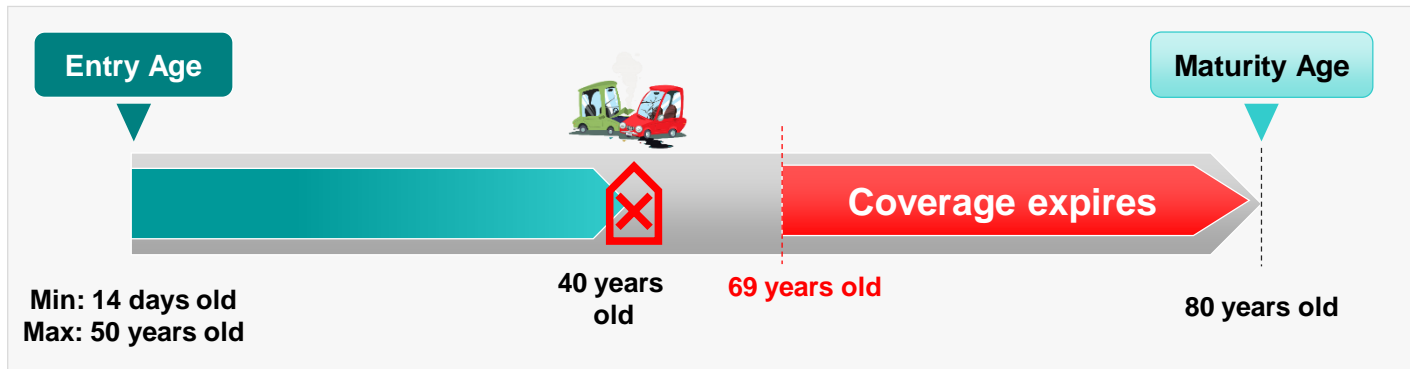
Juvenile Lien

Upon Death or Accidental Death of Person Covered before 2nd birthday:

Condition	Benefit Payable
If Sum Covered is lesser than (Total Contribution Received less any Cash Payment Benefit Paid)	Total Contribution Received less any Cash Payment Benefit Paid + Amount in Participant's Investment Fund (PIF), if any.
If Sum Covered is equal to or greater than (Total Contribution Received less any Cash Payment Benefit Paid)	Aggregate Sum Covered up to RM 200,000 + Excess of Aggregate Sum Covered (Sum Covered – RM 200,000) × Juvenile Lien Multiple + Amount in Participant's Investment Fund (PIF), if any.

Juvenile Lien Multiple	
Age at Death / Accidental Death	Percentage of the excess Aggregate Sum Covered
Before 1 st Birthday	25%
1 st birthday onwards and before 2 nd birthday	50%

2. Accidental Death Benefit



Benefit payable (in one lump sum):

An additional **100% of Sum Covered** will be payable in a lump sum.

Note:

1. The accidental death benefit coverage expires at the 69th birthday of the person covered.
2. The accidental death benefit is limited to RM1 mil per life per entity.

3. Cash Payment Benefit

Cash payment benefit will be payable at the end of the 3rd certificate year and every 3 years thereafter until certificate maturity according to the following schedule.

End of Certificate Year	Cash Payment (Percentage of Sum Covered)
3, 6, 9	3%
12, 15, 18	4%
21 onwards (Every 3 years)	5%

Note:

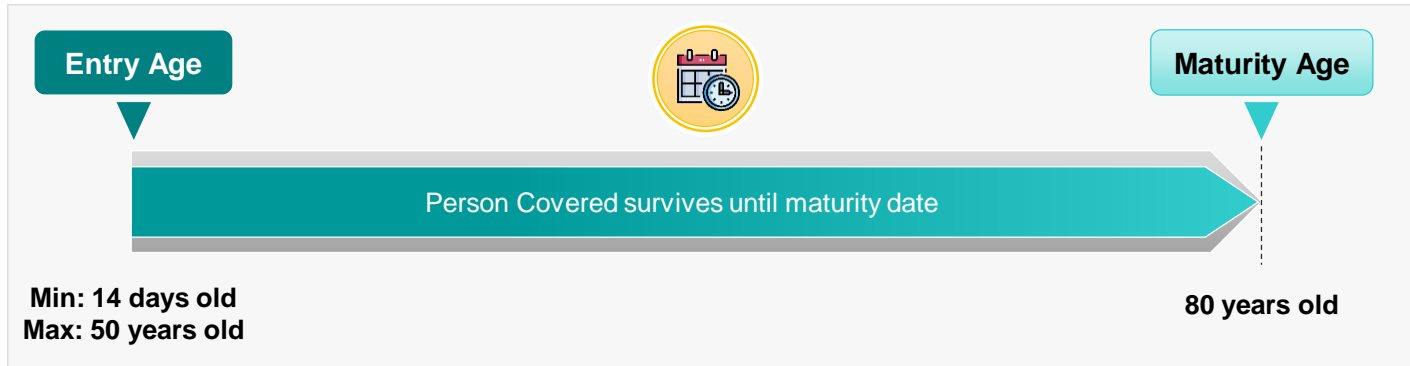
1. The benefit is paid from PRF and payable provided the certificate is in force.
2. This benefit shall cease immediately upon death of the person covered
3. If there is any change to the certificate sum covered through financial alteration, the percentage of cash payment will be based on the latest endorsed sum covered.

3. Cash Payment Benefit (Example)

Age (ANB)	35
Maturity Age (ANB)	80 years old
Sum Covered	RM 36,000
Contribution Pay Term	Until age 60 years
Monthly Contribution	RM 200.00
Cash Payment Term	45 years (15 times pay out) (Up to age 80 years old)

End of Certificate Year	Cash Payment (Percentage of Sum Covered)	Cash Payment Receivable (RM)	Total Cash Payment (RM)
3, 6, 9	3%	1,080	3,240
12, 15, 18	4%	1,440	4,320
21 onwards (Every 3 years)	5%	1,800	16,200
TOTAL			23,760

4. Maturity Benefit



Benefit payable:

150% of Sum Covered
+
Amount in Participant's Investment Fund (PIF), if any

Note: Maturity Benefit will be based on the latest endorsed Sum Covered.

Product Specifications

1. Eligibility

Nationality

- **Malaysian, Singaporean or Bruneians working or residing in Malaysia.**
- Malaysian PR's residing in Malaysia.

Entry Age

- **Participant:**
Min: 17 years old
- **Person Covered:**
Min: 14 days old
Max: 50 years old

Certificate Term

Up to Age 80 years old

Participant – Person Covered Relationship

Person Covered (ANB)	Participant		
	Self	Parent	Spouse
Below 11	×	✓	×
11 – 16	✓*	✓	×
17 and above	✓	×	✓

Note: *with parent's consent

2. Sum Covered & Contribution

Sum Covered

- Based on Age & selected monthly contribution.
- Only 1 certificate is allowed per person covered.
- Increase is allowed within 6 months from the issue date and effective from the certificate commencement date.
- Decrease is allowed next contribution due date.

Contribution Amount

- Monthly contribution: RM100, RM150 or RM200

Change of Contribution Payment Frequency

- Next contribution due date

Contribution Type

- Regular & level contribution.
- Age definition for contribution is Age Next Birthday (ANB).

Contribution Mode

- Yearly
- Half-yearly
- Quarterly
- Monthly

Contribution Paying Term

- Until age 60, subject to a minimum of 10 years.

Contribution Modal Factor

- Yearly – 12
- Half-yearly 6
- Quarterly – 3
- Monthly – 1

Change of Contribution Amount

- Increase of contribution is allowed within 6 months from the issue date and effective from the certificate commencement date. Differences in contribution should be paid in full before the certificate take effect.
- Decrease: next contribution due date

2. Sum Covered & Contribution

Age / Monthly Contribution	RM 100	RM 150	RM 200
1	32,000	52,000	79,000
2	32,000	52,000	78,000
3	32,000	51,000	77,000
4	31,000	50,000	76,000
5	31,000	50,000	75,000
6	31,000	49,000	75,000
7	30,000	48,000	73,000
8	30,000	48,000	72,000
9	29,000	47,000	72,000
10	29,000	46,000	70,000
11	28,000	46,000	69,000
12	28,000	45,000	68,000
13	28,000	44,000	67,000
14	27,000	43,000	66,000
15	27,000	43,000	65,000
16	26,000	42,000	64,000
17	26,000	41,000	63,000
18	25,000	40,000	62,000
19	25,000	39,000	60,000
20	24,000	38,000	59,000
21	24,000	37,000	58,000
22	23,000	36,000	56,000
23	22,000	35,000	55,000
24	22,000	34,000	54,000
25	21,000	33,000	52,000

Age / Monthly Contribution	RM 100	RM 150	RM 200
26	21,000	32,000	51,000
27	20,000	31,000	49,000
28	19,000	30,000	48,000
29	19,000	29,000	46,000
30	18,000	28,000	45,000
31	17,000	26,000	43,000
32	16,000	25,000	41,000
33	16,000	24,000	40,000
34	15,000	23,000	38,000
35	14,000	22,000	36,000
36	14,000	22,000	35,000
37	14,000	22,000	34,000
38	14,000	22,000	34,000
39	14,000	21,000	34,000
40	13,000	21,000	33,000
41	13,000	21,000	33,000
42	13,000	21,000	33,000
43	13,000	21,000	32,000
44	13,000	21,000	31,000
45	13,000	20,000	30,000
46	12,000	19,000	28,000
47	11,000	18,000	26,000
48	10,000	17,000	25,000
49	9,000	15,000	22,000
50	8,000	14,000	20,000

3. Fees & Charges

Wakalah Fee

- Applicable - percentage varies by contribution paying term and certificate year.
- Fixed Wakalah Fee of RM 72 annually throughout the contribution term.

Partial Withdrawal Charges

- RM 15 will be charged for each partial withdrawal.

Stamp Duty

- RM 10 per certificate (*borne by the Takaful Operator as management expenses*).

4. Underwriting

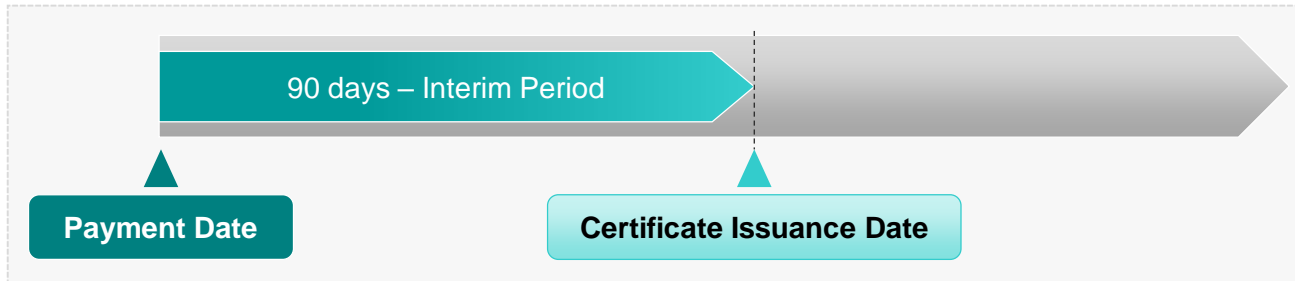
Guaranteed Acceptance



Requirements	Remark
Nationality Underwriting	Yes
Residential Underwriting	Yes

Certificate Operations

1. Interim Coverage



Conditions:

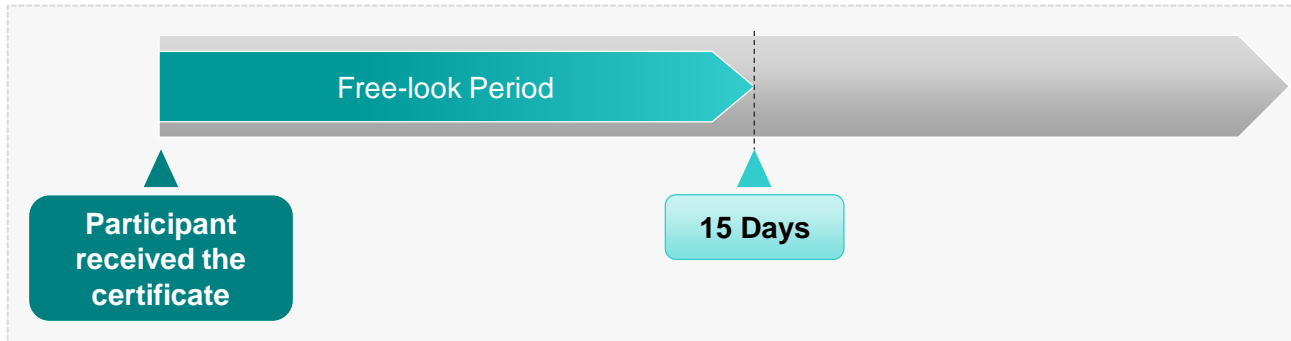
- Contribution payment must be received by Etiqa Family Takaful Berhad.
- Coverage provided:

Accidental Death	Total Sum Covered
Non-accidental Death	Refund of Contribution Paid

Note:

- The Sum at Risk is subject to a maximum of RM 250,000 per certificate and a maximum of RM 500,000 per Person Covered.
- Interim coverage will cease immediately after counter offer letter is issued by the Takaful Operator.

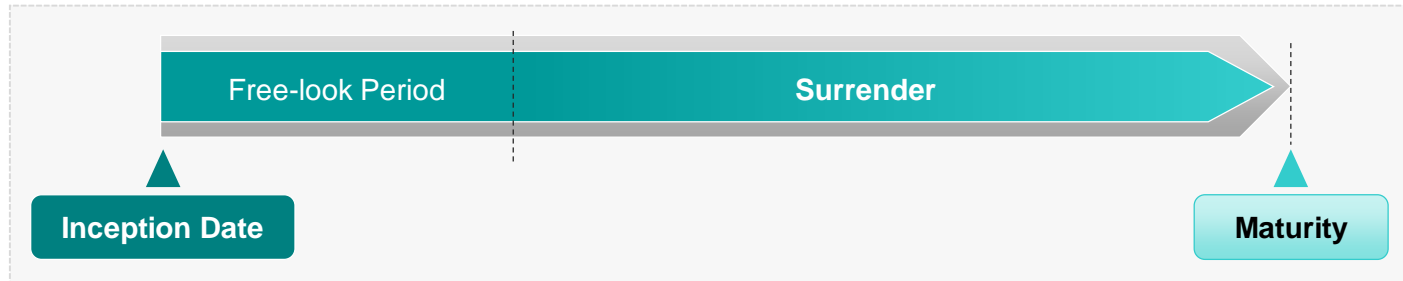
2. Free-look Period



Cancellation within Free-look Period,
amount payable:

Total Contribution Paid

3. Surrender



Surrender upon request by participant (after free-look period),
amount payable:

PRF Surrender Value + PIF (if any)

4. Partial Withdrawal



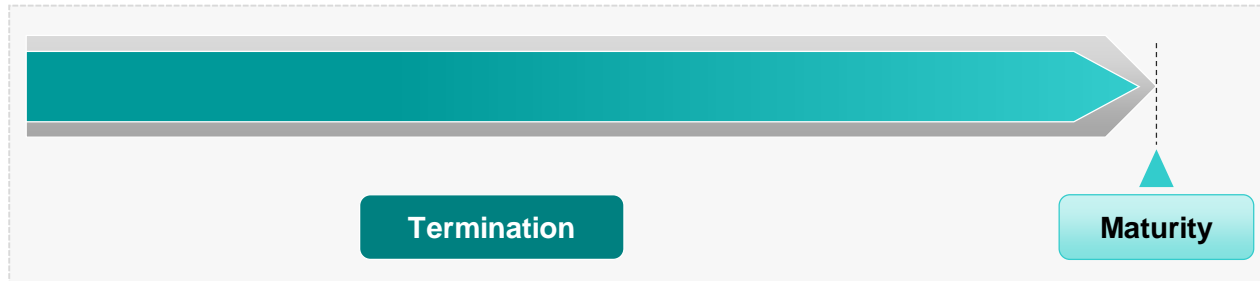
The participant will be offered an option to withdraw from their accumulated PIF subject to:

1. minimum withdrawal of RM 50 or a maximum of 80% of PIF amount;
2. remaining balance in PIF of not less than RM50; and
3. one withdrawal per certificate year.

Note:

1. *The first withdrawal allowed is after one year of certificate being in force;*
2. *RM15 will be charged for each partial withdrawal.*

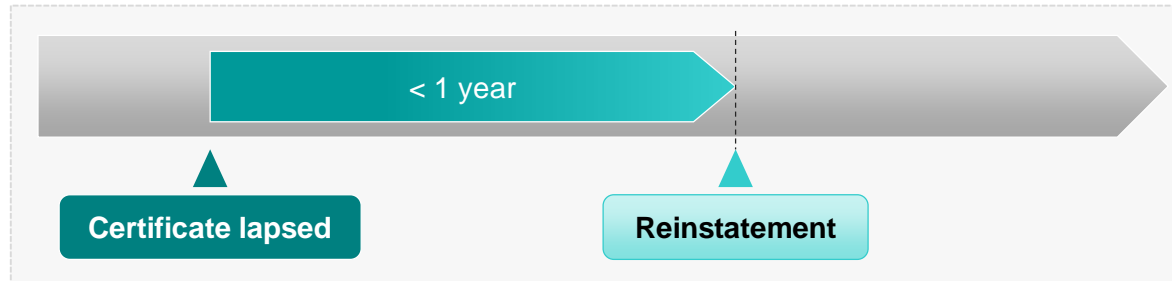
5. Termination



The certificate will automatically terminate upon:

1. Free-look cancellation;
2. Surrender;
3. The expiry date;
4. Death of the Person Covered; or
5. Lapsation during the certificate term.

6. Reinstatement



Participant may reinstate the certificate provided:

1. Outstanding contribution **plus PRF surrender value**, is received;
2. The Person Covered is still alive;
3. The certificate has not been surrendered;
4. Reinstatement is less than 1 year;
5. Satisfaction in evidence of health of the Person Covered.

7. Non-forfeiture Options

Non-Forfeiture Option	
Surrender Value	Applicable
Reduced Paid-up	Not Applicable
Extended Term Takaful	Not Applicable
Automatic Contribution Facility* (also known as ACF)	Applicable (refer to appendix)
Certificate Financing	Not Applicable

Note:

*When the contribution due is not received within the grace period, PRF contribution will be deducted from the PIF of the certificate based on the payment mode selected by the participant and the certificate will remain in-force.

However, when there is insufficient fund in the PIF to deduct the PRF contribution, the certificate will only continue for the proportionate period that the PIF can cover, after which it will lapse.

FAQs

Frequently Asked Questions

Frequently Asked Questions

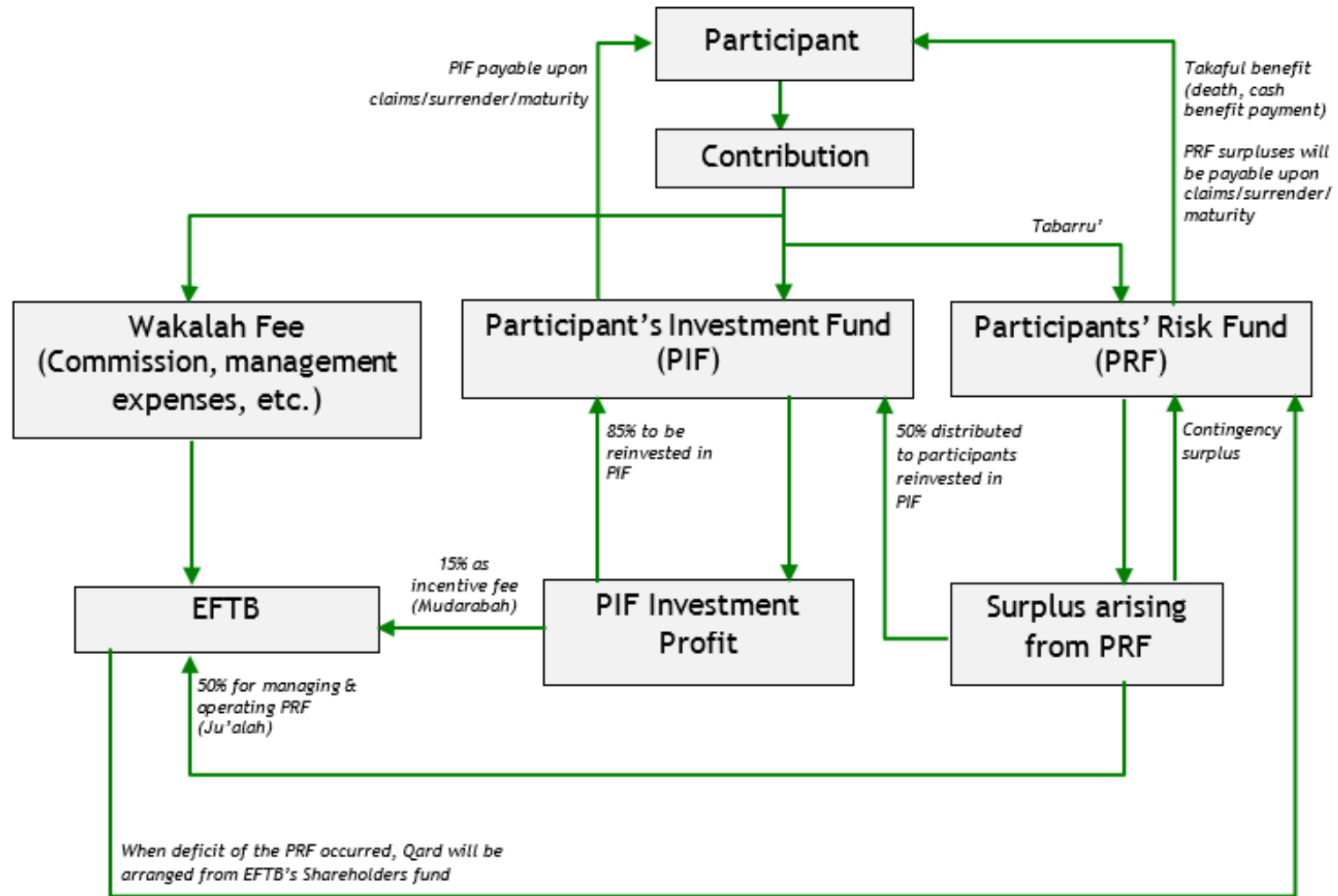
1	What is Aatifa?
	Aatifa is a limited pay Takaful endowment plan for savings purpose. It provides coverage for death, accidental death, and other benefits such as cash payment and maturity benefits.
2	How will the Cash Payment Benefit be paid?
	The amount will be credited into the bank account specified by the Participant.
3	Can I accumulate the Cash Payment Benefit?
	No, the Cash Payment Benefit will be paid out to Participant.
4	Are multiple certificates allowed for Aatifa?
	No, multiple certificates are not allowed.
5	This Certificate does not exceed Sum Covered of RM200,000. Why is the Juvenile Lien still applicable?
	The Juvenile Lien Amount is a combination of all other certificates covered by Etiqa Family Takaful Berhad.
6	Can I attach riders?
	This product does not come with option to add riders.

Frequently Asked Questions

7	Will my contribution amount increase with age?
	No, contribution amount is fixed based on the 3 given choices – RM100, RM150 or RM200 per month.
8	If I choose to increase my Sum Covered after my certificate is in force for 5 years, will it still be under Guaranteed Acceptance?
	Increase of Sum Covered is allowed within 6 months from the issue date and effective from the certificate commencement date.
9	Can I sign up for Aatifa if I have a pre-existing condition?
	Yes, as this product is Guaranteed Acceptance .
10	Will the Death Benefit be paid if the person covered dies due to pre-existing condition?
	"Yes, if the person covered dies 2 years after the certificate issue date due to pre-existing condition. The total contribution received will be refunded and agent's commission will be clawed back, if death claims due to non-accidental causes occurs during the first 2 certificate years from the certificate issue date.
11	If I participate in Aatifa, can I enjoy income tax relief?
	Yes, currently all takaful protection contribution enjoy tax relief up to RM 3,000 annually by LHDN. <i>Tax relief is subject to Malaysia Inland Revenue Board (LHDN) decision.</i>

Appendix

Family Takaful Model



PIF & PRF Allocation

Contributions paid, after deduction of wakalah fee, are channelled to the Participant's Investment Fund (PIF) & Participants' Risk Fund (PRF).

PIF Allocation	
Year	Percentage
1	0%
2 onwards	5%

PRF Allocation	
Year	Percentage
1	100%
2 onwards	95%

Wakalah Fee

Certificate Term	Certificate Year							
	1	2	3	4	5	6	7 – 10	11 onwards
10	56.26%	37.34%	29.53%	21.17%	15.60%	15.60%	10.00%	
11	59.13%	39.11%	30.67%	22.06%	16.04%	16.04%	10.00%	6.50%
12	62.01%	40.87%	31.82%	22.94%	16.48%	16.48%	10.00%	6.50%
13	64.88%	42.64%	32.97%	23.82%	16.92%	16.92%	10.00%	6.50%
14	67.76%	44.41%	34.12%	24.69%	17.36%	17.36%	10.00%	6.50%
15	70.63%	46.17%	35.26%	25.59%	17.80%	17.80%	10.00%	6.50%
16	73.50%	47.94%	36.41%	26.47%	18.24%	18.24%	10.00%	6.50%
17	76.38%	49.70%	37.56%	27.35%	18.68%	18.68%	10.00%	6.50%
18	79.25%	51.47%	38.71%	28.23%	19.12%	19.12%	10.00%	6.50%
19	82.13%	53.23%	39.85%	29.12%	19.56%	19.56%	10.00%	6.50%
20 onwards	85.00%	55.00%	41.00%	30.00%	20.00%	20.00%	10.00%	6.50%

Note:

The Wakalah fee will be deducted from the contribution based on the percentage of gross contribution amount as per table above, and a **fixed seventy-two Malaysian Ringgit (RM72)** from the contribution at every certificate year.

Exclusions on Accidental Death Benefit

No Benefit is payable on Accidental Death occurring due to the following direct or indirect events or conditions:

- 1) Intentional self-inflicted death or suicide, whilst Sane;
- 2) Participation in any criminal or illegal act, strike, riot, terrorism or civil commotion;
- 3) Participation in dangerous or hazardous sport or activities such as (but not limited to) horse riding, water sports (except non-motorized sailing craft and swimming), hunting, racing (except foot racing), mountaineering, potholing or caving, and winter sports;
- 4) Participation in any form of aviation (except as a fare-paying passenger or crew member on a regular route operated by a commercial airline), or aerial sports such as (but not limited to) skydiving, parachuting, bungee jumping, hang gliding and ballooning;
- 5) War (whether declared or not), revolution, attack by a foreign country, or invasion;
- 6) Consumption of alcohol, non-prescribed or illegal drugs or narcotics;
- 7) Physical and violent provocation by the Person Covered, leading to a similar response that leads to injury;
- 8) Inhalation of poison, gas or fumes whether, voluntarily or involuntarily taken;
- 9) Radioactive contamination arising from fuel, weapons, waste or processing; or
- 10) Human Immunodeficiency Virus (HIV) or Acquired Immune Deficiency Syndrome (AIDS).

Marketing Do's & Don'ts



Do's

- ☑ Understand the prospect by conducting need-based marketing using Fact Finding Forms.
- ☑ Ensure any advertisement or public announcement is clear and does not confuse or mislead the public / prospect here.
- ☑ Use brochure / leaflet / flyer / images etc. provided by Etiqa in any advertisement / announcement via print / electronic media.
- ☑ Provide Marketing Illustration (MI) & Product Disclosure Sheet (PDS) to prospect and explain all features, benefits, limitation, exclusions, charges, key terms and conditions, etc., of the recommended product.



Don'ts

- ☒ Develop and use self-made marketing materials / advertisement through any print or electronic media such as newspapers, the internet or others without the approval of Etiqa.
- ☒ To exert undue pressure, influence, use or threaten to use harassment, coercion and physical force to sign the plan.
- ☒ Recklessly make any announcement, statement, illustration, promise, forecast or comparison which is misleading, false, deceptive.
- ☒ Advertise the product before filing to BNM is completed.