

FREQUENTLY ASKED QUESTIONS

Q1 What is Takaful?

Takaful refers to the spirit of co-operation and joint responsibility amongst policyholders according to Shariah principles. Takaful is also suitable for wealth preservation and distribution solutions as part of the overall Shariah-compliant wealth management.

What is Shariah?

It refers to a set of principles under Islamic law. Takaful product(s) and its services comply with the Shariah principles. We manage and/or administer Takaful product(s) that are free from usury(*riba*) and non-permissible activities such as alcohol, pork, entertainment and tobacco industries.

Q2 Is Invest future a Takaful product?

Yes. It is Shariah-certified by an independent Shariah advisory body - Financial Shariah Advisory and Consultancy of Singapore Islamic Scholars & Religious Teachers Association (Pergas). Invest future is Shariah-compliant under the concept of *Wakalah* (agency), *Tabarru'* (donation) and Takaful (mutual guarantee).

For an additional Takaful protection, Invest future offers an accelerated Death and Total & Permanent Disability rider option subject to underwriting.

Q3 Are the activities and processes relating to Invest future Shariah-compliant?

It is Shariah compliant from the start where customer contributes monies into a segregated Takaful fund until the policy matures or upon payment of claims. The monies will be allocated and restricted to Shariah-compliant investments only. In addition, the Takaful principles are embedded in the key policy documents, namely Application Form, Policy Contract and Product Summary.

This plan is also subjected to review and approval by our Shariah advisory body who ensures that the product continuously complies with the relevant Shariah principles.

Q4 What are the available Investment-Linked Policy (ILP) sub-funds for Invest future?

For Invest future, only Shariah ILP sub-funds will be made available for subscription (including premium redirection and/or top-up(s)), redemption and/or fund switching.

From time to time, subject to demand and/or investment outlook, Etiqa may consider changes including, but not limited to, expanding the list of available Shariah ILP sub-funds for Invest future. For the latest list of available Shariah ILP sub-funds, please visit Etiqa website.

Q5 Can a Non-Muslim customer sign up for Invest future?

Subject to policyholders' financial needs, Invest future is open for all. One does not have to be a Muslim to sign up for a Takaful plan and its coverage. Every customer will be able to enjoy all benefits and coverage under Invest future.

In addition, this plan also underscores the elements of ethical and values-based investing, which are aligned with Shariah principles.

Q6 What are the underlying Shariah principles?

- a) *Wakalah* (agency): Policyholders agree to appoint Etiqa to administer and/or invest their Premiums on their behalf.
- b) *Tabarru'* (donation): Policyholders agree to the concept of commitment to donate by paying Premiums to the pool of fund for the purposes of mutual support and cooperation among other policyholders.

Note:

To meet the shariah requirements, policyholders' acknowledgement on the following needs to be made upfront:

1. On the appointment of Etiqa as administrator under *Wakalah* principle;
2. On the concept of commitment to donate under *Tabarru'* principle;
3. On the waiver of surrender and partial withdrawal charges, if any; and
4. On the waiver of excess of *Tabarru'* (i.e. underwriting profits), if any.

Etiqa will utilise the abovementioned waivers where it deems fit in administering and/or investing the Takaful fund. For transparency purposes, this utilisation will be subjected to Shariah advisory body review and approval.

Q7 What are the fees and charges under Invest future?

Based on the *Wakalah* and *Tabarru'* principles, the deductions for fees and charges will be made through cancellation of units from the selected Shariah ILP sub-funds.

The fees and charges are stipulated in the Product Summary and Policy Contract.