

Frequently Asked Questions – HLM Takaful Alpha Saver

1. What is HLM Takaful Alpha Saver?

HLM Takaful Alpha Saver is an endowment Takaful product that can fulfil both your protection and savings needs. It provides level coverage for death and Total & Permanent Disability (TPD), additional coverage for accidental death as well as a funeral benefit payable upon death. It also pays a Cash Payment at the end of every 5 years during the coverage term. Maturity benefit is payable at the end of the certificate term if no claim has been made. The enrolment is hassle-free as there is no medical check-up required.

2. What are the Shariah concepts applicable?

- (a) Tabarru' means donation from the portion of the contribution that will be allocated to the Participants' Risk Fund (PRF), which will be used for mutual aid and assistance among the fellow participants.
- (b) Iltizam Bi Al-Tabarru' means the commitment to make Tabarru'.
- (c) Wakalah means essentially an agent-principal relationship, where the Takaful Operator act as an agent on behalf of the participants to manage the PRF and the Takaful Operator earns Wakalah Fee for services rendered.
- (d) Ju'alah means an agreement in which the participant agrees to reward the Takaful Operator for its achievement or good performance in managing the PRF that leads to Surplus of the fund.

3. What is the minimum and maximum entry age for this product?

The minimum entry age is 30 days old while the maximum entry age is 55 years old, age next birthday (ANB).

4. What is the coverage term of this product?

The coverage term of this product is 20 years.

5. What are the minimum and maximum coverage?

The Basic Sum Covered for this product depends on your monthly contribution and entry age as shown in the table below:

Monthly Contribution (RM)	Entry Age	
	1 – 45 ANB	46 – 55 ANB
50 (Plan50)	10,000	7,000
100 (Plan100)	20,000	14,000
200 (Plan200)	40,000	28,000

6. What will be payable in the event of death/TPD due to non-accidental causes?

In the event of death/TPD (TPD coverage until age 65 next birthday) of the Person Covered while the certificate is still in force, the following will be payable:

- (a) Death/TPD Benefit – 100% of Basic Sum Covered
- (b) Funeral Benefit (payable upon death) – Additional 10% of Basic Sum Covered

7. What happens if death occurs due to accidental causes?

In the event of accidental death (coverage until age 65 next birthday) of the Person Covered while the certificate is still in force, 200% of Basic Sum Covered will be payable in addition to Death Benefit.

8. When will I receive the Cash Payments and how much will be payable?

Starting from the end of the 5th certificate year and subsequently every 5 years, a Cash Payment as shown in the table below will be payable, provided that the certificate is in force and there is no amount due to us:

End of Certificate Year	% of the Total Contribution Paid	Cash Payment (RM)		
		Plan50	Plan100	Plan200
5	5%	150	300	600
10	5%	300	600	1,200
15	10%	600	1,200	2,400
20	15%	900	1,800	3,600
Total		1,950	3,900	7,800

9. What will I get upon maturity of the certificate?

Upon maturity of the certificate, 100% of the total contribution paid will be payable.

10. Can I change my coverage subsequent to the inception of the certificate?

No, change in coverage is not allowed.

11. What are the riders available to enhance my protection?

There is no rider attachable to HLM Takaful Alpha Saver.

12. How much contribution do I need to pay and what are the contribution payment mode and method?

The amount of contribution that you have to pay depends on your plan selection. The contribution amount is level throughout the coverage term. Please refer to the Benefit Illustration for more details. You can pay your contributions on an annual, semi-annual, quarterly or monthly basis via credit/debit card, direct debit and standing instructions.

13. What is the contribution payment term for HLM Takaful Alpha Saver?

The contribution payment term is 10 years.

14. What happens if I stop paying contribution?

If contribution remains unpaid after the grace period of 90 days, your certificate will be automatically converted into a Reduced Paid-Up (RPU) certificate where your coverage will be reduced, subject to our terms and conditions. Otherwise, your certificate will lapse. Please refer to the Takaful certificate for more details.

15. Are the contributions paid for HLM Takaful Alpha Saver eligible for income tax relief?

Yes. You may qualify for a personal tax relief for the contributions paid under "Life Insurance", subject to the final decision of the Inland Revenue Board of Malaysia.

16. Can you tell me more about the funds under HLM Takaful Alpha Saver?

There is only one fund under this product, namely the Participants' Risk Fund (PRF). The contribution paid after deducting the Wakalah Fee will flow into the PRF as *Tabarru'* to provide for the Takaful benefits under this product. All Takaful benefits i.e. Death Benefit, TPD Benefit, Accidental Death Benefit, Funeral Benefit, Cash Payments and Maturity Benefit are payable from the PRF. Any surplus from the PRF will be distributed in a ratio of 50:50 between the Takaful Operator (based on Ju'alah principle) and the eligible participants.

17. What happens if I terminate my certificate early?

You may surrender your certificate by returning the certificate to us with a written notice signed by you. The cash surrender value from the PRF (if any) less surrender charge will be payable. You will lose the benefits under your certificate and the amount payable to you may be less than the total contributions that you have paid.

18. What are the exclusions for HLM Takaful Alpha Saver?

- (a) The Death Benefit/Funeral Benefit is not payable for death resulting directly or indirectly from suicide within twelve (12) months from the commencement date or date of reinstatement of the certificate, whichever is later.
- (b) The TPD Benefit is not payable in respect of any condition/injury/event which is directly or indirectly caused by self-inflicted injury while sane or insane, under the influence of any alcohol, narcotics or drugs, private aviation activities, military service, war, acts of terrorism and criminal, dangerous sports and activities and the like.
- (c) The Accidental Death Benefit is not payable for accidental death caused directly or indirectly by self-inflicted injury while sane or insane, riot and civil commotion, strikes or terrorist activities, war, declared or undeclared, revolution or any warlike operations.

Note: This list is non-exhaustive. Please refer to the Takaful certificate for the full list of exclusions.