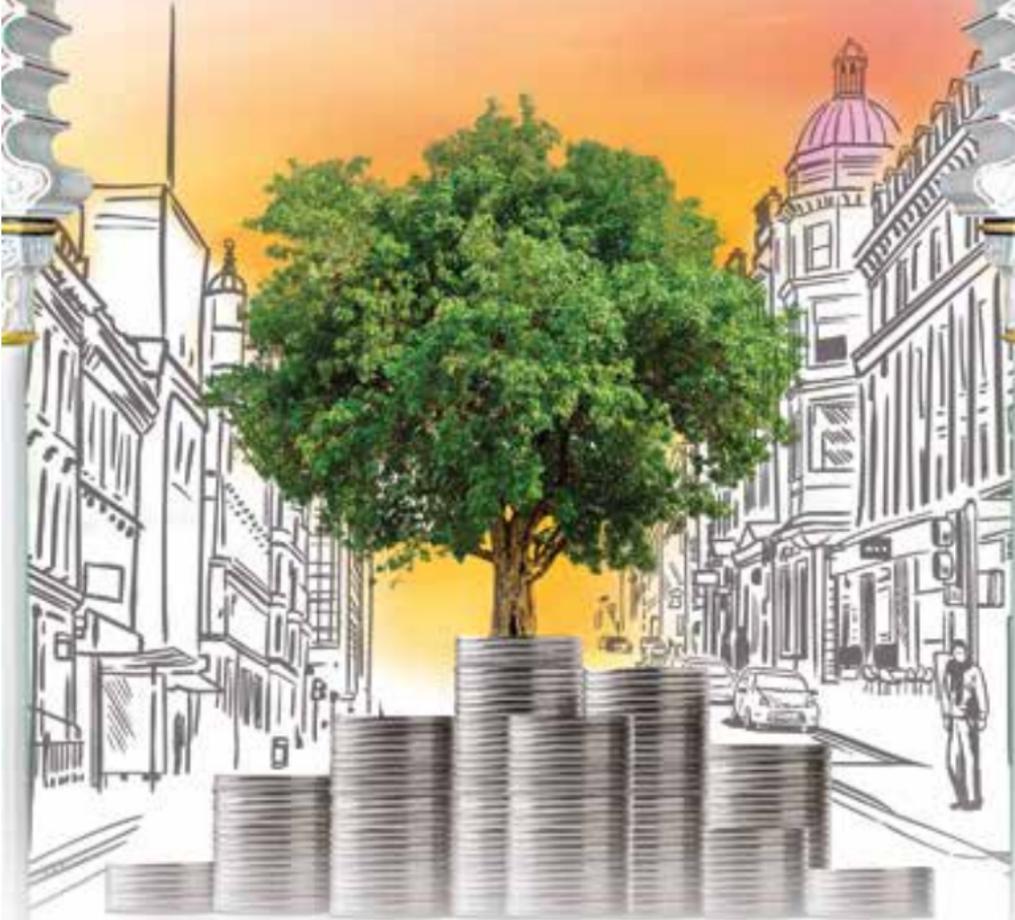


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Tayyab



## State Life Tayyab Takaful Endowment Plan



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# State Life - Tayyab Takaful Endowment Plan

Secure your future with State Life Window Takaful Operations a Sharia-compliant financial solution. State Life Tayyab Takaful Endowment Plan offers you a unique opportunity to grow your savings while providing protection for your loved ones. With its Islamic principles, this plan aligns with your beliefs and values.

State life endowment plan has been especially designed for those individuals who seek protection, savings and investment under Shariah principles. It is an investment-linked takaful product which shall fulfill their future needs like financial necessities after retirement, children's higher education and marriage, most importantly financial protection of a family in case of sudden death.

## Disclosure of the Product

**This is a Family Takaful product which has two distinct elements i.e. Protection and Investment. The Investment component is linked to the performance of underlying assets under unit linked fund(s).**

## Free Look-in Period

**The certificate offers a Free-Look period of 14 Days after receiving the membership documents, you are entitled for a full refund of the paid contribution amount if you decide to cancel your membership within the stipulated period less any expenses incurred by State Life – WTO in connection with our medical or clinical examinations.**

## What is Shariah Compliant Funds?

Shariah-compliant Funds comprises of investments in Shariah-compliant instruments such as Islamic Equities, Sukuk, Islamic Term Certificates, Islamic Mutual Funds, Placement with Islamic Banking Institutions (IBIs) etc. These funds do not contain in any way the element of Riba (Interest), Qimar (Gambling) and Gharar (Uncertainty)

## Fund Categorizations and Fund Risk profiling

### **Participants Investment Endowment Fund (PIEF)**

#### **Risk Profile: Medium**

The contribution paid by the Participant shall be invested in Participants Investment Endowment Fund (PIEF) having medium risk classification. PIEF mainly comprises Shariah Complaint Government Securities (Sukuks), Shariah Compliant money market securities, placement of funds in Islamic Banks and some portion of fund allocation in Shariah Compliant equities and mutual funds.

## What is Endowment Plan?

Endowment Plan is a unique saving and protection scheme through which the membership holder can get a particular amount of money at a specific time speculated on the basis of his/her future requirements. Endowment Plan is most suitable for people who are farsighted and want to fulfill their future needs.

## What is Takaful and Takaful Family Plan?

Takaful is derived from Arabic word “Kafalah” which means “Guarantee” and “look after / monitor”. Takaful is being used as an alternative to Conventional Insurance in Islamic System in modern age. It is a cooperative risk sharing mechanism established for the well-being of the community. Family Takaful Plan is based on the concept of mutual cooperation, solidarity and brotherhood which is a pleasant act in Shariah. Takaful participants jointly contribute to protect and support each other in case of death and disability

## What are Basic Principles of Takaful in general?

Takaful Participants on the basis of “Tabarru / Donation” pay a fixed amount (which is called “Contribution”) in the Waqf Pool to protect each other from unforeseen risks. The Waqf Pool is called “Waqf Fund”. Being Wakeel, the Window Takaful Operator administers Waqf Fund. Claims are paid from Waqf Fund. In case of profit / surplus, if any, the amount of Waqf Fund may be distributed among the participants after approval of Shariah Advisor and Appointed Actuary.

## Admissible ages for the Plan

This plan is admissible for ages 18 to 60 years and is available from Term 10 to 52 years, subject to a maximum maturity age of 70.

## Minimum Contribution

|             |        |
|-------------|--------|
| Yearly      | 15,000 |
| Half Yearly | 8,000  |
| Quarterly   | 4,100  |
| Monthly     | 1,400  |

## Death Benefits

Upon death of the participant during the membership term, Death Benefit equal to the Sum Covered plus declared bonuses will be payable from Participant Takaful Endowment Fund (PTEF). Additionally, Carrying Value of Participant Investment Endowment Account (PIEA) is also payable to the nominee.

## Maturity Benefits

On maturity of the membership, Sum Cover and declared bonuses shall be payable from Participant Takaful Endowment Fund (PTEF) in addition to carrying value of Participant Investment Endowment Account (PIEA).

## Withdrawal \ Early Encashment

Participant can withdraw his / her membership at any time provided at least two full regular contributions have been received by State Life and the membership is either in force or paid-up. During Third Membership Year, the participant will be entitled to receive the carrying value of Participant Investment Endowment Account (PIEA) and reserve value of Sum Cover only from Participant Takaful Endowment Fund (PTEF) at the date of request. From fourth membership year onwards, the participant will be entitled for carrying value of PIEA at the date of request along with reserve values of sum assured and declared bonuses from PTEF.

## When Bonus declared shall be payable

The declared bonus would remain part of Participant Takaful Endowment Fund (PTEF) and shall be payable along with Sum Assured in case of death of the Participant or Maturity of the Takaful Membership.

## What is the basis for distribution of PTEF surplus?

In case of distributable surplus, State Life in consultation with the Appointed Actuary and the Shariah Advisor would jointly decide upon the distribution of surplus to Participants. In case of sharing of distributable surplus, 97.5% would be distributed to Participants in the form of Bonuses; remaining 2.5% of the surplus would be transferred to Operator Sub-Fund (OSF) as Modarib Fee.

In case of deficit, Operator Sub-Fund (OSF) will support Participant Takaful Endowment Fund (PTEF) in the form of Qard-e-Hasna and the same would be returned to Operator Sub-Fund (OSF) in case of surplus as a first charge.

## How can the Participant partially withdraw the amount?

- Partial withdrawals will be allowed after completion of two membership years provided at least two full regular contributions have been received by State Life. Partial withdrawals shall be allowed subject to terms and conditions stated hereunder.
- Participant can withdraw carrying value available in his/her Participant Investment Endowment Account (PIEA) subject to the condition that residual value of his/her PIEA is at least Rs.50,000/- or 50% of the value of PIEA, whichever is higher. The minimum Partial Withdrawal Amount is to be Rs.10,000/-

## Which Supplementary Takaful Benefits can be attached with this Plan?

The Participant can select following optional takaful benefits to enlarge the scope of Takaful coverage offered under this plan:-

### Accidental Death Benefit (ADB):

Under this supplementary benefit, an additional lump-sum amount equal to the face value of the plan shall be paid to the heirs upon accidental death.

### Accidental Death and Disability Benefit (ADDB):

This supplementary cover not only offers an additional lump-sum amount equal to face value of the plan as stipulated by the participant upon accidental death, but also provides certain benefits in case of permanent or partial disability caused due to accident.

**(Note: - Participant may select any one of the two accidental supplementary benefits, but not both)**

### Family Income Benefit (FIB)

This optional cover pays income annually to the nominees in case of death of a participant during the plan term. Under this rider, an agreed annuity of 10% to 50% per annum equal to the face value of the plan shall be paid to the heirs till the expiry of the rider.

### Term Takaful Rider (TTR)

In the event of death of the Participant during term of Term Takaful supplementary cover, the face value will be payable in addition to the benefits payable under the main plan. Suppose, Mr. A, covered under a membership of face value Rs 1,000,000/- also attaches Term Takaful supplementary cover with his membership. In case of his death during tenure of Term Takaful, a sum equal to Rs 1,000,000 will be payable under this supplementary cover. This will be in addition to the benefits payable under the main plan.

This supplementary cover is an excellent opportunity for individuals who want to enhance coverage of their membership substantially on payment of a meagre amount of contribution.

### Additional Value-Added Options:

#### Inflation Protection/Indexation:

The Participant can also opt to protect him / her by indexed regular contributions by selecting following option on compound basis:

## I Indexation of Contributions:

Under this option, the gross Regular Contributions may be increased by 6% on every Membership Anniversary. However, the face value of the plan and face value of additional benefits (if any) at the time of membership issuance will remain same and will not be subject to indexation.

## II Fund Acceleration Contributions:

The Plan also offers flexibility to the Participant by providing an option to invest additional funds available to enrich savings. These lump-sum contributions are termed Fund Acceleration Contributions and can be placed anytime while the membership is in-force. Units will be credited to the PIEA after deduction of applicable charges against the Fund Acceleration Contributions received. The minimum contribution shall not be less than Rs.10,000/-.

### Unit Allocation

| Membership Year    | Unit Allocation % | Allocation Charges |
|--------------------|-------------------|--------------------|
| 1st Year           | 60%               | 40%                |
| 2nd Year           | 80%               | 20%                |
| 3rd Year           | 90%               | 10%                |
| 4th Year & Onwards | 100%              | 0%                 |

### Schedule of Charges

All charges shall apply in the following order:

#### 1. Allocation Charge:

An allocation fees will be charged, after which the remaining part of the contribution shall be allocated as per the percentages mentioned in unit allocation table.

#### 2. Endowment Waqf Contribution:

Endowment Waqf Contribution will be deducted on monthly basis from the Participant Investment Endowment Account (PIEA). Additional compounding for Waqf Charges on account of Extra-mortality and occupational extra, if applicable, shall also apply.

#### 3. Admin Charge (Wakala Fee):

Annual charges equal to Rs 1,200/- deductible monthly from the Participant Investment Endowment Account (PIEA). This charge will be subject to revision by State life as and when required.

#### 4. Bid offer Spread:

Applied to the portion of contribution used to purchase PIEA units; the rate will be 5%.

## **5. Fund Management Charge (Investment Wakala Fee):**

Investment Wakala Fee shall be applicable on the Participant Investment Endowment Account (PIEA) at the rate of 1.5% per annum. The charge will accordingly be adjusted at the time of unit price determination on daily basis and transferred to operator's sub-fund at the end of the financial year.

## **6. Modarib Fee:**

At the end of every accounting year, State Life shall determine the distributable surplus under the Participant Takaful Endowment Fund (PTEF). 97.5% of it would be distributed to Participants in the form of Bonuses while remaining 2.5% would be transferred to Operator Sub-Fund (OSF) as Modarib Fee.

## **CERTIFICATE OF SHARIAH COMPLIANCE FOR STATE LIFE INSURANCE CORPORATION OF PAKISTAN WINDOW TAKAFUL OPERATIONS**

Dated: 13th April, 2023

In the capacity of shariah Advisor of State Life Insurance Corporation of Pakistan-Window Takaful Operations. I hereby certify that I have reviewed the structure of State Life's "TAYYAB TAKAFUL ENDOWMENT PLAN" along-with the riders which is being distributed by Faysal Bank Limited which are based on the Wakalah - Waqf Takaful Model. I have also examined all relevant processes and documents including the Participants Membership Documents. In addition, I have also reviewed in detail and perform continuous monitoring of the Investments with regard to all Family Takaful Funds.

Based on the Shariah rulings and to the best of my knowledge and belief, the "TAYYAB TAKAFUL ENDOWMENT PLAN" of State Life Insurance Corporation of Pakistan-Window Takaful Operations, Investments of all Takaful Funds, relevant documents and processes are fully compliant from all aspects of Shariah.

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



**Mufti Muhammad Hassan Kaleem**  
**Shariah Adviser State Life Window Takaful Operations**

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## Disclaimer:

- This product is underwritten by State Life Insurance Corporation of Pakistan (Window Takaful Operator). It is not guaranteed or issued by "Bank" or its affiliates and is not a product of the Bank.
- The Bank's role is that of a Corporate Takaful Agent of State Life Insurance Corporation of Pakistan (Window Takaful Operator) which underwrites the plan and the Bank shall not be held responsible for any liability under the membership in any manner whatsoever to the participant(s) or claimant(s)
- State Life Takaful Plan is a Unit Linked Takaful Plan which is subject to investment risk. The investment risk shall be borne by the participant and actual maturity and surrender values may be lower or higher than the projected figures.
- All State Life Takaful Plan applications are processed and approved by State Life Insurance Corporation of Pakistan (Window Takaful Operator), as per their underwriting guidelines. "Bank" is not responsible for processing and approval of these applications in any way whatsoever.
- This brochure only provides an introduction to the benefits available under the plan. A detailed description of how the contracts works is given in the "Terms & Conditions" attached with the Participant Membership Documents (PMD), which will be provided after the issuance of the certificate.
- The past performance of State Life Insurance Corporation of Pakistan (Window Takaful Operator) is not necessarily a guide for future performance. Any forecast made is not necessarily indicative of future or likely performance of the funds and neither State Life Insurance Corporation of Pakistan (Window Takaful Operator) nor Bank will incur any liability for the same.
- A personalized illustration of benefits will be provided to you by our staff. Please refer to the notes in the illustration for detailed understanding of the various terms and conditions. The values mentioned in the illustration are only for understanding purpose and can go up or down and are not guaranteed
- Service charges and taxes will be applicable as per the Bank's "Schedule of Charges" and taxation laws as stipulated by the relevant authorities.

If you have any grievance regarding the Takaful Plan, you may contact State Life Insurance Corporation of Pakistan (Window Takaful Operator) at 021-99217286 or for any service-related complaints, you may call FBL Contact Centre at (021) 111 06 06 06

## **State Life Insurance Corporation of Pakistan (WTO)**

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