

HARMONI

APPLICABLE SHARIAH CONCEPTS

a) Tabarru'

This plan applies Tabarru' concept, whereby the Participant agrees to donate or contribute a specified portion from the contribution paid to the Participants' Risk Fund (Tabarru' Fund) for the purpose of mutual aid and assistance to the participants in case of need.

b) Wakalah

This plan also applies Wakalah concept, whereby the Participant nominates the Takaful Operator to act on behalf of the Participant to invest and manage both Tabarru' Fund and Investment Fund(s). Wakalah fee will be deducted from the gross contribution of each plan. The balance amount will be placed into Participants' Risk Fund and Participants' Investment Fund based on predefined ratios.

c) Participants' Risk Fund (PRF)

Part of the contribution that you pay, after deducting the Wakalah fee, shall be allocated to the PRF based on predefined ratio. If there is any distributable surplus from the PRF at the end of each financial year, the Participant will be entitled to receive 50% of the surplus after deducting 50% to Takaful Operator as performance fee. The amount due to Participant will be reinvested and accumulated in PIF.

d) Participant's Investment Fund (PIF)

The remaining part of the contribution will be placed in the PIF. At every financial year-end, 85% of the net investment profit after tax will be reinvested into the PIF. The balance 15% of the investment profit will be accorded to the Takaful Operator as the incentive fee for managing the PIF. The PIF will be accumulated and will be paid to you at the end of the certificate term or upon termination of the certificate.