



Family Takaful

Contents

INTRODUCTION & HISTORICAL BACKGROUND

- Introduction to Islamic Economics & Finance
- Early practices of Islamic Financial System
- Origin of Takaful
- Reference of Takaful in first constitution of Madinah
- Principles of Takaful
- Takaful practice through the ages

DEVELOPMENTS IN MODERN ERA

- Evolution during the seventies
- Judicial opinions and recent Fatwas
- Formation of first Takaful companies
- Developments in the Far East
- Developments in the Middle East

RISK & INSURANCE

- Definition of Risk
- Type of Risks
- Insurance as a Risk Transfer Mechanism
- Fundamentals of Insurance and Its Practices

SHARIAH

- Sources of Shariah
- Basic Instructions of Sale & Islamic Law of contract
- Types of Sales and their Shariah Rulings

TAKAFUL VERSUS CONVENTIONAL INSURANCE

- Difference in Concept
- Difference in Contract
- Contract/Aqd and Types of Contracts

FAMILY TAKAFUL PRODUCTS

- Takaful Investment Plan-Unit Linking System
- Level Term Takaful Plans
- Decreasing Term Takaful Plan
- Supplementary Riders
- Accidental Death Benefit
- Total & Permanent Disability
- Family Income Benefit
- Waiver of Contribution

NON-SHARIAH COMPLAINT ELEMENTS IN CONVENTIONAL INSURANCE

RIBA, GHARAR AND QIMAR/MAYSIR

- Quotation from Quran and Hadiths
- What is Riba, Gharar and Qimar
- Riba, Gharar and Qimar in Conventional Insurance

TAKAFUL MODELS

- The Mudaraba Model
- The Wakala Model
- The Waqf-Wakala Model

RELATIONSHIPS IN TAKAFUL CONTRACT

- Relationship between Takaful Operator and Waqf Fund
- Relationship between Takaful Operator and Participant
- Relationship between Waqf Fund and Participant

TAKAFUL FREE OF RIBA, GHARRAR AND MAYSAR/QIMAR

- Concept of Waqf
- How Takaful is Free of Un-Islamic Elements
- Structure & Aspects of Window Takaful Operations (Takaful Operator & Waqf Fund)

AGENCY CONTRACT

- Types of Agency Contracts
- Qualification & Criteria
- Duty of Disclosure
- Relationship with the Principle/Participant
- Market Conduct & Business Ethics

TAKAFUL COMPARISON

- Comparison with mutual societies
- Comparison with cooperatives
- Comparison with self-retention schemes

TAKAFUL DOCUMENTS

- Proposal form and other Under Writing documents
- Participants' Membership Documents
- Claims procedures
- Additional Features of Takaful products including principles of Surplus sharing mechanism

OPERATIONAL ISSUES IN FAMILY TAKAFUL

- Understanding the concept of Participant Investment Fund (PIF)
- Management of PIF by Takaful Operator on the basis of Wakalah tul Istismar
- Concept of Participant Takaful Fund (PTF) in Family Takaful
- Management of PTF and its investments and its Shariah basis

UNDERWRITING INFORMATION & COMPLETION OF FORMS REQUIRED FOR TAKAFUL POLICY ISSUANCE

- Introduction to Family Takaful Underwriting
- Factors effecting underwriting (e.g. age, sex, health, family history, financial status)
- Takaful Application Form
- Medical Form
- Financial Questionnaires
- Medical Questionnaires

ACCOUNTING AND REPORTING OF TAKAFUL BUSINESS

- Terminologies to be used in Takaful Accounting
- Accounting & Reporting for General
- Accounting & Reporting for Family Takaful

TAKAFUL WORLDWIDE

- Statistics
- Global Takaful growth
- Future prospects
- Conclusion