

## Applied Certificate in Family Takaful

Course Code	ACTK
Content	Unit 1: Philosophy of Takaful Unit 2: Takaful and principles of insurance Unit 3: Types and structure of Takaful business Unit 4: Family Takaful products Unit 5: Re-Takaful Unit 6: Accounting treatment of Funds, Surpluses and Losses Unit 7: Investments Unit 8: Marketing of Takaful products
Duration	25 hours of structured learning involving classroom sessions, Q & A and case studies.
Audience	Intermediate
Learning Objectives	At the end of this course participants will be able to:

### 1. Philosophy of Takaful

- 1.1 Define of Takaful
- 1.2 Outline the ideology of Takaful
  - 1.2.1 Principles of trading under Sharia'a
  - 1.2.2 Risk and burden sharing
- 1.3 Be aware of the prohibited elements of insurance
  - 1.3.1 Uncertainty (*Gharar*)
  - 1.3.2 Usury (*Riba*)
  - 1.3.3 Gambling (Maysir)
- 1.4 Be aware of Takaful ethics and prohibited activities

### 2. Takaful and principles of insurance

- 2.1 Apply the following principles of insurance to Takaful
  - 2.1.1 Insurable Interest
  - 2.1.2 Indemnity
  - 2.1.3 Utmost Good faith
  - 2.1.4 Contract

### 3. Types and structure of Takaful Business

- 3.1 Explain the following Takaful Models
  - 3.1.1 Mudaraba
  - 3.1.2 Wakala
  - 3.1.3 Wakala-Waqf
- 3.2 Explain the relationship between the parties to a Takaful transaction
  - 3.2.1 Policyholder
  - 3.2.2 Takaful operator
  - 3.2.3 Takaful fund
- 3.3 Be aware of the operating structure of a Takaful fund
- 3.4 Be aware of the operating structure of the Takaful operator
- 3.5 Be aware of the duties of the Sharia'a supervisory board

### 4. Family Takaful products

- 4.1 Explain the cover provided under the following family Takaful products
  - 4.1.1 Medical and Hospital treatment
  - 4.1.2 Life and Disability
  - 4.1.3 Savings and Retirement plans

### 5. Re-Takaful

- 5.1 Define Re-Takaful
- 5.2 Outline the operating principles of Re-Takaful
- 5.3 Be aware of the following Re-Takaful models
  - 5.3.1 Treaty
  - 5.3.2 Facultative
- 5.4 Be aware of the issues and challenges facing the Re-Takaful market

## **6. Accounting Treatment of Funds, Surpluses and Losses**

- 6.1 Distinguish between the Takaful fund and the operator's funds and their respective investment
- 6.2 Be aware of the revenues and charges to the Takaful fund
- 6.3 Be aware of the need for reserve funds and treatment of underwriting losses
- 6.4 Explain the distribution of surplus to policyholders
- 6.5 Explain how the profits to the shareholders of the Takaful operator arise.

## **7. Investments**

- 7.1 Be aware of the criteria for the investment of Takaful Funds
- 7.2 Be aware of the main Sharia'a compliant investment products
- 7.3 Be aware of the conditions for investing in equity
- 7.4 Explain the distribution of investment returns

## **8. Marketing of Takaful products**

- 8.1 Be aware of the challenges in marketing of Takaful products
- 8.2 Distinguish between Takaful and conventional insurance products
- 8.3 Trends and opportunities in the Takaful market

Private study	Students should undertake a minimum of 40 hours of private study.
Assessment	Test: Two hours, 100 multiple choice questions. 70% pass mark.
Language	These courses are available in English and in Arabic.
Accreditation	1 credit towards Associate of the Gulf Insurance Institute 10 non specific CII credits at Certificate level
Certificates	Certificates will only be issued to candidates passing the test.