

Al Salam Life Planning Account Terms and Conditions



- 1) This Al Salam Life Planning Account wakala scheme along with its added takaful benefits (the "Al Salam Life Planning Scheme") shall operate under the Al Salam Life Planning wakala structure (which replaces the Wakala Taib and Wakala Jawhar schemes) and be governed by the applicable terms and conditions as set out in the Al Salam Wakala Deposit Agreement.
- 2) The Fixed and Flexi Schemes offered as part of the Al Salam Life Planning Scheme is offered exclusively to Al Salam Bank B.S.C.'s (the "Bank") individual clients (the "Client(s)") and may not be availed by the Bank's corporate clients or the Bank's joint account holders.
- 3) The Client's participation in the Al Salam Life Planning Scheme shall be subject to the Client paying an admin fee in a lump sum in proportion with the effort exerted for each scheme and based on the particular Al Salam Life Planning Scheme participated in by the Client, as set out below – while bearing in mind that the Client shall not be required to pay any additional fees for the management of the account(s) for tenors mentioned below (the "Admin Fees"):

Scheme	Admin Fees
Fixed Scheme	
3 years	
5 years	1 x Contribution Level
Flexi Scheme	
5 years +	2 x Contribution Level
10 years +	3 x Contribution Level
Above 15 & up to 20 years	4 x Contribution Level

- 4) The Clients are given the option of paying the one-off Admin Fees upfront which results in a higher expected profit rate. Whereas the Client may choose not to pay the Admin Fees which results in a decrease in the expected profit rate for such Client.
- 5) The expected profit rates of the Al Salam Life Planning Scheme will be defined by the Bank from time to time and are subject to change based on the Bank's sole discretion.
- 6) The Fixed scheme offered as part of the Al Salam Life Planning Scheme may be availed by the Client for fixed periods of either 3 years or 5 years at fixed monthly contribution levels of either BD 30 (Classic), BD 80 (Gold) or BD 150 and above (Platinum), while the Flexi scheme offered as part of the Al Salam Life Planning Scheme may be availed by the Client for a fixed monthly contribution of BD 30 and above and for any tenor above 5 years and up to 20 years (the "Contribution Levels").
- 7) Participation in the Al Salam Life Planning Scheme shall also be subject to the Client adhering to his irrevocable undertaking to debit his/her Bank account on the specified date each month and transfer the necessary contribution to the Al Salam Life Planning Scheme during the agreed period of the scheme. Failure to pay three consecutive contributions shall constitute a material breach of these terms and shall trigger automatic cancellation of the Al Salam Life Planning Scheme. The Bank shall also have the right, at its own discretion, to terminate the Al Salam Life Planning Scheme if the Client fails to make three contributions within a 12 month period.
- 8) For the Flexi scheme offered as part of the Al Salam Life Planning Scheme, the accumulated principal and profit amount will be deposited into the Client's settlement account on the relevant maturity date, and the Client shall have the option to receive such amounts on a periodic payment basis subject to notifying the Bank in writing 30 days prior the relevant maturity date. For the avoidance of doubt, such option may be rejected or approved by the Bank based on its sole discretion.
- 9) Life takaful benefits are availed through a Group Life Policy which are issued and accepted in accordance with all the provisions, conditions and warranties set by the takaful provider.
- 10) The Bank has the absolute right to change the takaful provider at any time without providing the Client with prior notice of such change.
- 11) For the Fixed scheme offered as part of the Al Salam Life Planning Scheme, Takaful benefits shall be inclusive of death and saving benefits. Child education and saving benefits are equal to BD 4,000 per year for platinum level clients, BD 2,000 per year for gold level clients and BD 1,000 per year for classic level clients in accordance with the Client's Contribution Level. Death benefits shall be equal to the monthly contributions multiplied by the agreed scheme tenor.
- 12) For the Fixed scheme offered as part of the Al Salam Life Planning Scheme, the sum covered for each Client participating in such scheme shall be a flat sum covered amount as per the following options:

Plan	5 years	3 years
Platinum – BD 150 & above	BD 29,000	BD 17,400
Gold – BD 80	BD 14,800	BD 8,880
Classic – BD 30	BD 6,800	BD 4,080

- 13) For the Flexi scheme offered as part of the Al Salam Life Planning Scheme, Takaful benefits shall be equal to the value of the remaining Contribution Levels subject to a cap of BD 100 per month (BD 24,000 in total). In case of accidental death, an additional BD 24,000 will be paid.
 - 14) All Clients who are eligible and have fulfilled all the necessary requirements, which may be modified from time to time, shall be covered under the Al Salam Life Planning Scheme subject to a maximum sum coverage per Client of BD 29,000 for the Fixed scheme offered as part of the Al Salam Life Planning Scheme and BD 24,000 for the Flexi scheme offered as part of the Al Salam Life Planning Scheme. For the avoidance of doubt, the coverage for a Client who has availed a mixture of the Flexi and Fixed scheme offered as part of the Al Salam Life Planning Scheme shall be capped at BD 53,000 (BD 77,000 in case of accidental death) irrespective of the number of schemes availed by the Client.
 - 15) As an exception to clause 14 above, Clients who participate in more than one Fixed scheme offered as part of the Al Salam Life Planning Scheme may request the Bank to increase their total maximum coverage up to BD 200,000. This request may be approved by the Bank subject to the following conditions:
 - (i) Total sum covered value of the Client's multiple Fixed schemes is above BD 29,000
 - (ii) The Client fulfillment of the additional Takaful provider underwriting requirements; and
 - (iii) The Takaful provider approves such request.
- In this case and for the avoidance of doubt, the coverage for a Client who has availed a mixture of the Flexi and the exceptional multiple Fixed scheme provided in this clause 15 shall be capped at BD 224,000 (BD 248,000 in case of accidental death) irrespective of the number of schemes availed by the Client
- 16) In case a Client avails for more than one Al Salam Life Planning Scheme, the flat sum covered will then not apply individually to each savings scheme but the lower of the aggregation of the total amounts of the different savings scheme or the maximum sum coverage set out in clause 14 or 15 shall apply, as applicable.
 - 17) Participation in the Al Salam Life Planning Scheme is subject to the below age restrictions:
 - a) Minimum age at entry: 18 years
 - b) Maximum age at entry: 64 years
 - c) Maximum expiry age: 70 years
 - 18) The Client acknowledges that the takaful benefit is subject to obtaining the takaful company's approval and the Client's adherence to the general life takaful policy's terms and conditions.
 - 19) In the event of the Client's death, the Client acknowledges that their lawful beneficiaries have a period of 12 months from the date of death to claim the takaful benefit.
 - 20) The Bank, at any time and at its sole discretion, is entitled to partially or fully block and/or deduct any and all amounts from the Al Salam Life Planning Scheme in order to set-off and settle any outstanding dues against the Client for the benefit of the Bank, by providing the Client with a prior notice.
 - 21) In addition to this Al Salam Life Planning Scheme terms and conditions, the Bank's Banking Services Agreement, the Al Salam Wakala Deposit Agreement along with any relevant terms and conditions shall continue to apply and form an integral part of these terms and conditions.
 - 22) The Bank shall not be liable for any damages, costs, claims, liabilities and/or actions which may arise, whether directly or indirectly, or are in connection with the Bank offering this Al Salam Life Planning Scheme, unless such damages, costs, claims, liabilities and/or actions have been proven to be caused to the Client directly as a result of willful default or gross negligence of the Bank.
 - 23) The Bank may at any time, in its sole discretion, modify or withdraw these terms and conditions in accordance with the provisions of the Al Salam Wakala Deposit Agreement.
 - 24) These terms and conditions shall be governed and construed in accordance with the laws of the Kingdom of Bahrain to the extent that such laws are not repugnant to the principles of Islamic Shari'a in which case the principles of Islamic Shari'a shall prevail and any dispute shall be subject to the exclusive jurisdiction of the Courts of the Kingdom of Bahrain.