

Terms and Conditions for the Education Savings Plan

First: Mudaraba Deposit for Investment Education Savings Plan:

It is a long-term deposit under a Mudaraba contract bases, with maturity period range between 4 years to 18 years. Boubyan Bank Education Savings Plan will help customers (Subscribers) save money for their child (Beneficiary) educational plan purposes. With an insurance coverage on the Total Target amount covered by Boubyan Takaful insurance company and the Education Savings Plan profit will be distributed once the Education Savings Plan is matured.

Boubyan Bank will invest the deposit funds based on Mudaraba Motlaka. The depositor, therefore, authorizes Boubyan Bank, being a Mudaraba partner, to take all cases necessary for the mutual benefits, including determination of the methods and areas of investment, and mixing the deposit funds with thirds parties' or the Bank's funds and inclusion thereof in the financial position of the bank

The Accrued balance for investment (in the Education Savings Plan) is the customer's capital amount under the Mudaraba Contract with the bank. Where by the customers empowers the bank to invest all or part of the amount in Mudaraba deals, as deemed appropriate by the bank for the benefits of both parties (the bank and the customer), provided the bank should be entitled to a specific agreed- 50% profit percentage of the realized gains under the Mudaraba Contract. In case of loss, the client shall bear its share of loss pro rata to its capital employed in Mudaraba. The bank will invest with percentage of 100% of the available accrued fixed deposit amount.

Education Savings Plan	
Minimum Saved Target Amount	KD 10,000
Maximum Saved Target Amount	KD 250,000
Minimum Tenure	4 Years
Maximum Tenure	18 Years
Education Savings Plan deposit Maturity period	The fixed deposit reaches maturity once the parent is 65 years old or the child turns 18 (whichever comes first).

1. Breaking the Education Savings the customer will be able to cancels the Education Savings Plan before the maturity and refund the full accrued amount of the deposit along with the profits as per the following:

Education Savings Plan Period	Any Completed year	Any partial year
Rules for breaking the deposit	Mudaraba rate for 12 months applies	Normal Savings account rate applies

Savings plan rate will be applied and deposited on a yearly basis. In case, the customer breaks the deposit, Profit recalculation on every completed year will be changed from savings plan rate to Mudaraba yearly rate.

2. Fully /Partial withdrawal from the Education Savings Plan Fixed deposit:
The customer will be able to withdraw fully or partially from the saved accrued amount of the deposit without the profit amount:

Rules for partial withdrawal deposit	Customer can withdraw up to 20% from the saved accrual amount per annum
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3. In case of the partial withdrawal, the Education Savings Plan will continue as it is until maturity and the Monthly installment (Education Savings Plan and Boubyan Takaful coverage premium fees) will not be rescheduled again. However, the final target saved amount will be reduced by the total withdrawn amount.
4. The Education Savings Plan will be considered as a fixed deposit, with a monthly installment amount deducted from the customer account in order to reach to the expected target amount goal of the plan in a specific term period.
5. The product type will be classified under Islamic Mudaraba
6. The fixed deposit investment amount will be invested in a special pool and the profit expected will be higher than the existing Mudaraha or Wekala fixed deposit.

7. The profit will be calculated on a monthly basis and distributed annually, and customer will receive it once the Education Savings Plan is matured
8. The installment set for the Education Savings Plan are for 2 payments, the first installment will be for the Education Savings Plan and the second installment will be for Boubyan Takaful coverage premium Fees under 1 standing order
9. The Monthly (Education Savings Plan installment and the monthly Boubyan Takaful premium coverage fees) will be determined based on the customer age and the target amount and the duration period.
10. A upon bank approval The customer may partially withdraw from the Education Savings Plan deposit without breaking or cancelling the existing Education Savings Plan deposit. And there will not be any rescheduling of the monthly fixed deposit installment and neither or on the monthly premium Takaful insurance fees. Boubyan Takaful premium fees will not be refunded.
11. In case, the customer is unable to continue with the Education Savings Plan deposit, due to customer (parent or guardian death, full or permanent disability (due to an accident or sickness) or due to a critical disease). Then Boubyan Takaful Insurance Company will cover the full-agreed target amount of the saving plan, and the Education Savings Plan target amount will be deposited to the customer's account within 15 working business days from the approval day of Boubyan Takaful Insurance Company approval.
12. The account of the Education Savings Plan will be closed without any notice or notification to the customer should 3 deductions of the previously determined amount for the Education Savings Plan deposit stop, and all the collected amounts in the Education Savings Plan deposit will be transferred to the customer's active account.
13. In case of the child death (Beneficiary) , the Education Savings Plan deposit will be closed and the accrued saved amount and profit will be transferred to the Customer (parent or guardian) active account and the profit of the Plan will be determined based on the above mentioned in the Cancelling the Fixed deposit table
14. The insurance coverage will include Life /full disability/ICU insurance coverage will be provided by Boubyan Takaful Insurance Company
15. In case of the parent or guardian (Subscribers) death then the Boubyan Takaful company will cover the total Target saved amount , and will be considered as a compensation from the company to the beneficiary and shall not be included in the inheritance inventory
16. The Education Savings Plan should be issued with the child account (Beneficiary) and the installment amount (Saving deposit amount and the Boubyan Takaful premium coverage fees)will be deducted from the parent or guardian (Subscribers) account

Second: Boubyan Takaful Insurance Terms and Conditions for customers holding the Education Savings Plan fixed deposit.

1. By accepting to deal with Boubyan Takaful Insurance Company K.S.C.C., hereinafter referred as per this document, the customer "the subscriber" will be deemed a donating subscriber along with other subscribers on a Takaful basis. The company will be deemed a manager of the insurance scheme and an agent acting on behalf of the subscribers, performing investment of insurance subscriptions, partially or fully, on a Mudaraba contract basis, against a common profit share for the company in its capacity as a mudarib. Such a share will be determined in the public announcement at the company's center, and its branches ahead of the start of each financial year.
2. This should specifically determine the relationship between the company and the subscriber as regards the dues of the latter for his share of the net insurance surplus achieved at the end of the financial year by virtue of the bylaws set by the company's board of directors.
3. Whereas the subscriber, whose name is noted below, has submitted a written request to the company in the form of a filled out application form, therefore, this will constitute an integral part of this document along with any other written paper work submitted by the subscriber.
4. By virtue of this contract, and provided to observe the terms, exceptions, and conditions provided herein as well as any terms attached thereto, arising therefrom or added thereto, without contravening the principles of the Islamic Sharia, the subscribers' customer will be able to choose between the

below two coverage option :

- **Boubyan Takaful Coverage - Option 1**

- To pay the beneficiary, in case of the subscriber's:
 - demise (for any reason whatsoever)
 - total & permanent disability (due to accident or sickness)
 - critical condition (cancer, kidney failure, heart attacks)

The amounts detailed under the Table of Benefits against each of the stated cases and as per the limits and restrictions provided under the contract.

- **Boubyan Takaful Coverage -Option 2**

- To pay the beneficiary, in case of the subscriber's:
 - demise (for whatsoever reason)
 - total permanent disability (due to accident or sickness)

The amounts detailed under the Table of Benefits against each of the stated cases and as per the limits and restrictions provided under the contract.

5. Table of Benefits for Collective Takaful Life Insurance & Personal Injuries

- **Basic Takaful Benefits**

The subscribers' customer will commit to pay the subscriber (or his heirs) the following amounts in the following case:

Coverage	Benefit
Death for any reason (natural or accident) as per the conditions detailed under the attached Annex # 1.	100% of the main Takaful amount.

- **Additional Takaful Benefits**

The subscribers' customer will commit to pay the subscriber (or his heirs) the following amounts in the following cases:

Coverage	Benefit
Total permanent disability arising from an accident as per the terms set under the attached Annex # 2.	100% of the main Takaful amount.
Total permanent disability arising from a sickness as per the terms set under the attached Annex # 3.	100% of the main Takaful amount.
Disability resulting from critical conditions (heart attacks, kidney failures, cancers) as per the conditions detailed under the attached Annex # 4.	100% of the main Takaful amount.

6. Subscription

- The insurance provided under this contract will be made against a subscription donated by the contracting party as per the details under the subscription table.
- The contracting party will commit to donate to the subscribers' customer with the initial subscription amount within a maximum period of 15 days from the date of starting the insurance coverage.
- If the monthly subscription is not paid within 90 days from the start of the insurance, the effectiveness of the policy will cease without any need for notice or warning.

7. Expiry of the Insurance Coverage

- Should he not pay the annual subscription
- If the subscriber (parent or guardian) reaches to 65 years old.
- Upon the expiry of the contract.
- The subscriber beneficiary(child) death
- When the amount detailed under the Table of Benefits is due to the subscriber upon his demise, total permanent disability or a critical condition.

8. The Boubyan Takaful Company will pay the due Takaful amounts as per this contract directly to the contracting party, who will in turn pay the same to the eligible subscribers in case of injury or to the respective beneficiaries on their part in case of death. For any benefit to mature by virtue of this contract, the following will be satisfied:

- The contracting party must have paid all the due subscription amounts.
- The company should have received the payment documents as follows:

- A written notification from the contracting party of the death or disability within 30 days from the date of the occurrence.
 - An Account-Opening form and a medical survey signed by the customer.
 - An official Death Certificate noting the reason for death, police report about the accident in case of death due to accident. The company will pay the Takaful amount in a lump sum payment against one clearance signed by the contractor.
 - In case of disability, all the supporting documents of the disability should be attached to the notification:
 - In case of permanent disability, we will be provided by a report from the Occupational Health Department and/or the Public Medical Council of the State of Kuwait confirming the permanent disability status & showing the reason and degree of injury due to the accident or the disease in addition to the date of confirming the disability. In case of permanent disability resulting from a hopeless case, the report must show that the disease continued for a period of no less than 6 months without healing or improvement.
 - Furthermore, in cases of permanent disability, the report of the Occupational Health Department and/or the Public Medical Council of the State of Kuwait must note the level of disability which must be 100% of the total physical ability and not the ability to work (the disability percentage noted by the respective medical committee which diminishes the subscriber's ability to perform his regular work will not be considered, and the same goes for any report issued by the Occupational Health Department and/or the Public Medical Council of the State of Kuwait which is directed to the Public Institution for Social Security).
 - Furthermore, in case of inflicting a critical covered case (cancer, kidney failure, heart attack), the report of the treating doctor and the specialist should show the details of the illness and the health status of the patient.
 - The company will have the right to request any other documents which may be necessary and have direct relationship with the claim including the second medical opinion from a doctor to be determined by the company.
 - In case of death or disability outside the state of Kuwait, attestation should be duly made to the said certificates by official authorities.
 - In all claims for any benefits under this policy, a supporting document should be made for the age of the injured subscriber (Civil ID or Birth Certificate).
 - The subscriber may not have the right to make a claim or file a lawsuit to claim any of the benefits by virtue of this contract after the lapse of a year from the injury unless it is established that was impossible to make a claim during such a period.
9. The **Insurance Coverage** will be cancelled and the subscriber will not be entitled to any dues from the company owing to the fact that he already donated the subscription

I have read these terms and conditions and accept them.

Name:

Signature: