Priority

Insurance / Takaful Planning

Objective

• To have sufficient insurance / takaful coverage.

Purpose

• To protect you from life‘s uncertainties, total permanent disability and critical illness.

Principle

• Sufficient insurance / takaful coverage = Total available resources for insurance / takaful > total insurance / takaful needs.

• To allocate at least 5% to 10% of total income for insurance / takaful premium.

• Priority of coverage : 10x annual income for death and total permanent disability; and 4x annual income for critical illness.

Insurance Info

Introduction to Takaful

Coverage for Death

How to achieve?

Consider additional resources:

• Insurance / takaful products, unit trusts, PRS, money market instruments, shares, property investments and EPF self-contribution.

• Avoid risky assets if risk tolerance is low and time horizon is shorter.

Timeframe

• Short-term goal is to have sufficient insurance / takaful coverage within a year.