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# Sun Life takaful arm, Bank Rakyat expect to rake in RM150m premiums

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**KUALA LUMPUR:** Sun Life Malaysia Takaful Bhd (SLMT) expects its partnership with Bank Rakyat to rake in RM150 million in premiums this year.

CEO Muhammad Fikri Mohamad Rawi said SLMT, a unit of Sun Life Malaysia, and a joint venture between Canada-based Sun Life Financial Inc and Khazanah Nasional Bhd, managed to chalk RM192 million in premiums as of August 2014 since the partnership began in March.

"And in return, Sun Life paid RM28.4 million commission to Bank Rakyat as fee-based income," he said at a press conference after the signing ceremony of the strategic bankatakaful agreement between the two parties here yesterday.

Under the agreement, SLMT is expanding its collaboration with Bank Rakyat through a new channel of direct marketing and telemarketing (DMTM). This will allow SLMT to tap into Bank Rakyat's base of five million customers in the country.

Over the next three years, Muhammad Fikri is targeting RM24 million of annual first-year premiums from DMTM.

"But this year, with just a few months left, we expect RM1 million to RM2 million," he said, adding that DMTM contributed two-thirds of SLMT's annual first-year premium in 2013.

The partnership between the two parties started in March 2013, with the introduction of the Reducing Term



Bank Rakyat managing director/president Datuk Mustafha Abdul Razak (left) with Muhammad Fikri after the signing ceremony yesterday.

Takaful product to provide takaful coverage to Bank Rakyat's personal financing product, namely Al-Aslah, which caters to government employees.

A further expansion through DMTM will see the rollout of two initial products - LiveSure Ladies and Sun MediSure-i - and the launch of more products.

For Bank Rakyat, takaful products and wealth management contributed

about 59% to the group's fee-based income last year.

Sun Life Malaysia has two entities in Malaysia, namely SLMT and Sun Life Malaysia Assurance. This came into being after the RM1.8 billion acquisition of CIMB Aviva Assurance Bhd and CIMB Aviva Takaful Bhd by Sun Life and Khazanah from Aviva International Holdings Ltd and CIMB Group Holdings Bhd.