



Understanding the UK Market for Islamic Insurance

International Takaful Summit

Bradley Brandon-Cross

16 July 2008

Who is Principle Insurance Holdings?

- Formerly British Islamic Insurance Holdings (BIIH) Ltd
- Initial concepts – summer 2005 – incorporated in February 2006
- Two subsidiaries, both authorised by the UK FSA on 23 April 2008:
 - Principle Insurance Company Ltd
 - Principle Marketing Services Ltd
- Motor Takaful product ‘soft’ launch took place on 14 July 2008
- Intention to offer in future:
 - Homeowners, Commercial for SME, Family

The UK's First Dedicated, Stand-alone Takaful Insurer

Corporate & Brand Hierarchy



Principle Insurance Holdings

Principle
Insurance
Company
Limited*

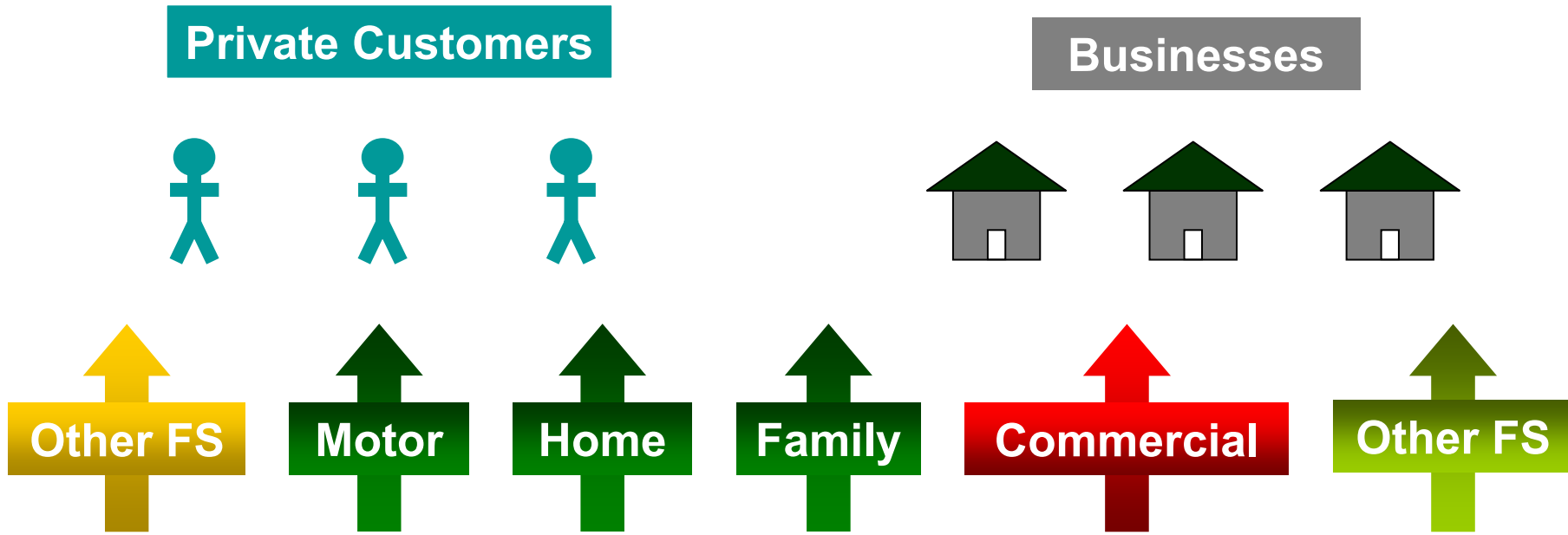
Principle
Marketing
Services
Limited*

Salaam Halal insurance**



* Authorised by the FSA
** Trading name of PMSL

Business Model



Creation of a Muslim-focused Financial Services Affinity Marketer

Market Opportunity

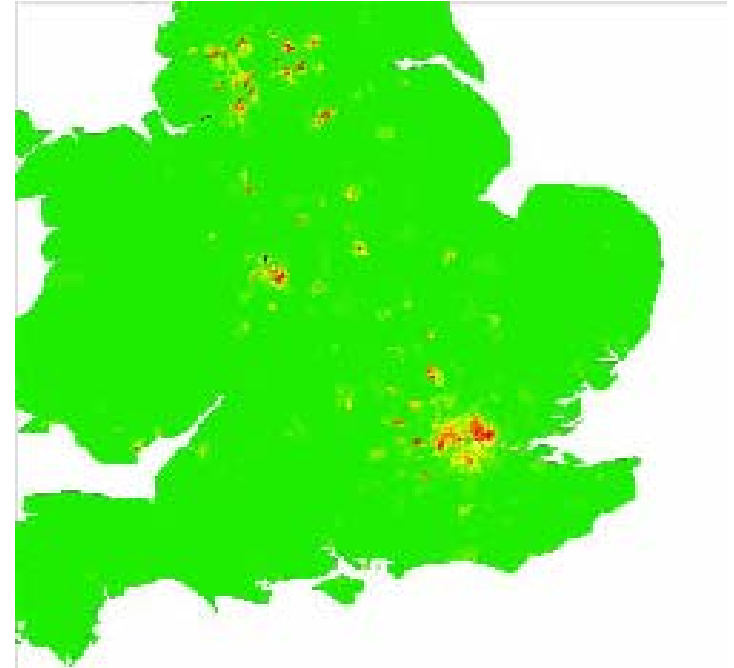
- ➔ > 22 million Muslims in Europe
- ➔ > 2 million UK Muslims
- ➔ 70% < 35 years of age
- ➔ > 500,000 Muslim-owned cars
- ➔ > 400,000 Muslim homes
- ➔ > 140,000 Muslim-owned businesses



A Sizeable UK Market Segment

Population Density

- ➔ > 70% of the British Muslim population lives in c. 700 of the UK's c. 11,000 postcode sectors.
- ➔ These postcode sectors are largely in:
 - London
 - Birmingham, East Midlands
 - Lancashire (Blackburn, Burnley)
 - Yorkshire (Leeds, Bradford)
 - Scotland (Glasgow)
 - S. Wales (Cardiff, Newport)



*Population Density = Ability To Concentrate Marketing,
Offset By Insurance Risk Concentration*

Research*

- ➔ > 90% of Muslims **regularly purchase** Halal products (mostly food)
- ➔ > 80% claim **always to seek out** Halal products
- ➔ < 50% think it extremely or very important to buy Halal (Takaful) insurance
- ➔ > 90% claim **not to have** heard of Takaful
- ➔ > 80% choose motor insurance on **basis of cost**
- ➔ If the Takaful provider was **10% more expensive** than the existing provider, **demand would effectively halve**

* Principle commissioned research with GfK Nop and Synovate

Product Must Be Competitive – Both Features and Cost

Proposition, Product & Pricing

- ➔ Competitive in features and benefits....
 - Same as existing insurance policy
- ➔ Islamic products usually seen as more expensive....
 - Competitive in price
- ➔ Simple and easy to access and use
- ➔ Shariah compliant
- ➔ Created a basket of c. 50,000 sample risks
- ➔ Every month, reviewed c. 2 million prices to compare competitiveness
- ➔ Target to be in top 3 in price competitiveness

Either way you're covered.

Motor Product

- ➔ Fully comprehensive cover
- ➔ Driver and vehicle underwritten
- ➔ Unlimited third party injury liability
- ➔ Motor Legal Expenses
- ➔ Roadside Assistance – Breakdown
- ➔ Nationwide repair network
- ➔ Multi-lingual UK call centre
- ➔ 24-hour claims service
- ➔ Courtesy car via approved repairer

Channels

Live at launch (Phase 1):

- ➔ Call centre – 0800 10 70 701
- ➔ Internet – www.salaaminsurance.com

Under development (Phase 2):

- ➔ Aggregators – web comparison sites
- ➔ Brokers
- ➔ Partnerships

Why “Salaam”?

- ➔ Short list of 4 names tested in focus group research
- ➔ “Salaam” successful because...
 - Strong positive connotations
 - Similar ‘feel’ for Muslims of all ages and backgrounds

Welcoming

Inviting

Respectable

Confident

Modern

Launch Campaign

- ➔ Direct mail
- ➔ TV advertising
- ➔ Radio advertising
- ➔ On-line advertising
- ➔ Outdoor campaign in target areas
- ➔ Print
- ➔ PR campaign
- ➔ Community outreach

Bringing Salaam to market – 48 Sheet Posters

Low cost car insurance
that's right for you.



Halal car insurance that's
right for your faith.



Either way you're covered.

FOR A FREE FULLY COMPREHENSIVE QUOTE CONTACT US TODAY.

www.salaaminsurance.com OR CALL FREE 0800 10 70 701



Salaam Halal Insurance and Salaam Insurance are the trading names of Principle Insurance Services Limited (registered number 02023745). Insurance arranged by Salaam Halal Insurance and Salaam Insurance is underwritten by Principle Insurance Company Limited (registered number 02023745), and the contracts based on the terms and conditions of 'Halal' have been approved by the Financial Services Authority and are on the FSA register. The contracts are underwritten in England and Wales with registered office at 25 Abchurch Lane, London EC4N 3DF. For more information on the details of the insurance contracts please contact Principle Insurance Company Limited (registered number 02023745) and for more information on the details of the insurance contracts please contact Principle Insurance Company Limited (registered number 02023745) or the Financial Services Authority website at www.fsa.gov.uk/register. We make every effort to ensure that our marketing materials are clear and easy to understand. We do not hold information regarding your health.

Bringing Salaam to market - Street Talk

Telephone
Coins & Cards

Low cost car insurance that's right for you.

Halal car insurance that's right for your faith.

Either way you're covered.

FOR A FREE FULLY COMPREHENSIVE QUOTE CONTACT US TODAY
www.salaaminsurance.com
0800 10 70 701
Monday to Friday 8am to 8pm | Saturday 8am to 1pm


Salaam
Halal insurance

Bringing Salaam to market - DM

Our insurance at a glance.

Here's a quick look at what Salaam Comprehensive Car Insurance covers:

- Loss or damage to your car by fire or theft (subject to an excess)
- Accidental damage to your car (subject to an excess)
- New car replacement if your brand new car is damaged beyond repair in the first year of its registration
- Audio, telephone and satellite navigation equipment (up to the market value of any equipment permanently fitted to the vehicle)
- Replacement car locks (up to £500 limit)
- Free courtesy car while your car is being repaired with our approved repairer

Options.

- Protected No Claim Discount for a small additional contribution
- Monthly payment scheme

Optional Add On Services.

- Halal Car Breakdown
- Halal Car Breakdown Plus
- Halal European Car Breakdown Plus
- Halal Motorist Legal Expenses (up to £50,000)

In common with others in our industry, we are authorised and regulated by the Financial Services Authority (FSA).



Low cost car insurance that's Halal.

All insurance policies are basically the same, aren't they? Actually, they're not. Salaam insurance offers you fully Comprehensive car insurance that's also fully Shariah compliant. And it's also really good value. So now you can enjoy low cost Halal car cover that doesn't compromise your faith.

Either way **you're covered.**

For a free quote click or call today.

www.salaaminsurance.com

0800 980 2451

Monday to Friday 8am to 8pm | Saturday 8am to 1pm

The first choice in Shariah compliant insurance.

Salaam Halal insurance is the UK's first dedicated insurance provider that has been specifically established to offer the Muslim community insurance products designed around their faith. Our insurance cover is based on the Islamic principle of Takaful, and has been approved by a panel of learned Shariah scholars. So now, you can rest assured that your insurance covers you and your faith.

How our Halal Car Insurance works.

Our insurance is based upon the Islamic principle of Takaful, a word which comes from Arabic and literally means 'guaranteeing each other.' Unlike conventional insurance, there are no 'winners and losers' in Takaful.

This absence of uncertainty and gambling are the important elements that make Takaful Halal. In addition, providing mutual protection and sharing responsibility are, of course, fundamental to Islam.

In practice, you get exactly the same protection, but in a way which doesn't conflict with your faith.

So what does this mean to you?

- All contributions are placed in a common pool
- Risk will be covered by the common pool
- The funds in the pool will be invested in Halal activities only
- At renewal you may be entitled to an additional discount as a participant, providing the Takaful is adequate

Takaful provides a Shariah compliant and ethical insurance solution that makes it appealing to Muslims and non-Muslims alike.

Now you can have insurance that's right for you and your faith!



WIN A FANTASTIC HOLIDAY

It could be a trip for two to Dubai, New York or even Makkah, the choice is yours. A holiday with flights and accommodation, up to the value of £2,000. PLUS every month there's a chance to **WIN** an exciting Nintendo Wii.

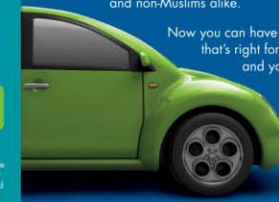
FILL OUT THIS COUPON AND RETURN IT TO THE ADDRESS OVERLEAF.

Title	Date of birth
First name	Second initial
Surname	
Address	
	Postcode
Email	Car renewal date
Mobile no.	Home renewal date

TO ENTER:
Post the coupon now or enter the prize draw online at www.salaamprizedraw.com

Prize draw ends 31st December 2008. See reverse of leaflet for terms and conditions.*

On occasion Salaam Halal insurance, which is part of Principle Insurance Holdings, would like to contact you about our other products and services which we feel may be of relevance and interest to you. By providing your details you are consenting to being contacted for these purposes but if you would prefer not to receive this information please tick here.



Bringing Salaam to Market – Online

The screenshot shows the homepage of the Salaam Halal Insurance website. The browser address bar displays 'http://www.salaaminsurance.com'. The website features a green and blue color scheme. At the top, there is a navigation menu with links for Home, About Us, Car Insurance, Home Insurance, Shariah, FAQs, Claims, and Contact Us. A search bar is located to the right of the navigation menu. The main content area is divided into several sections: a 'My account' sidebar with links for Log in, Register, Call me back, and Tell your friends about us; a central banner for 'Assalamu Alaikum' introducing low-cost comprehensive car insurance; and two promotional banners at the bottom for a Nintendo Wii contest and 'Home insurance Coming soon'. The footer contains links for Terms of Use, Privacy Policy, Accessibility, Media, and Site Map, along with a small disclaimer about the company's registration and insurance details.

BIIH Content Demo > Home

http://www.salaaminsurance.com

Google

Please call us for more information on:
0800 980 2445
Mon-Fri: 8am-8pm Sat: 8am-1pm

Quick search

Home About Us Car Insurance Home Insurance Shariah FAQs Claims Contact Us

Home

My account

Register for our online service today

Call me back
Give us your number and we will call you

Tell your friends about us

Assalamu Alaikum

Introducing low cost Comprehensive car insurance that's right for you and your faith.

Salaam Halal insurance is the UK's first dedicated Islamic insurance provider, set up to provide Islamic insurance based on the **Shariah** principle of **Takaful**.

So now you can have great value insurance, without compromising the principles of your faith.

Try it for yourself, click [here](#) for a quote on your car insurance and see how competitive we are.

Car insurance
Get a quote

Home insurance
Coming soon

WIN A FANTASTIC HOLIDAY WORTH £2,000.
PLUS every month there's a chance to **WIN** an exciting Nintendo Wii.
Click here to find out more

Home insurance **Coming soon.**

Halal as standard
Click here

Terms of Use | Privacy Policy | Accessibility | Media | Site Map |

Salaam Halal Insurance and Salaam insurance are the trading names of Principle Marketing Services Limited (registered number 6203397). Insurance arranged by Salaam Halal Insurance and Salaam insurance is underwritten by Principle Insurance Company Limited (registered number 6203350), and the contracts based on the Islamic principle of Takaful have been approved by the Shariah Supervisory Committee. Each company is authorised and regulated by the Financial Services Authority and is on the FSA register. The companies are incorporated in England and Wales with registered offices at 8 Duncannon Street, London WC2N 4JF. You can check the details of Principle Insurance Company Limited (FSA registered number 467853) and Principle Marketing Services Limited (FSA registered number 480153) on the Financial Services Authority website at www.fsa.gov.uk/register.

www.salaaminsurance.com

The Future

- ➔ Key challenges....
 - Keeping the product competitive (price and benefits)
 - Education, education, education
 - Supply of GB£, EEA, “A” Rated investment products
- ➔ Transition of Islamic finance products to non-Muslim consumers
- ➔ Increased supply of Islamic financial services, stimulating knowledge and demand
- ➔ Launch Homeowners, SME Commercial, Family, “Ethical” ...
- ➔ Further development of more products founded on Islamic principles

The Most Exciting FS Marketing Opportunity In UK

Thank you

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