

M. KALEEM M. ALI KHAN STAMP VENDOR  
Licence # 22, Shop # 64, New Ruby Centre,  
Talpur Road, Boultan Market, Karachi.

23 SEP 2016

SR. NO. 34035 DATE

ISSUED TO WITH ADDRESS MR. Muhammad Khalid Khan (Advocate)

THROUGH WITH ADDRESS MR. KHA No: 1739

PURPOSE..... ATTACHED.....

VALUE RS.....

STAMP VENDOR SIGNATURE.....

\*Not Use For Free Will & Divorce

**PARTICIPANT TAKAFUL FUND DEED**

**WAQF DEED**

Know all men through these presents that Allianz EFU Health Insurance Ltd, an unlisted Public Limited Company, duly incorporated under the Companies Ordinance, 1984, having its Principal place of business at D-136, Block 4, KDA Scheme-5, Clifton, Karachi (hereinafter called the Settlor) through its duly authorized attorney, Chief Executive Officer, Mr. Akhtar Kurban Alavi, son of Mr. Kurban Alavi, adult, Muslim, holder of CNIC No. ~~230109173363~~ is making this Waqf Settlement Deed on the 29<sup>th</sup> day of March 2017 at Karachi.

**WHEREAS:**

1. The Settlor is competent and legally authorized through RESOLUTION FOR ESTABLISHMENT OF WAQF by the Board of Directors and is desirous of establishing a Waqf Fund for the purpose of achieving the objectives and functions given herein below;
2. The Settlor has decided to and hereby establishes an irrevocable Waqf Fund called Allianz EFU Takaful Waqf Fund [hereinafter referred to as the Participants Takaful Fund (PTF)] which shall be a separate and independent entity to which assets (both tangible and intangible), liabilities, revenues and expenses may be clearly attributable, in such a manner that the effective beneficial ownership of assets is passed on to the PTF in compliance with the Shariah Principles;
3. The Settlor has set apart Rupees ~~Five Hundred Thousand Only (Rs. 500,000)~~ and hereby cede the said money to the PTF being the Waqf money for the purpose of achieving the objectives and functions given herein below; and
4. The Settlor has also undertaken the responsibility of managing and operating the said PTF on the terms and conditions appearing in this Deed and in the PTF Policies on the basis of a predefined fee (the "Operator's fee").

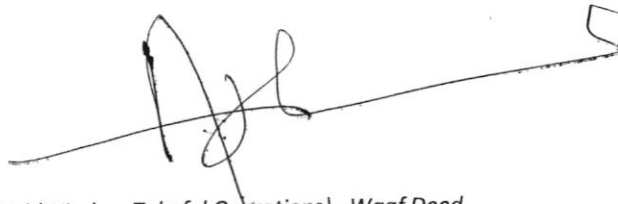
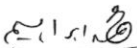
*M. Kaleem M. Ali Khan*

*[Signature]*

Whereas Allianz EFU Health Insurance Ltd (Window Takaful Operations) shall be called as Settlor or Operator, which expression shall, unless repugnant to the context or the meaning thereof, mean and include its survivor(s).

**1. Definitions** – Following are the definitions of the terminologies used in various clauses of the PTF Deed/ Waqf Deed:

- i) **Accounting Year** means financial year of the Operator, that is, the twelve (12) months commencing from January 1<sup>st</sup> till December 31<sup>st</sup>;
- ii) **Beneficiary** refers to any person who is entitled to benefits from the PTF and can include the Participant/ Member as well as legal heirs of a deceased Participant/ Member;
- iii) **Commission** means Securities and Exchange Commission of Pakistan;
- iv) **Contribution** means the amount payable by the Participant to the Waqf Fund managed by the Operator under a Takaful Contract;
- v) **Companies Ordinance** means the Companies Ordinance, 1984;
- vi) **Deficit** means the shortfall in the PTF, that is, excess of liabilities over the admissible assets of the PTF;
- vii) **Ordinance** means the Insurance Ordinance (XXXIX of 2000);
- viii) **Operator** means Allianz EFU Health Insurance Ltd (Window Takaful Operations) working in its capacities of Wakeel and Modarib, as the case may be, thereby operating the PTF;
- ix) **Operator's Fund** means a fund set up by the Operator which shall undertake all transactions pertaining to Window Takaful Operations which the Operator undertakes other than those which pertain to Participants Takaful Funds set up by the Operator and shall include the undistributed profits payable to the Shareholders earned by the Window Takaful Operations;
- x) **Participant** means a person (including a Corporate entity) who participates in a Takaful scheme and to whom a Takaful Contract is issued;
- xi) **Participant's Membership Documents (PMD)** means the documents detailing the benefits and obligations of the Participant under the Takaful Contract;
- xii) **Participant Takaful Fund (PTF)** means a separate fund set up into which the Participant's Contributions are paid and from which the Takaful benefits are paid out, here in this case it is Allianz EFU Takaful Waqf Fund established under the PTF / Waqf Deed;
- xiii) **Participant Takaful Fund Policies (PTF Policies)** means policies made under this Deed in accordance with the Takaful Rules 2012;
- xiv) **Qard-e-Hasna** means an interest-free loan to the PTF from the Operator's Fund, when the admissible assets in the PTF are not sufficient to meet liabilities;



- xv) **Re-takaful** means an arrangement for re-takaful of liabilities in respect of risks accepted or to be accepted by the Operator in the course of carrying on Takaful business and includes ceding risks from Participant Takaful Funds managed by the Operator to Re-Takaful Operator(s);
- xvi) **Shariah Advisor** means Shariah Advisor of the Operator, appointed in accordance with the Takaful Rules;
- xvii) **Supplementary Deeds** means any Supplementary Deed of the PTF/Waqf Deed created under Clause 11 of this Deed;
- xviii) **Takaful Rules** mean Takaful Rules, 2012 and shall include any modifications of the Takaful Rules 2012 as well as any rules which may be issued to replace the Takaful Rules 2012;
- xix) **Waqf Fund** – see Participant Takaful Fund.

Unless the context otherwise requires, words or expressions contained in this Deed shall have the same meaning as in the Companies Ordinance 1984, Insurance Ordinance 2000 and Takaful Rules 2012; and words importing the singular shall include the plural, and vice versa, and words importing the masculine gender shall include feminine, and words importing persons shall include corporate entities.

## **2. Objectives and Purposes of Participant Takaful Fund (PTF)**

The objects and purposes of the PTF are as follows:

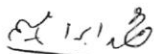
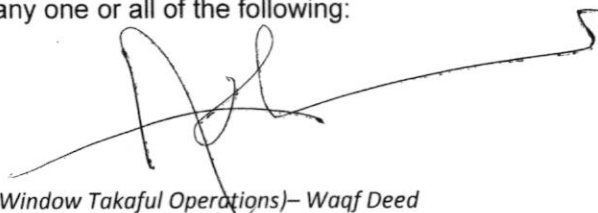
- 2.1 To receive Contributions, donations, gifts, charities, subscriptions from the Participants and others;
- 2.2 To provide relief to the Participants/ Beneficiaries/ Members against benefits defined as per this Deed, the PTF Policies, the PMD and any Takaful Supplementary Benefit/ Rider Document(s);
- 2.3 To give charities in consultation with the Shariah Advisor;
- 2.4 To invest monies of the PTF in and subscribe for, take, acquire, trade, or deal in, instruments approved by the Shariah Advisor such as shares, stocks, sukuks, securities or instruments of redeemable capital of any other company, institution, mutual fund, corporation or body corporate or any other manner;
- 2.5 To do all such other things/acts/objects as are incidental or conducive to the attainment of the above objects or any of them.

## **3. Seed Amount**

- 3.1. The Seed amount will be considered as PTF / Waqf which will always remain invested in Shariah compliant instruments. The Profits on the seed amount after deduction of Modarib Share (if any) will be the ownership of the PTF and can be used to pay benefits to the Participants or defray the PTF expenses.

## **4. Assets of Participant Takaful Fund**

The PTF shall comprise any one or all of the following:

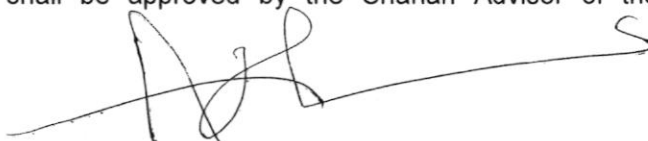
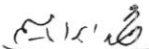



- 4.1 The seed amount donated from the Operator's fund to the PTF;
- 4.2 The Contributions received from the participants and others by way of donations, Contributions, gifts and
- 4.3 Income or incomes derived from investments made by the PTF
- 4.4 Except for the seed amount (referred to as above) all the balance amounts may be utilized for offsetting the PTF's liabilities including liabilities in respect of payments of benefits to the participants of the Fund.

## 5. Operator's Obligations

The following shall be considered as the role of the Operator:

- 5.1 The Operator shall manage the PTF. The Operator may create sub-funds within the Participant Takaful Fund after approval from the Shariah Advisor but these will not be treated as separate PTF/ Waqf. If sub-funds are created then these will be managed in the same way as the Participant Takaful Fund as a whole.
- 5.2 The Operator shall formulate Policies ("the Waqf Policies" or "the PTF Policies") which shall describe how the Waqf Fund (and any sub-funds) shall operate, which shall be in accordance with the applicable law for the time being in force; norms of the Takaful business and guidelines of its Shariah Advisor.
- 5.3 The Operator shall act as Wakeel of the PTF (for purposes other than investment management of PTF). For the investment management of the PTF the Operator shall act either as Wakeel or Modarib after approval from the Shariah Advisor.
- 5.4 The Operator shall, on the basis of set rules and regulations to be defined in the PTF Policies and in the PMD, pay benefits to the Participants from the PTF as per its rules.
- 5.5 The Operator shall bear all the administrative and management expenses of the PTF, except those enumerated under clause 7.2 of this Deed, in consideration of defined Operator's Fee.
- 5.6 At least at the end of each accounting year the Operator shall evaluate the assets and liabilities of the PTF either on an overall basis or for each sub-fund created as per clause 5.1 and determine whether the operations for that particular period had produced a surplus. The surplus may be retained as a reserve or shared amongst the Participants under advice of the Shariah Advisor. The mechanism of surplus determination as well as surplus distribution would be defined in the PTF Policies as well as in the PMD.
- 5.7 If there is a deficit of admissible assets over its liabilities in the PTF, the Operator from the Operator's fund may provide an interest-free loan to be called Qard-e-Hasna to make good the shortfall in the PTF. The loan shall be repaid from the future surpluses generated in the PTF without any excess on the actual amount given to the PTF.
- 5.8 The Operator shall invest the available funds in the PTF in the modes and products that adhere to principles established by the Shariah and all such modes and products shall be approved by the Shariah Advisor of the Operator.



- 5.9 Subject to the provisions of the Ordinance, the Operator shall maintain statutory reserves in the PTF and any additional reserves as may be maintained under the PTF Policies with the approval of the Shariah Advisor, subject however, to the conditions that any such measure should not be maintained in contravention of the Takaful Rules.
- 5.10 The Operator shall make arrangement, if needed, consistent with sound Takaful principles for re-takaful of liabilities in respect of risk accepted or to be accepted in the course of carrying on Takaful business. All such arrangements will be made by the Operator in accordance with guidelines provided by its Shariah Advisor.
- 5.11 The Operator shall appoint a Shariah Advisor eligible to be appointed as such under the Takaful rules to supervise the activities of the PTF in accordance with the Shariah principles. The Shariah Advisor shall be responsible for the approval of products, documentation, as well as approval of all operational practices and investment of funds of PTF.
- 5.12 The PTF, established for any class of business shall, notwithstanding that the Operator at any time ceases to carry on that class of business in Pakistan, continue to be maintained by the Operator so long as it is required to maintain proper books and records for schemes belonging to that class under the law for the time being in force and applicable to the PTF.

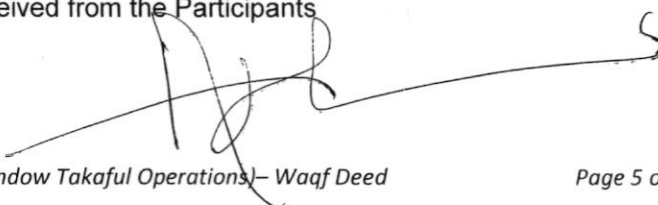
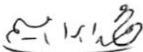
## 6. Operator's Rights

- 6.1 The Operator shall be entitled to receive Operator's Fee which can, at the discretion of the Operator, vary for each class of Participants by the Takaful Scheme or Supplementary Benefits, as the case may be. The Operator shall have the right to make such adjustments in Operator's Fees as may be appropriate for each Participant. This right shall be subject to a presumption that the Operator shall never utilize such right knowingly, in a manner that the decision made becomes detrimental to the interest of the PTF or its Participants.
- 6.2 The Operator, in the capacity of Modarib or Wakeel, shall be entitled to set the profit sharing ratio or Wakalah fee relating to the investment management of the PTF based on the advice of the Shariah Advisor. The Operator might choose to keep different profit sharing ratios or Wakalah fee for different sub-funds after approval from the Shariah Advisor.
- 6.3 The Operator shall have a first right of return in respect of the interest-free loan provided as Qard-e-Hasna to the PTF and the same shall be returned to the Operator as soon as the available funds in the PTF may permit.
- 6.4 The Operator shall have a right to make payments from the PTF as enunciated in clause 7.2 of this Deed.
- 6.5 Notwithstanding anything contained herein, the Operator shall have such rights as may be deemed necessary, under the applicable laws for the time being in force, in accordance with Shariah guidelines.

## 7. The income of and outgo from the PTF

7.1 The income of the PTF shall include but not be limited to the following-

- (i) Contributions received from the Participants



- (ii) Share of claims received from the Re-takaful Operators;
- (iii) Surplus share received from the Re-takaful Operators;
- (iv) Investment profits generated by the investment of funds and other reserves attributable to the Participants in the PTF;
- (v) Qard-e-Hasna by the Operator's Fund to the PTF (in case of a deficit);
- (vi) Commission received from Re-takaful Operators
- (vii) Recoveries; and
- (viii) Any donation made by the Operator and Participant.

7.2 The outgo from the PTF shall include but not be limited to the following:-

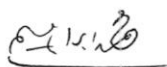
- (i) Claims Paid related to risks covered under the Participant Takaful Fund and expenses directly related to settlement of claims;
- (ii) Any third party costs directly associated with underwriting (e.g. medical examination) if it has been earlier credited to the Participant Takaful Fund;
- (iii) Contributions paid to Re-takaful Operators;
- (iv) Takaful Operator's fees;
- (v) Takaful Operator's share in investment income of the PTF;
- (vi) Refund of any Contribution due to the participants as settlement benefit;
- (vii) Surplus distributed to the Participants;
- (viii) Return of Qard-e-Hasna to the Operator's Fund (after consultation with the Shariah Advisor); and
- (ix) Any amount given to Charity; and

## 8. Eligibility for the Benefits

- 8.1 All members accepted as per the provisions of the Participants Membership Document and paying the Contribution as determined by the Takaful Operator or guaranteeing it, shall be entitled for the benefits specified therein;

## 9. Dissolution of the PTF

- 9.1. In the event of Dissolution of the Participant Takaful Fund (PTF), the PTF would be transferred to the Participant Takaful Fund/ Waqf Fund of other authorized Takaful Operator under the Takaful Rules, 2012. However if PTF/Waqf Fund of any other Takaful Operator is not available at that time, then said PTF/Waqf Fund would be transferred to any other Waqf.
- 9.2. If PTF is transferred to the PTF/Waqf Fund of another authorized Operator or any other Waqf, then balance of all the assets and liabilities shall be transferred.





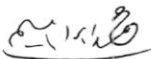

- 9.3. If in case it is required to discharge all the existing liabilities before the transfer of such fund than these liabilities would be paid out from the PTF other than the Seed Amount. In this case PTF firstly shall pay the entire liabilities of the PTF and then if there is a surplus, it would be used to repay any remaining payment of Qard-e-Hasna. If the surplus is not sufficient to repay the entire Qard-e-Hasna, it would be repaid to the extent that there is a surplus in the PTF. If there is a surplus even after paying the liabilities and Qard-e-Hasna, it would either be distributed to the participants or paid into charity in the manner as advised by the Shariah Advisor.
- 9.4. However, in the above clause, if the Operator has created sub-funds, the surplus (before Qard-e-Hasna) in any sub-fund would first be used to offset deficit in any other sub-fund, if any.
- 9.5. If it shows that the PTF is not sufficient to pay its liabilities, the Takaful Operator may make a donation to the PTF to make good the deficit.
- 9.6. The seed amount would be transferred, with the approval of the Shariah Advisor, to another PTF/Waqf, formed for similar or any other purpose. However, the shareholders of the Operator shall not be entitled to any of the aforesaid amounts.
- 9.7. Subject to the Shariah Principles of Waqf, the Allianz EFU Health Insurance Ltd (Window Takaful Operations) shall comply with the requirement that may be prescribed by the Commission for the purpose of dissolution of the PTF.

## 10. POWER TO MAKE RULES

- 10.1. The Operator shall be and is hereby empowered to make PTF Policies to effectuate the implementation of this PTF / Waqf Deed and the Objects of the PTF within the framework of this Deed in consultation with Shariah Advisor.

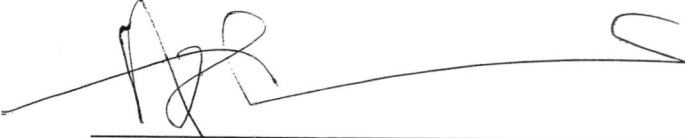
## 11. General

- 11.1 Notwithstanding anything contained herein, the Operator shall ensure due compliance with all applicable laws for the time being in force and Shariah Principles.
- 11.2 Subject to the Waqf rulings of Shariah, the Operator shall have the right to modify / change in, add to, subtract from this Waqf Deed, as may be deemed necessary, with due consultation and approval of the Shariah Advisor.
- 11.3 The Settlor shall be empowered to execute such number of Supplementary Deeds as may be deemed necessary for legal and operational reasons. However, all such deeds shall be executed with the approval of the Shariah Advisor.
- 11.4 The Settlor / operator declare that this Deed and each PTF/ Waqf created hereunder shall be construed under and regulated by Pakistan's laws, and that the validity and effect of this deed shall be determined in accordance with the Pakistani laws.



IN WITNESS HEREOF the Waqf Deed is executed hereunto respectively the day and year first here-in-above written.

For and on behalf of  
**ALLIANZ EFU HEALTH INSURANCE LTD (Window Takaful Operations)**



**Mr. Akhtar Kurban Alavi**  
Chief Executive Officer

Witness 1

Name: Kamran Ansari  
Address: D-136, Block-4, KDA Scheme-5,  
Clifton, Karachi-75600

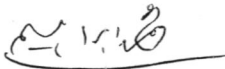
Signature: 

Witness 2

Name: Muhammad Aamir Siddiqui  
Address: D-136, Block-4, KDA Scheme-5,  
Clifton, Karachi-75600

Signature: 

**Shariah Approval**



**Mufti Muhammad Ibrahim Essa**  
Shariah Advisor  
Allianz EFU Health Insurance Ltd  
Window Takaful Operations