



SHAKEEL IQBAL STAMP VENDOR  
Lic # 50, Shop # 113, New Ruby Centre,  
Talpur Road, Boulton Karachi

S.No. 117225 Date 18 MAY 2015

Issued to with Address.....

Through with Address.....

Purpose.....

Value Rs.....Attached.....

Stamp Vendor's Signature.....

(NOT USE FOR FREE WILL & DIVORCE PURPOSE)

## WAQF (PTF) Policies

1. **Short title.** These shall be called Waqf (PTF) Policies.
2. **Definitions.** – In these Waqf (PTF) Policies, unless there is anything repugnant in the subject or context: –
  - (i) **Accounting Year** means financial year of the Operator, that is, the twelve (12) months commencing from January 1 till December 31;
  - (ii) **Appointed Actuary** is the person appointed by the Board of Directors of Jubilee Life Insurance Company Limited in accordance with the relevant provisions of the Ordinance to perform functions and responsibilities thereof defined;
  - (iii) **Commission** means Securities and Exchange Commission of Pakistan;
  - (iv) **Contribution** means amount (regular or single) payable by the Participant to the Window Takaful Operator under a Takaful Plan;
  - (v) **Participant Investment Account** means, where applicable, the investment account of the Participant under the membership of a Takaful Plan. The investment component of the Contribution, if any, is credited to the Participant Investment Account;



- (vi) **Takaful Contribution** means the Contributions from Participants, net of any amounts credited directly to Participants Investment Account or the Operator Sub-Fund;
- (vii) **Waqf Money** means the amount ceded by the Window Takaful Operator at the commencement of the Waqf Fund (PTF), from its Operator Sub-Fund. Upon dissolution of the Waqf Fund (PTF), the same will have to be transferred to another Waqf Fund (PTF), formed for similar or any other purpose, with the approval of the Shariah Advisor;
- (viii) **Companies Ordinance** means the Companies Ordinance, 1984;
- (ix) **Deficit** means, the excess of liabilities over the assets of the Waqf Fund (PTF);
- (x) **Surplus** means, the excess assets over the liabilities of the Waqf Fund (PTF);
- (xi) **Ordinance** means the Insurance Ordinance (XXXIX of 2000) and all affiliated laws, rules and regulations that have or may be enacted from time to time;
- (xii) **Window Takaful Operator** means Jubilee Life Insurance Company Limited working in its capacities of Wakeel and Modarib, as the case may be, thereby operating the Waqf Fund (PTF).;
- (xiii) **Participant** means a person who participates in a Takaful Plan and to whom a Takaful Contract is issued;
- (xiv) **Participant's Membership Documents (PMD)** means the documents detailing the benefits, limitations, rights and obligations of the Window Takaful Operator and the Participant under a Takaful Plan;
- (xv) **Qard-e-Hasna** means an interest-free loan to the Waqf Fund (PTF) from the Operator Sub-Fund, to meet any existing or potential Deficit;
- (xvi) **Waqf Fund /Participant Takaful Fund (PTF)** means:
  - (a) a fund established by the Window Takaful Operator under the Waqf Deed in accordance with the requirements of Takaful Rules, 2012;
  - (b) The Waqf Fund (PTF) may comprise of one or more sub-fund(s) each of which will be a sub-fund of a given Statutory Fund;

The block contains handwritten signatures and initials. On the left, there is a signature that appears to be 'Almujf'. To its right, there are initials 'Jell' and a stylized signature or mark that looks like 'Rt'.

- (c) Each sub-fund of the Waqf Fund (PTF) shall be governed by the provisions of the Ordinance, Takaful Rules 2012, the Waqf Deed, Waqf (PTF) Policies and Supplementary Deed and PTF Policies of the respective sub-fund of the Waqf Fund (PTF); and
- (d) Unless the context otherwise requires in this Deed, words importing Waqf Fund (PTF) shall include the sub-fund(s) of Waqf Fund (PTF).
- (xvii) **Re-takaful** means an arrangement consistent with sound Takaful principles for Re-takaful of liabilities in respect of risks accepted or to be accepted by the Window Takaful Operator in the course of his carrying on Takaful business and includes ceding risks from Takaful pool(s) managed by the Window Takaful Operator to one or more Re-Takaful pool(s) managed by any other one or more Re-takaful Operator(s) or Reinsurer(s) having Takaful Pool, in line with Takaful principles;
- (xviii) **Shariah Advisor** means Shariah Advisor of the Window Takaful Operator, appointed in accordance to the requirements of rule 26 of the Takaful Rules, 2012;
- (xix) **Operator Sub-Fund** means a sub-fund of the statutory fund set up by the Window Takaful Operator as per statutory requirements. The Operator Sub-Fund shall consist of the amount allocated by the Company for Window Takaful operations and undistributed profits to the Shareholders entirely consistent with the policies of the Board of Directors of Jubilee Life Insurance Company Limited. All Window Takaful Operator's fee shall be credited to this fund and all expenses relating to the statutory fund which are not charged to any Participant Takaful Fund or Participant Investment Account shall be debited to this fund;
- (xx) **Supplementary Waqf Deed** means a deed rendered in writing to establish a sub-fund under the Waqf Fund (PTF) as deemed necessary for legal and operational reasons;
- (xxi) **PTF Policies of a sub-fund of the Waqf Fund (PTF)** means sub-rules/ policies or other rules/ policies rendered in writing to be made under the Supplementary Waqf Deed as deemed necessary for legal and operational reasons;
- (xxii) **Takaful Rules** means Takaful Rules, 2012;
- (xxiii) **Takaful Plan** means a product designed and distributed by Jubilee Life Insurance Company Limited as Window Takaful Operator, in





accordance with Shariah principles, which embodies certain benefits, limitations, rights and obligations as evidenced by the **Participant's Membership Documents (PMD)** and any;

(xxiv) **Supplementary Takaful Benefit** means additional product designed and distributed by Jubilee Life Insurance Company Limited for the purpose of Window Takaful Operations in accordance with Shariah principles, which may be attached to and provided as part of a Takaful Scheme and as such embodies certain benefits, limitations, rights and obligations as evidenced by the Supplementary Takaful Benefit Document(s);


(xxv) **Supplementary Takaful Benefit Document(s)** means the document(s)/ contract (s) detailing with the benefits limitations, rights and obligations of the Operator and the Participant under a Supplementary Takaful Benefit;

(xxvi) **Waqf Deed** means Waqf Deed made by the Window Takaful Operator to establish Waqf Fund (PTF).

Unless the context otherwise requires, words or expressions contained in these Waqf (PTF) Policies shall have the same meaning as in the Companies Ordinance 1984, Insurance Ordinance 2000, Takaful Rules 2012 and Waqf Deed; 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 bodies corporate. However, in the event of ambiguity and / or conflict between the provisions of the Waqf (PTF) Policies or the Waqf Deed and or its Supplementary Deeds, the provisions the Waqf Deed and subsequently the Supplementary Deed(s) (as applicable) in its entirety shall prevail.

### 3. Operation:

- (a) The Window Takaful Operator shall assess, classify, and determine risks prudently in accordance with sound Actuarial guidelines and Shariah principles.
- (b) The Window Takaful Operator shall perform all functions necessary for the operations of the Waqf Fund (PTF), including but not limited to:
  - (i) Receiving Takaful Contributions from the Participants;
  - (ii) Utilizing these Takaful Contributions for the benefits of all the Participants;
  - (iii) Acting as Modarib or Wakeel, or both, in order to manage the funds in the best interest of the Waqf Fund (PTF);

The block contains three handwritten signatures or initials in dark ink. The first is a cursive signature that appears to be 'Ahmed'. The second is a stylized signature or set of initials. The third is a set of initials that look like 'AT' with a flourish.



- (iv) The Window Takaful Operator shall define, design, implement, manage, administer, run, control, govern, modify Takaful Plans for the benefits of all the Participants, whether existing or prospective, with the approval of Shariah Advisor and the Appointed Actuary.
- (c) Contributions under Takaful Plans, net of any government levy, shall be segregated into the Window Takaful Operator's Fee, the investment component and Takaful Contribution.
- (d) The Takaful Contribution shall be credited to Waqf Fund (PTF).
- (e) The determination of each component shall be in accordance with provisions of each Takaful Plan.
- (f) All Takaful Contributions credited to Waqf Fund (PTF) shall be deposited in bank accounts designated as belonging to Waqf Fund (PTF) or paid across to such account within seven days of receipt.
- (g) All income received on assets of a Waqf Fund (PTF) and receipts from Re-takaful Operators relating to the Waqf Fund (PTF) shall be deposited in bank account designated as belonging to the Waqf Fund (PTF) or be paid across within seven days of receipt.

#### 4. Investments:

4.1 The Window Takaful Operator shall be required to invest funds available in the Waqf Fund (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 Window Takaful Operator.

4.2 The following guidelines shall be followed for investments of the funds in the Waqf Fund (PTF) namely:-

(a) Investment in Shariah compliant Government securities:- The Window Takaful Operator shall be allowed to invest in any Shariah compliant Government instruments such as Islamic bonds (Sukuks) and securities.

(b) Investments in immoveable property.-The Window Takaful Operator shall be allowed to invest in immoveable property subject to the following conditions, namely:-

(i) the use and intended use of the property should be in compliance with the Islamic principles; and

(ii) return on rented property may be in the form of fixed rent but in case of delayed payments, the lessee may be charged additional amount as the charity by the lessor, if so demanded by him and the penalty amount shall be given to charity with the approval of Shariah Advisor.



(c) Investment in Joint Stock Companies:-The Window Takaful Operator may invest funds in joint stock companies. However, investments in non-Shariah compliant preferred stocks, debentures and interest based redeemable capital securities are not allowed. For investments in the common stocks of joint stock companies, the following guidelines should be followed in consultation with the Shariah Advisor, namely:-

(i) The main business of the investee company must not violate Shariah. Therefore, it is not permissible to acquire the shares, debentures or certificates of the companies providing financial services like conventional banks or the companies involved in business prohibited by Shariah like alcohol production, gambling or night club activities, etc.;

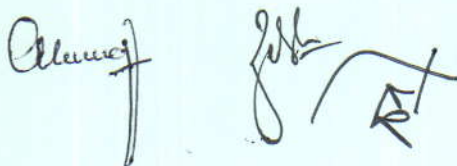
(ii) The Shariah Advisor of the Window Takaful Operator shall take into consideration factors such as the proportion of income of the investee company from interest bearing accounts or non-Shariah based activities, the debt to equity ratio and cash or cash equivalents of the investee company; and

(iii) The investment decision shall be based on fundamental value of the companies instead of short-term speculations.

(d) Investments in mutual funds:- The Window Takaful Operator may also make portfolio investments through various mutual funds operating under the Shariah principles and approved by the Commission. Before making any investment therein, the Window Takaful Operator shall have the procedures and practices being followed by such funds scrutinized by its Shariah Advisor.

(e) Investments in redeemable capital:-The Window Takaful Operator may invest funds in Shariah compliant instruments like Musharika Certificates, Term Finance Certificates (TFCs), Participation Term Certificates (PTCs) etc. However, in case of investment in redeemable capital it shall be necessary that the certificates are issued in compliance with the Islamic injunctions and the scheme of their issue be examined by the Shariah Advisor of the Window Takaful Operator. The basic conditions as laid down earlier for investments in the common stock of joint stock companies should also be followed.

(f) Placement of excess funds with banks and Islamic financial institutions:- The Window Takaful Operator may invest a portion of their funds in liquid or short notice deposits schemes of Islamic banks and their branches or other Islamic financial institutions, placements in PLS saving accounts of Islamic banks and placement in current accounts of traditional banks without any return thereon.

The block contains two handwritten signatures and a set of initials. The first signature on the left is written in cursive and appears to be 'Alauddin'. The second signature in the middle is also in cursive and appears to be 'Jahid'. To the right of the second signature are the initials 'AT' with a checkmark-like stroke.



(g) Financing under Islamic modes through the Islamic banks and financial institutions:-The Window Takaful Operator may make arrangements with the Islamic banks operating in Pakistan to directly finance under musharika, murabaha, ijara (lease), salam, istisna contracts approved by the Commission.

## 5. Asset and Liability Position of the Waqf Fund (PTF)

5.1 At least at the end of each Accounting Year the Window Takaful Operator shall evaluate the assets and liabilities of the Waqf Fund (PTF). The Window Takaful Operator shall:

- 5.1.1 Determine whether the Waqf Fund (PTF) has a Surplus or a Deficit at the end of the period;
- 5.1.2 Evaluate the requirement of Qard-e-Hasana at the end of the period; and
- 5.1.3 Distribute the Surplus of the Waqf Fund (PTF) among the participants, if any.

5.2 The Surplus/Deficit at the end of the period will be:

- Surplus/Deficit at the beginning of the period<sup>1</sup>

### *Add:*

- Takaful Contributions received in the Waqf Fund (PTF)
- Investment income earned by investment of the Waqf Fund (PTF) itself
- Receipts from Re-takaful pools as their share of any claims paid out or as shares of surplus earned on Re-takaful arrangements
- Rebate/ commission from Re- Takaful Operators
- Reserves required by preceding year's Actuarial valuation to be brought forward
- Any donation made to the Waqf Fund (PTF) by the Window Takaful Operator

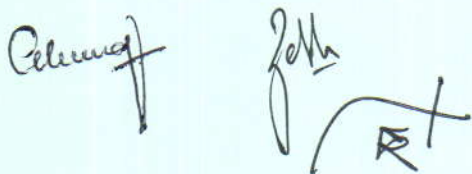
### *Less:*

- Incurred Claims
- Window Takaful Operator's Fees
- Window Takaful Operator's share in investment income earned by investment of the Waqf Fund (PTF) itself
- Amounts paid out to Re-takaful pools as Re-takaful contributions
- Any third party costs directly associated with underwriting and claims investigation
- Reserves required by Actuarial valuation to be carried forward

5.2.1 For the purpose of determining the reserves required by Actuarial valuation, the Window Takaful Operator may require at least such technical reserves and

---

<sup>1</sup> This does not include Qard-e-Hasana made to the Waqf Fund (PTF) and the Waqf Money



solvency margins to be setup in the Waqf Fund (PTF), as may be prescribed by the Commission. In case the Commission does not prescribe such technical reserves and solvency requirements, the Window Takaful Operator may require such technical reserves and solvency margins as may be deemed appropriate, which may include, but not limited to:-

- a) Unearned Contributions reserves;
- b) Incurred but not reported claims reserves;
- c) Deficiency reserves;
- d) Reserve for Qard-e-Hasna to be returned in future;
- e) Surplus equalization reserves;
- f) Death benefit reserves;
- g) Outstanding claims reserves;
- h) Solvency Margins for Waqf Fund (PTF); and
- i) Any other reserve as may be specified by the Appointed Actuary

5.3 In case of Deficit in the Waqf Fund (PTF) at the end of the period, the Window Takaful Operator would ensure that there is adequate Qard-e-Hasana in the Waqf Fund (PTF) to fully meet the Deficit.

5.4 In case of a Surplus in the Waqf Fund (PTF) at the end of the period, the Window Takaful Operator will determine the extent of repayment of Qard-e-Hasana, if any, from the Waqf Fund (PTF) as advised by the Appointed Actuary, prior to distributing any Surplus

## **6. Surplus Distribution**

6.1 Participants are entitled to any Surplus in the Waqf Fund (PTF) at the end of the period subject to Condition 5.4.

6.2 The basis of the Surplus allocation amongst participants would be recommended by the Appointed Actuary in consultation with the Shariah Advisor. The basis of Surplus allocation shall:

- 6.2.1 ensure fair and equitable treatment of the Participants of the Waqf Fund (PTF);
- 6.2.2 be in line with the prescribed regulations of the Commission;
- 6.2.3 be in line with the generally acceptable actuarial principles;
- 6.2.4 be in line with the terms and conditions of the Participants' Membership Document.

6.3 The mechanism and frequency of Surplus distribution amongst Participants would be as approved by the Appointed Actuary and the Shariah Advisor.





- 6.4 A Participant may donate its Surplus for social or charitable purposes and may request the Window Takaful Operator to arrange for the transfer of the donation.

**6. General**

- 6.1. These Waqf (PTF) Policies shall be governed by the laws in Pakistan applicable from time to time on the Window Takaful Operator and the Waqf Fund (PTF).

- 6.2 The Window Takaful Operator shall have the right to modify / change in, add to, subtract from these Waqf (PTF) Policies, as may be deemed necessary, with due consultation and approval of Shariah Advisor.

Three handwritten signatures in black ink are present at the bottom of the page. The first signature on the left is a cursive script. The middle signature is also cursive but more stylized. The third signature on the right is a bold, blocky signature with a large 'R' or similar character.



IN WITNESS HEREOF these Waqf Rules are executed hereunto on \_\_\_\_\_,  
the 3<sup>rd</sup> day of March at Karachi.

For and on behalf of  
**Jubilee Life Insurance Company Limited** (the Operator)




\_\_\_\_\_  
Javed Ahmed  
Managing Director and Chief Executive Officer

Witness 1:

Name: Nadim Chandus

Address: 11<sup>th</sup> Floor, PNSC BUILDING, KARACHI

CNIC Number: 422015288061-5

Signature: 

Witness 2:

Name: Mufti Zeeshan Abdul Aziz

Address: 11<sup>th</sup> Floor PNSC Building, Karachi

CNIC Number: 42201-0347824-5

Signature: 