

This document may be called **Participant's Membership Document** (hereinafter referred to interchangeably as "scheme or "policy") as defined in the Takaful Rules, 2012.

MOBILE PHONE TAKAFUL POLICY

PREAMBLE

This is to acknowledge that the applicant (hereinafter called the 'Participant'), as more fully described in the schedule hereto:

- i. Is accepted as a member of the Participants' Takaful Fund (hereinafter called the 'Fund') operated by Alfalah Insurance Company Limited (Window Takaful Operations) (hereinafter called 'Operator').
- ii. Being a member of the Fund, he/she is acknowledged as a beneficiary under the attached Indemnity Policy of the Fund and of the benefits declared by the Fund from time to time under this policy, in accordance with the Waqf Rules governing the Fund.
- iii. Subject to the participant continuing as a member of the Fund and complying with his/her undertaking under his/her declaration made in the proposal form he/she is indemnified by the Fund as one of its beneficiaries against the perils/events described, in the manner and to the extent as stated hereunder:

CONDITIONS PRECEDENT

- i. No payment in respect of any Contribution shall be deemed to be payment to the Operator unless a printed form of receipt for the same, signed by an authorized official of the Operator, shall have been given to the Participant.
- ii. Notwithstanding anything above cover under this policy shall not commence until the Contribution, as stated in the schedule hereof, has been paid or guaranteed to be paid in the manner as stated in the schedule or as expressly agreed and stated therein.

WHEREAS the Participant has by a signed proposal and declaration, which proposal and declaration the Participant has agreed, shall form the basis of this contract and be held as incorporated herein, applied to the Fund for the indemnity hereinafter contained

IN CONSIDERATION of the Participant paying to the Fund the Contribution for or on account of the said Indemnity, the Operator agrees that subject to the terms, exclusions, limits, warranties, and conditions contained herein or endorsed hereon, if during period of Indemnity the property or any part thereof be lost or damaged by **FIRE, VIOLENT THEFT, ARMED HOLDUP, ROBBERY OR EARTHQUAKE**, anywhere in Pakistan, the Fund will by payment or at its option by reinstatement or repair, indemnify the Participant against such loss or damage.

EXCEPTIONS

1. Wear and tear of the set(s) component(s) which includes the normal deterioration due to use.
2. Shearing of antenna and Battery leakage.
3. Loss or damage arising from wear and tear, gradual deterioration, depreciation, moth, vermin, any process of Cleaning OR restoring or action of light and NEGLIGENCE/MISHANDLING OF THE PARTICIPANT.
4. Loss or damage arising from Atmospheric and Climatic Conditions other than lightning.
5. Breakage of tortoiseshell glass or other brittle substance not due to fire or thieves.
6. Battery, spare battery clip, battery chargers, Adapters, Electrical Electronics part(s) component(s) of the cellular set(s) are not covered for loss or damage arising as a result of breakdown blow up due to voltage surge and or part failure.
7. Any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, mutiny, revolution, insurrection, military or usurped power.
8. Loss or damage from detention, confiscation, destruction or requisition by custom House or other officials or Authorities.
9. Loss of mobile telephone / Pager while left unattended in a parked car or public place.

LIMITS

The liability of the Fund under this policy during anyone period of indemnity shall not exceed:

- (a) In respect of anyone item of the property as specified in the schedule.
- (b) In respect of loss or damage to any article/part forming part of a pair or the set which may be lost or damaged without reference to any special value which such part(s) may have as forming a pair or set but in any event not exceeding a proportionate part of the sum covered in respect of pair or set.
- (c) In respect of loss or damage the Total Sum Covered less cost of part not damaged/lost.
- (d) If at the time of any loss or damage the sum covered by any item shall be less than the total value of the property covered thereby the Participant shall be considered his own Operator for the difference and shall bear a ratable proportion of such loss or damage.

CONDITIONS

This policy and the schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this policy or of the schedule shall bear such specific meaning wherever it may appear.

1. The coverage shall not commence until the Contribution has been actually paid to and accepted by the Operator or the Telephone / Pager Company on behalf of Fund and a printed form of receipt signed by an official or duly authorized representative of the Operator shall have been issued thereof.
2. The Participant shall take all reasonable precautions for the safety of the property covered and immediately upon having knowledge of any event giving rise or likely to give rise to a claim under this policy shall;
 - (a) In case of theft or loss, inform the police, obtain F.I.R. and render all reasonable assistance in causing the discovery and punishment of any guilty person and in tracing recovering the property.

(b) In all cases, give notice thereof to the Operator in writing within seven days, thereafter deliver to the Operator a claim in writing and supply all such detailed proofs and particulars as may be reasonably required.

In no case shall the Fund be liable for any loss or damage not notified to the Operator within fifteen days after the event.

3. If at the time of any loss or damage there be any other policy affected by or on behalf of the Participant covering any of the property, the liability of the Operator hereunder shall be limited to its ratable proportion of such loss or damage.
4. No Claim shall be recoverable hereunder if the benefit of the contract herein contained shall become vested in any person other than the Participant unless the written consent of the Operator thereto is first obtained.
5. The Operator may cancel this policy by sending seven days notice by a registered letter to the Participant at his last known address and in such event the Participant shall become entitled to the return of proportionate part of the Contribution corresponding to the unexpired period of indemnity.
6. All differences arising out of this Policy shall be referred to the decision of an Arbitrator to be appointed in writing by the parties in differences or if they cannot agree upon a single Arbitrator to the decision of two Arbitrators, one to be appointed in writing by each of the parties within one calendar month after having been required in writing to do so by either of the parties or in case the Arbitrators do not agree, to an umpire appointed in writing by the Arbitrators before entering upon the reference. The Umpire shall sit with the Arbitrators and preside their meetings and the making of an award shall be a condition precedent to any right of action against the Operator. If the Operator shall disclaim liability to the Participant for any claim hereunder and such claim shall not within twelve calendar months from the date of such disclaimer have been referred to arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have abandoned and shall not thereafter be recoverable hereunder.
7. The due observance and fulfillment of the terms conditions and endorsements of this policy by the Participant in so far as they relate to anything to be done or complied with by him or them and the truth of the statement(s) and answer(s) in the said proposal shall be conditions precedent to any liability of the Fund to make any payment under this policy.
8. If the declaration of Participant is untrue in any respect, or if any material fact affecting the risk be incorrectly stated therein or omitted therefrom or if this policy, or any renewal thereof shall have been obtained through any misstatement, mis-representation or suppression, or if any claim made shall be fraudulent or exaggerated, or if any false declaration or statement shall be made in support thereof, then in any of these cases, this policy shall be void.

SPECIAL CONDITIONS:

It is a condition of this policy that in case of theft and/or total loss and/or damage covered under this policy the Fund will at its option indemnify the Participant by payment or replace the subject matter covered with the Cellular telephone of the same make, model and condition.

TAKAFUL OPERATOR FEES

The Operator shall deduct Operator's fee as per defined ratio approved by Shariah Advisor out of the Contribution received under this policy. Such fee shall be based on the Wakala principle since the Operator hereby acts as a Wakeel of the Fund. The Wakala Fees shall be credited to the Operators

Fund and remaining portion shall be remained credited in the Participant Takaful Fund. The rate of Wakala Fees shall be approved by the Shariah Advisor based on the rating and risk management guidelines of the Window Takaful Operator for each type of Risk.

INVESTMENT MANAGEMENT SHARE

The Operator shall act as a Modarib or Wakeel for the purpose of managing the investment of available fund in the PTF. As such, the Operator stands entitled to a Modarib share or Wakala-tul-Istismar fee in the investment income subject to approval by the Shariah Advisor.

TIMING AND TRANSFER OF FUNDS

- 1- All Contributions recognized under General Takaful contracts, net of any Government levy, shall be credited to the Participant Takaful Funds.
- 2- All Contributions into a Participant Takaful Fund shall be deposited in a bank account designated as belonging to the Participant Takaful Fund or be paid across to such an account within seven days of receipt.
- 3- All income received on assets of a Participant Takaful Fund and receipts from Re-Takaful operators relating to the Participant Takaful Fund shall be deposited in bank accounts designated as belonging to the Participant Takaful Fund or be paid across to such account within seven days of receipt.
- 4- All assets, liabilities, income and expenditure of a General Takaful Operator which do not relate to a Participant Takaful Fund shall be deemed to be part of the Operator's Fund.

SURPLUS DISTRIBUTION

Operator may hold a portion of the surplus

- As a contingency reserve (over and above the technical provisions)
- For meeting solvency level under the Insurance Ordinance, 2000 and Takaful Rules, 2012
- For charity / donations
- The rest of the surplus may be distributed to participants in accordance with the approved Surplus Distribution Mechanism and Policy approved by the Shariah Advisor.
- For this purpose the Commission is also empowered to develop and issue the Surplus Distribution Mechanism for the General Takaful Operator which shall also be complied by the Operator.

UNDERTAKING FOR SUBROGATION

The participant hereby irrevocably and unconditionally authorizes Alfalah Insurance Company (Window Takaful Operations) the transfer of all his/their rights, title and interest in the asset(s) listed in the Schedule and all the right(s) and claim(s) against any person(s) in respect thereof to the Participant Takaful Fund/WaqfFund upon being indemnified by the Operator from the Participant Takaful Fund/Waqf Fund as per the Waqf rules, and further undertakes to sign all necessary documents in this regard.

IMPORTANT

The Participant should for his own protection examine this policy to ascertain whether it is in accordance with his intentions and correctly described, if any error or misdescription is found the same should immediately be intimated to the Operator for correction.