

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

MOTOR CYCLE COMPREHENSIVE 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 the '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 takaful policy (hereinafter called the '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 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.

Therefore this Policy Witnesseth that subject to the Terms, Conditions and Exceptions contained herein or endorsed or otherwise expressed hereon:

SECTION I – LOSS OR DAMAGE

The Participant shall be indemnified against loss of or damage to the Motor Cycle and/or its accessories whilst thereon by;

- a) accident external means
- b) fire external explosion self-ignition or lighting or frost
- c) burglary house-breaking or theft
- d) malicious act
- e) riot, strike
- f) flood, hail, wind, hurricane, cyclone, tornado or typhoon
- g) earthquake volcanic eruption or other convulsion of nature and
- h) Whilst in trait by air, road, rail, inland waterway, lift or elevator.

NO PAYMENT WILL BE DUE IN RESPECT OF

- a. Consequential loss depreciation wear and tear mechanical or electrical breakdowns failures or breakages.
- b. Damage to tyres and battery unless the Motor Cycle is damaged at the same time when the coverage is limited to 50 percent of the cost of the replacement.
- c. Loss o for damage to accessories by burglary house-breaking or theft unless the Motor Cycle is stolen at the same time.

In the event of the Motor Cycle being disable by reason of loss or damage covered under this policy, the Participant shall be paid the reasonable cost of protection and removal to the nearest repairs and of redelivery to the participant but not exceeding in all Rs.100 in respect of any one accident.

The participant may authorize the repair of the Motor Cycle necessitated by the damage for which the coverage has been granted under this Policy provided that:

- a) The estimated cost of such repair does not exceed Rs.200.
- b) The operator be furnished forthwith with a detail estimate of the cost and.

- c) The participant shall give the operator every assistance to see that such repair is necessary and the charge reasonable

SECTION II - LIABILITY TO THIRD PARTIES

1. The Participant shall be indemnified in the event of accident caused by or arising out of the use of the Motor Cycle against all sums including claimant's costs and expenses which the participant shall become legally liable to pay in respect of:
 - a) death of or bodily injury to any person but except so far as in necessary to meet the requirements of sections 95 of the Motor Cycle Act, 1939, the operator shall not be liable where such death or injury arises out of and in the course of the employment of such person by the participant and excluding liability to any person being conveyed by reason of or in pursuance of a contract of employment
 - b) damage to property other than property belonging to the participant or held in trust by or in the custody or control of the participant or any member of the participant's household or being conveyed by the Motor Cycle.

PROVIDED ALWAYS that:-

No payment will be due in respect of death injury or damage caused or arising beyond the limits of any carriage way or thorough fare in connection with the bringing of the load to the Motor Cycle for loading thereon or the taking away of the load from Motor Cycle after unloading therefrom

2. All costs and expenses shall be paid, provided the same are incurred with the written consent of the Operator.
3. In terms of and subject to the limitations of the indemnity which is granted by this section to the participant the, participant's driver who is driving the Motor Cycle on the Participant's order or with his permission shall be duly indemnified provided that such driver :
 - a) is not entitled to indemnity under any other policy
 - b) shall as though he were the participant observe fulfill and be subject to the terms exceptions conditions and limitations of this policy in so far as they can apply.
4. In the event of the death of any person entitled to indemnity under this policy, his personal representatives shall be indemnified in respect of the liability incurred by such person, in the terms of and subject to the limitations of this Policy provided that such personal representatives shall as though they were the Participant, observe, fulfill and be subject to the terms, conditions and exceptions of this Policy in so far as they can apply.
5. The operator may at its own option
 - a) arrange for representations at any inquest or fatal inquiry in respect of any death which may be the subject of indemnity under this section and
 - b) may undertake the defence of proceeding in any court of law in respect of any act of alleged offence during causing or relating to any event may be the subject of indemnity under this section.
6. In terms of and subject to the limitations of the indemnity which is granted by this section the operator will indemnify the participant whilst personally driving a Motor Cycle not belonging to him and not hired to him under a hire purchase agreement.

AVOIDANCE OF CERTAIN TERMS AND RIGHT OF RECOVERY

Nothing in this policy or any endorsement hereon shall affect the right of any person indemnified by this policy or any other person to recover an amount under or by virtue of the provision of the Motor Cycle Act, 1939 section 96. But the Participant shall repay to the Fund all sums paid which would not have been paid but for the said provisions.

APPLICTION OF LIMITS OF INDEMNITY

In the event of any accident involving indemnity to more than one person any limitations by the terms of this policy and/or of any endorsement thereon of the amount of any indemnity shall apply to the aggregate amount of indemnity to all persons indemnified and such indemnity shall apply in priority to the participant.

GENERAL EXCEPTIONS

No payment will be made in respect of:

1. any accident loss damage and/or liability caused sustained or incurred outside the Geographical area as described in the Schedule.
2. any claim arising out of any contractual liability

3. any accident loss damage and/or liability caused sustained or incurred whilst the Motor Cycle in respect of, or in connection with which cover is granted under this Policy, is:
 - a) being used otherwise than in accordance with the limitations as to use or as described in the schedule, or
 - b) being driven by any person other than a driver
4.
 - a) Any accident loss or damage to any property whatsoever or any loss or Expense whatsoever resulting or arising therefrom or any consequential loss:
 - b) Any liability of whatsoever nature.
Directly or indirectly caused by or contributed to by or arising from ionizing radiations or contaminations by radioactivity from any fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this nuclear exception combustion shall include any self-sustaining of nuclear fission.
5. Any accident loss damage or liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.
6. Any accident loss damage and/or liability caused sustained or incurred after any variation in or termination of the participant's interest in the Motor Cycle.

No payment will be made in respect of any accident loss damage and/or liability directly or indirectly proximately or remotely occasioned by contributed to by or traceable to or arising out of or in connection with war invasion the act of foreign enemies hostilities or warlike operations (whether before or after declaration of war) civil war mutiny civil commotion assuming the proportion of or amounting to a popular rising military rising rebellion revolution insurrection military or usurped power or any act of any person acting on behalf of or in connection with any organization with activities towards the overthrow by force of the Government de jure or de facto or to the influencing of it by terrorism or violence or by any direct or indirect consequences of any of the said occurrences and except under Section II-I(a) of this policy whilst the participant or any person driving with the general knowledge and consent of the participant is under the influence of intoxicating liquor or drugs and in the event of any claim hereunder the participant shall prove that the accident loss damage and/or liability arose independently of and was in no way connected with or occasioned by or contributed to by or traceable to any of the said occurrences of any consequences thereof and in default of such proof no payment will be made to the Participant.

CONDITIONS

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

1. Notice shall be given in writing to the operator immediately upon the occurrence of any accident or loss or damage and in the event of any claim and thereafter the participant shall give all such information and assistance as the operator shall require. Every letter claim writ summons and/or process shall be forwarded to the operator immediately the participant shall have knowledge of any impending prosecution Inquest or Fatal Inquiry in respect of any occurrence which may give a claim under this policy the participant shall give immediate notice to the police and co-operate with the operator in securing the conviction of the offender.
2. No admission offer promise payment or indemnity shall be made or given by or on behalf of the participant without the written consent of the operator which shall be entitled if it so desires to take over and conduct in the name of the participant the defence or settlement of any claim or to prosecute in the name of the participant for its own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings or in the settlement of any claim and the participant shall give all such information and assistance as the operator may require.
3. The operator may at its own option repair reinstate or replace the Motor Cycle or any part thereof and/or its accessories or may pay in cash the amount of the loss or damage and the liability of the operator shall not exceed the participant's estimate of the value of the Motor Cycle (including accessories thereon) as specified in the schedule or the value of the Motor Cycle (including accessories thereon) at the time of the loss or damage whichever is the less.
4. The participant shall take all reasonable steps to safeguard the Motor Cycle from loss or damage and to maintain it in efficient condition and the operator shall have at all times free and full access to examine the Motor Cycle or any part thereof or any driver or employee of the participant. In the event of any accident or breakdown the Motor Cycle shall not be left unattended without proper precautions being taken to prevent further damage or loss and if the Motor Cycle be driven before the necessary repairs are effected any extension of the damage or any further damage to the Motor Cycle shall not be covered under this Policy.

5. If at the time any claim arises under this policy there is any other existing coverage covering the same loss damage or liability, no payment shall be made or contribute more than its ratable proportion of any loss damage compensation cost or expenses. Provided always that nothing in this condition shall impose any liability from which, but for this condition, it would have been reviled under proviso (a) of section II-3 of this policy
6. If any difference arises as to the amount to be paid under this Policy (Liability being otherwise admitted) such difference shall be referred to the decision of an Arbitrator to be appointed in writing by the parties in difference 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 so to do by either of the parties or in case the Arbitrator do not agree of an Umpire appointed in writing by the Arbitrator before entering upon the reference. The Umpire shall sit with the Arbitrators and preside at their meetings and the making of an Award shall be a condition precedent to any right of action against the operator.
7. The operator may cancel this policy by sending seven days' notice by registered letter to the participant at his last known address and in such event will return to the participant the contribution paid less the *pro rata* portion thereof for the period the policy has been in force or the policy may be cancelled at any time by the operator on seven day's notice and (provided no claim has arisen during the current period of coverage)the participant shall be entitled to a return of contribution less contribution at the operator's short period rates for the period the policy has been in force.
8. At any time after the happening of any event giving rise to a claim under section II of this policy, the Participant may be paid the full amount to be indemnified under that Section and the Operator may relinquish the conduct of any defense settlement or proceedings and the operator shall not be responsible for any damage alleged to have been caused to the participant in consequence of any alleged action or omission of the operator in connection with such defense settlement or proceedings or of the operator relinquishing such conduct; nor shall any cost or expenses whatsoever incurred by the participant or any claimant or other person after the operator shall have relinquished such conduct.
9. The due observance and fulfillment of the terms conditions and endorsements of this policy in so far they relate to anything to be done or complied with by the participant and the truth of the statements and answers in the said proposal shall be conditions precedent to the Participant being indemnified under this Policy.
- 10.

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/Waqf Fund 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 NOTICE

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 discrepancy is found the same should immediately be intimated to the Operator for correction.

ALFALAH INSURANCE (WINDOW TAKAFUL OPERATIONS)

Alfalah Insurance (Window Takaful Operations) is committed to customer care. We wish to build a reputation as the Operator that puts its customers first and foremost.

OUR COMMITMENT TO YOU

Whilst all efforts will be made to provide you with a high standard of service at all times, however, if you are unhappy with any aspect of our service, please help us by writing your complaint to the following

Address:

Customer Service Department,
Alfalah Insurance Company Limited,
(Window Takaful Operations),
Post Office Box 3531,
Lahore.
Email: afi@alfalahinsurance.com

We assure you that our Customer Service Department will contact you promptly to resolve the issue to the satisfaction of all parties involved.

In the unlikely event of you not getting the proper and satisfactory response please forward your complaint along with a copy of response from any of our officers, if any, to the following email address:

Email: ceoffice@alfalahinsurance.com