

- C. The Settlor has set apart Rupees five hundred thousand only (Rs 500,000) and hereby ceded the same to the PTF being the Waqf money; and
- D. The Settlor has also undertaken to accept the responsibility of managing and operating the said PTF on the terms and conditions appearing in the Deed and in any other Supplementary Deed(s) made hereunder, on the basis of a predefined fee ("the Takaful Operator's fee").

Whereas United Insurance Company Limited (Window Takaful Operations) shall be called as Settlor or Operator or Trustee, 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 Waqf Deed.

- | | | |
|-------|--|--|
| 1.1 | Accounting Year | Means financial year of the Operator. |
| 1.2 | Board of Directors | Means board of directors of United Insurance Co Limited. |
| 1.3 | Commission | Means the Securities and Exchange Commission of Pakistan (SECP). |
| 1.4 | Contribution | Means Takaful contribution (Tabarru) or installment payable by a participant. |
| 1.5 | Companies Ordinance | means the Companies Ordinance, 1984 |
| 1.6. | Deficit | Means the shortfall in the PTF that is excess of payments over receipts and after accrual of all expenses and income in accordance with generally accepted accounting principles and applicable law for the time being in force. |
| 1.7. | Ordinance | Means the Insurance Ordinance 2000. |
| 1.8. | Operator and Takaful Trustee | Means United Insurance Company Limited (Window Takaful Operations) working in its capacity as a Wakeel thereby operating the PTF. The terms Operator or Trustee may be used interchangeably. |
| 1.9. | Participant | Includes, where Takaful Scheme has been assigned, the assignee for the time being and beneficiary and, where he is entitled as against to PTF to the benefits of the Scheme, legal heirs of a deceased participant. |
| 1.10. | Participant Membership Documents (PMD) | means the documents detailing the benefits and obligations of the participant |

- 1.11. Participant Takaful Fund (PTF) Means United Insurance Company Limited (Window Takaful Operations)-Participant Takaful Fund established under the Waqf Deed.
- 1.12. Qard-e-Hasna Means an interest-free loan to the PTF from the Shareholders' Fund, when the PTF is in deficit and insufficient to meet their current liabilities.
- 1.13. 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 Operator in the course of his carrying on Takaful business and includes ceding risks from Takaful pool(s) managed by the Operator to one or more re-Takaful pool(s) managed by any other one or more re-Takaful operator(s) having Takaful Pool, in line with Takaful principles.
- 1.14. Settlor Operations) in its capacity as Settlor of the Trust Fund and / or Waqif of Waqf money through initial ceding. The term Settlor or Operator or Trustee may be used interchangeably.
- 1.15. Shariah Advisor Means Shariah Advisor of the Operator or a committee or board comprising more than one Shariah Advisors working in such capacity.
- 1.16. Shareholders' maintained Fund / Window Takaful Operator's Fund Means the Fund pertaining to shareholders being maintained by the Window Takaful Operations as per the Statutory requirements and shall consist of the allocation out of paid up capital and undistributed profits to the Shareholders earned by the Window Takaful Operations.
- 1.17. Supplementary Means any Supplementary Deed of the Waqf Deed created Deeds under clause 8.4 of the Waqf Deed.
- 1.18. Takaful Rules Means Takaful Rules, 2012, issued by SECP (or any successor for the time being in force).
- 1.19. Waqf Fund See Participant Takaful Fund.
- 1.20. Waqif See Settlor.

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; 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

- 2.1. To receive contributions, donations, gifts, charities, subscriptions etc., from the Participants and others;

- 2.2. To provide relief to the Participants against benefits defined as per the PTF Policies, the PMD and any Takaful Supplementary Benefit Document(s);
- 2.3. To give charities in consultation with the Shariah Advisor (SA);
- 2.4. To invest monies of the PTF in and subscribe for, take, acquire, trade or deal in, instruments approved by the SA such as shares, stocks, Sukuks, bonds, 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 with the due approval of SA in so far these are not repugnant to any of the provisions of the Takaful Rules.

3. ASSETS OF THE PTF

- 3.1. The assets of the PTF shall primarily comprise of:
 - a) The cede amount donated from the Shareholders' Fund to the PTF;
 - b) The risk contributions and the Takaful Operators fee received from the participants by way of subscriptions, contributions, donations, gifts, etc.; and
 - c) Income or incomes derived from investments etc. made by the PTF.
- 3.2. Except for the ceding 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.

4. OPERATOR'S OBLIGATIONS

- 4.1. The management of the PTF: The Operator may create further sub-funds within the Waqf Fund after approval from the SA but these will not be treated as separate Waqf. The risk contributions and Takaful Operators' fee and the liabilities related to each sub-fund may be transferred to their respective sub-fund and surplus / deficit may be determined at that level.
- 4.2. The Operator shall define the PTF Policies, which shall be in accordance with generally accepted principles; applicable law for the time being in force; norms of the Takaful operations and guidelines of its SA.
- 4.3. The Operator shall act as Wakeel of the PTF (other than investments of PTF). For the investment management of the PTF the Operator shall act either as Wakeel -tul-Istismar or Modarib under arrangements between the PTF and the Operator subject to approval of the SA.
- 4.4. The Operator shall, on the basis of set rules and regulations to be defined in the PTF Policies, PMD and in the Supplementary Benefit Document(s), pays benefits to the Participants from the same Fund as per its Policies.

- 4.5. The Operator shall bear all the administrative and management expenses of the PTF, except those enumerated under clause 6.2 of this Deed, in consideration of defined Takaful Operator's Fee.
- 4.6. 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 4.1 and determine whether the operations for that particular period had produced a surplus for sharing amongst the Participants under advice of the SA. The mechanism of surplus determination, as well as, surplus distribution would be defined in the PTF Policies, as well as, in the PMD.
- 4.7. In case there is a deficit in any PTF, the Operator may donate an interest-free loan to be called Qard-e-Hasna to make good the shortfall in that Fund. The loan shall be repaid from the future surpluses generated in the PTF without any excess on the actual amount given to the PTF.
- 4.8. The Operator shall invest the available funds in the PTF in the modes and products that adhere to the principles established by the SA and all such modes and products shall be approved by the SA of the Operator.
- 4.9. 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 SA, subject however, to the conditions that any such measure should not be maintained in contravention of the Takaful Rules.
- 4.10. The Operator shall ensure that the re-Takaful / re-insurance arrangements are consistent with the sound Takaful principles and are as per the guidelines provided by its SA.
- 4.11. The Operator shall appoint a Shariah Advisor (SA) who shall be responsible for the approval of products, documentation, as well as, approval of all operational practices and investment of funds. At its sole discretion, the Operator may decide to appoint a board or committee comprising more than one Shariah Advisor. In such situation the roles and responsibilities of the Shariah Advisor shall be performed by the Shariah board / committee.
- 4.12. 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 the class under the law for the time being in force and applicable to the PTF.

5. OPERATOR'S RIGHTS

- 5.1. The Operator shall be entitled to receive a stipulated proportion of the gross contributions to the PTF by way of Operator Fee. The Operator shall have the right to make such adjustments in the Takaful Operator Fee as may be appropriate. 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 Waqf or the Participants.

- 5.2. The Operator, in the capacity of Modarib or Wakeel, shall be entitled to set the profit sharing ratio or Wakala fee on the investment management of the PTF based on the advice of the SA. The Operator might choose to keep different profit sharing ratios or set different Wakala fee for different sub-funds after approval from the SA. 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 Waqf or the Participants.
- 5.3. The Operator shall be entitled to make such PMDs for each class of Takaful operation as may be deemed necessary. The same shall be approved by its SA.
- 5.4. The Operator shall have a first right of return in respect of the amount 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.
- 5.5. The Operator shall have a right to make deductions from the PTF as are enunciated in the clause 6.2 of this Deed, subject to the provisions of the Takaful Rules.
- 5.6. 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.

6 THE INCOME OF AND OUTGO FROM THE PTF

- 6.1. The income of the PTF shall consist of the following, but not limited to, namely:
 - a) Risk Contributions received from the Participants and the Takaful Operator's Fee;
 - b) Claims received from the re-Takaful Operators
 - c) Investment profits generated by the investment of funds and other reserves attributable to the Participants in the PTF;
 - d) Qard-e-Hasna by the Shareholders' Fund to the PTF (in case of deficit);
 - e) Commission received from re-Takaful Operators;
 - f) Any donation made by the Operator; and
 - g) Any Surplus distributed by the re-Takaful Operators.
- 6.2. The outgo from the PTF shall consist of the following, but not limited to, namely:
 - a) Claims paid;
 - b) Contributions paid to re-Takaful Operator/ re-insurer;
 - c) Takaful Operator's fees;
 - d) Takaful Operator's share in investment income of the PTF;
 - e) Surplus distributed to the Participants; and
 - f) Return of Qard-e-Hasna to the shareholders' Fund.

7. DISSOLUTION

- 7.1. If after discharging the entire Participant's liability there is a surplus, it would first 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 given to the charity as advised by the SA.
- 7.2. 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.
- 7.3. If the Actuarial Valuation shows that the PTF is not sufficient to pay the Participants' liabilities, the deficit would be funded by the Operator from the deposit made by the Operator under rule 21 of the Takaful Rules in form of a donation for which the Operator hereby undertakes. In case the deficit is still there, the remaining amount would be funded by the Takaful Operator from its paid-up capital and reserves, in form of a donation for which the Operator hereby undertakes.
- 7.4. The cede amount would be transferred, with the approval of the SA, to another PTF, formed for similar or any other purpose. However, the shareholders of the Operator shall not be entitled to any of the aforesaid amounts.

8. GENERAL

- 8.1. This Deed shall be governed by the laws in Pakistan applicable from time to time on the Operator and the Waqf fund.
- 8.2. Notwithstanding anything contained herein, the Operator shall ensure due compliance with all applicable laws for the time in force and Shariah Principles.
- 8.3. This Deed shall be irrevocable and shall not be altered or amended in any manner, whatsoever.

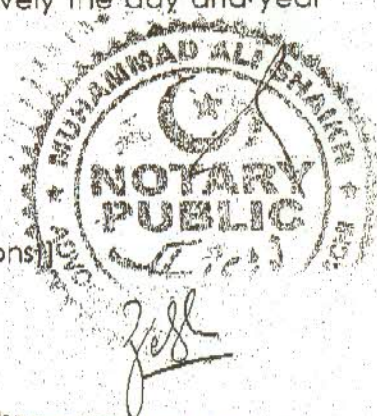
8.4. Notwithstanding the irrevocability of this Deed, the Settlor shall be empowered to execute such number of Supplementary Deeds as are Deemed necessary for legal and operational reasons. However, all such deeds shall be executed with the prior approval of the SA.

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

Zuberi



For and on behalf of
[United Insurance Company Limited (Window Takaful Operations)]
Mr. Z. H. Zuberi



WITNESSES

1. [Signature]

2. [Signature]

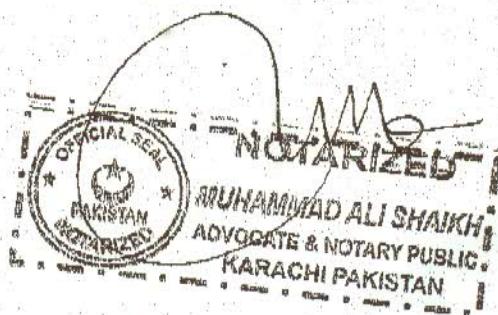
MUFTI ZEESHAN ABDUL AZIZ
Shariah Advisor
United Window Takaful Operator

Name: Autbuddin

Name: Muhammad Salim

Address: 204 2nd floor Medina
city mall Abdullah
Haroon Road, Karachi.

Address 204 2nd Floor Madina
city Mall Abdullah Haroon Road
Karachi.



10 9 JUN 2014