



The **UNITED INSURANCE
COMPANY OF PAKISTAN LIMITED
WINDOW TAKAFUL OPERATIONS**
(A Member Company of United International Group)



**UNITED
WINDOW TAKAFUL
OPERATOR**

THE UNITED INSURANCE COMPANY OF PAKISTAN LIMITED WINDOW TAKAFUL OPERATIONS

OPERATIONS GUIDELINES

INTRODUCTION:

This Policy contains guidelines regarding the dealing with companies of impermissible business in order to streamline the Takaful Membership Issuance Process. It describes what businesses, assets, persons etc. a Takaful company would be allowed to provide coverage to and which ones not. It also specifies the Shariah compliant operating working environment in organization.

The United Insurance Company of Pakistan Limited-Window Takaful operations hereinafter referred to as "operator" is a Shariah compliant operator managing the waqf-fund on one hand and Participant Takaful Fund on the other hand by using wakala-waqf model. It is important that the companies that are being chosen as investment venues should pursue permissible business options and their business dealings themselves should be permissible as well. This document is dealing with the following two points

1. Should the Takaful operator check if the income of individuals that would like to opt for a Takaful membership is permissible or just accept them.
2. Providing Takaful coverage to companies who deal in impermissible trade or to their employees

These guidelines should help in the operations of the company as well as projecting an image that is in accordance with Shariah and the company's vision and mission. These guidelines will provide the company with a framework that will make it easier to differentiate between beneficial Shariah Compliant businesses and their counterparts.

This document is divided into three sections.

1. The first section describes which businesses are of impermissible nature.
2. The second section is explaining if it is permissible for the Takaful operator to provide Takaful Coverage to assets of companies that are mentioned in section one of this document
3. The third section describes if it would be possible for the Takaful operator to issue Takaful Memberships to individuals who have an impermissible source of income.



SECTION 1: IMPERMISSIBLE BUSINESSES ACCORDING TO SHARIAH

1. The business impermissible hence extending a Takaful Coverage to those is not permissible either:
2. Any business activities related to gambling including supplying of services, equipment and vehicles to any persons or companies who are engaged in gambling related business activities
3. Any business activities related to alcoholic drinks including production, distribution, retail and wholesale and supplying of services, equipment, vehicles, bottles and raw materials to any persons or companies who are engaged in alcoholic drinks related business activities.
4. Any business activities related to pornography including movie/cinema outlets screening pornographic movies and supplying of services, equipment and vehicles to any persons or companies who are engaged in pornography related business activities.
5. Any business activities related to the production and distribution of tobacco and dangerous drugs
6. Any business activities related to entertainment especially if the business premise has been proven to be used to engage in non Syariah compliant activities for example criminal related activities, inappropriate lyrics, producing and screening of movies glamorizing sex.
7. Any business activities related to the rearing of pigs, processing and distribution of pork and all its byproducts including supplying of services, equipment and vehicles to any persons or companies who are engaged in pork related business activities.
8. Any business activities related to prostitution.
9. Any business activities related to interest-based lending, stock broking and pawn broking activities including supplying of services, equipment and vehicles to any persons or companies who are engaged in interest-based lending, stock broking and pawn broking activities.
10. Any business activities related to the production and distribution of idols, statues, and materials and place for worshipping other than Allah Almighty.
11. Any restaurant serving pork and/or alcoholic drinks.
12. Any other company whose mainline of business is non-Shariah compliant, for example companies who deal in impermissible pictures and photographs, if this would be their only source of income.



SECTION 2: PROVIDING COVERAGE TO ASSETS OF COMPANIES OF IMPERMISSIBLE BUSINESS NATURE

1. Assets that are owned by a company, as mentioned in section one, may they be fixed or not, cannot be covered by the Takaful Company under any circumstances.
2. The collateral of any conventional bank can be covered through Takaful as it is not the property of that bank. The collateral belongs to the customer and the customer is considered the participant in Takaful, therefore Takaful coverage can be issued here.
3. The Operator's Shariah Committee decided that assets of any Non-Shariah Compliant business such as cars etc. that are a part of any employee's salary package can be covered under a Takaful plan.

SECTION 3: ISSUANCE OF TAKAFUL MEMBERSHIPS TO INDIVIDUALS WHO HAVE AN IMPERMISSIBLE SOURCE OF INCOME

1. Individuals who would like to opt for a Takaful coverage and their source of income is impermissible because they are employed by companies as mentioned in section one, can only be issued such membership after consultation of the Shariah Committee but under any circumstances the incoming payment should not be through cash, i.e. cheque, debit card etc.
2. Takaful coverage can be issued to the customer even if the beneficiary is the conventional bank.


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