

HAMID A. SHAKOOR STAMP - VENDOR
Licence No. 18 Seat No. 8 SHED A
City Court Karachi (Pakistan)

02 MAR 2019

RUPEES ONE HUNDRED ONLY

S.NO. 074602
ISSUED TO WITH ADDRESS
THROUGH WITH ADDRESS
PURPOSE
VALUE RS. 100
STAMP VENDOR SIGNATURE

Shahid Qureshi
Advocate
No 3543 KBA

WAQF DEED

This Waqf Settlement Deed is made on March 1st, 2019 by Askari Life Assurance Company Limited, a Public Limited Company, duly incorporated under the Companies Act, 2017 (formerly Companies Ordinance, 1984), having its Principal place of business Office No.1104, 11th Floor at Emerald Tower, Plot No. G-19, Block 5, KDA Improvement Scheme No.5, Clifton, Karachi.(hereinafter called the **Operator**), through its duly authorized attorney, **Mr. Jehanzeb Zafar**, son of **Mr. Zafar Ul Majeed**, adult, Muslim, having CNIC No: 35202-2731308-5.

WHEREAS:

1. The Operator is competent and legally authorized through RESOLUTION FOR ESTABLISHMENT OF WAQF by the Board of Directors and is desirous of establishing a Waqf Fund for the purpose of achieving the objectives and functions given herein below;
2. The Operator has decided to and hereby establishes an irrevocable Fund called Askari Life Family Takaful Waqf Fund [hereinafter referred to as the Participants Takaful Fund (PTF)] which shall be a separate and independent entity to which assets (both tangible and intangible), liabilities, revenues and expenses may be clearly attributable in such a manner that the effective beneficial ownership of assets is passed on to the PTF in compliance with the Shariah Principles.

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3. The PTF shall be an accounting and Shariah entity which shall operate under the Shariah Principles applicable to Waqf Funds. For the purpose of compliance with the Insurance Ordinance 2000 components of the PTF will be attributable to different Statutory Funds.

4. The Operator makes an irrevocable Waqf of Rupees Five Hundred Thousand only (Rs. 500,000) being the Waqf money for the purpose of achieving the objectives and functions given herein below; and

5. The Operator has also undertaken the responsibility of managing and operating the said PTF on the terms and conditions appearing in this Deed and in the PTF Policies on the basis of a predefined fee (the "Takaful Operator's fee).

1. Definitions. — In this Deed, unless there is anything repugnant in the subject or context,

1.1. Accounting Year. means financial year of the Operator;

1.2. Beneficiary. refers to any person who is entitled to benefits from the PTF and can include the Participant as well as person(s) nominated by the Participant;

1.3. Commission. means the Securities and Exchange Commission of Pakistan (SECP);

1.4. Contribution. means the amount payable by a Participant to an Operator under a Family Takaful Contract;

1.5. Waqf Money. means the amount ceded by the Window Takaful Operator at the commencement of the PTF from its Operator's Fund. Upon dissolution of the PTF the same will have to be transferred to another PTF formed for similar or any other purpose with approval of the Shariah Advisor;

1.6. Companies Ordinance. means the Companies Ordinance, 1984;

1.7. Deficit. means the shortfall in the PTF, that is, where the admissible assets are not sufficient to cover its all liabilities;

1.8. Ordinance. means the Insurance Ordinance 2000 and all affiliated laws, rules and regulations that have or may be enacted from time to time;

1.9. Operator. means Askari Life Assurance Co. Ltd. working in its capacities of Wakeel and Mudharib, as the case may be, thereby operating the PTF;

1.10. Participant. means a person who participates in a Family Takaful plan and to whom a Family Takaful Contract is issued;

1.11. 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 Family Takaful Plan;

1.12. Qard-e-Hasna. means an interest-free loan to the PTF from the Operator's Fund to meet any existing or potential Deficit;

1.13. Participant Takaful Fund (PTF). means:

1.13.1. a fund established by the Window Takaful operator under the Waqf Deed in accordance with the requirements of Takaful Rules, 2012,

1.13.2. The PTF may comprise of one or more sub-fund(s) each of which will be sub-fund of given Statutory Fund,



- 1.13.3. Each sub-fund of the PTF shall be governed by the provisions of the Ordinance, Takaful Rules 2012, the Waqf Deed and Supplementary Deed, and
- 1.13.4. Unless the context otherwise requires in this Deed, words importing PTF shall include the sub-fund(s) of PTF;
- 1.14. **Re-takaful.** means arrangement for Re-takaful of liabilities in respect of risks accepted by the Operator in the course of carrying on Family Takaful business and includes ceding risks 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) or Reinsurer(s) having Takaful Pool in line with the Family Takaful principles;
- 1.15. **Shariah Advisor.** means Shariah Advisor of the Operator appointed in accordance to the requirements of rule 26 of the Takaful Rules, 2012;
- 1.16. **Operator's Fund.** means the Operator's Fund being maintained as per the Statutory requirements and shall consist of the paid-up capital and undistributed profits to the Shareholders.
- 1.17. **Takaful Rules.** mean Takaful Rules, 2012 and shall include any modifications of the Takaful Rules 2012 as well as any rules which may be issued to replace the Takaful Rules 2012.

Unless the context otherwise required, words or expressions contained in this Deed shall have the same meaning as in the Companies Ordinance, 1984, Insurance Ordinance, 2000 and Takaful Rules 2012; 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 Participants Takaful Fund

The objects and purposes of the PTF are as follows:

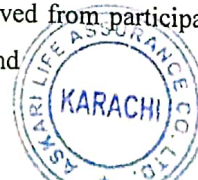
- 2.1. To receive contributions, donations, gifts, charities, subscriptions etc., from the Participants and others;
- 2.2. To provide relief to the Participants/Beneficiaries against benefits defined as per this Deed, the PTF Policies, the PIVID and any Takaful Supplementary Benefit Document(s);
- 2.3. To give charities in consultation with the Shariah Advisor;
- 2.4. To invest monies of the PTF in and subscribe for, take, acquire, trade or deal in, instruments approved by the Shariah Advisor such as shares, stocks, sukuks, 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/facts/objects as are incidental or conducive to the attainment of the above objects or any of them.

3. Assets of the PTF

3.1. The assets of the PTF shall be composed of:

- 3.1.1. The cede amount donated from the Operator's Fund to the PTF;
- 3.1.2. The risk contributions and the Operator's fee received from participants by way of subscriptions, contributions, donations, gifts, etc.; and

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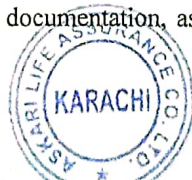


- 3.1.3. Income derived from investments etc. made by the PTF.
- 3.2. Except for the ceding amount all the balance amounts may be utilized for offsetting the PTF's liabilities including liabilities in respect of payments of benefits to the participants of the Fund.

4. Operator's Obligations

The following shall be considered as the role of the Operator:

- 4.1. The Operator shall manage the PTF. The Operator may, through the PTF Policies, create sub-funds within the Waqf Fund after approval from the Shariah Advisor and the Appointed Actuary. If sub-funds are created then these will be managed in the same way as the Waqf Fund as a whole.
- 4.2. The Operator shall formulate Policies ("the Waqf Policies" or "the PTF Policies") which shall describe how the Waqf Fund (and any sub-funds) shall operate, which shall be in accordance with the applicable law for the time being in force; norms of the Takaful business and guidelines of its Shariah Advisor.
- 4.3. The Operator shall act as Wakeel of the PTF (for purposes other than investment management of PTF). For the investment management of the PTF the Operator shall act either as Wakeel or Mudharib after approval from the Shariah Advisor and the Appointed Actuary.
- 4.4. The Operator shall, on the basis of set rules and regulations to be defined in the PTF Policies and in the PMD, pay benefits to the Participants/Beneficiaries from the PTF as per its rules.
- 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 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. The surplus may be retained as a reserve or shared amongst the Participants under advice of the Appointed Actuary and the Shariah Advisor. 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 the PTF, the Operator may donate an interest-free loan to be called Qard-e-Hasna to make good the shortfall in the 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 principles established by the Shariah and all such modes and products shall be approved by the Shariah Advisor of the Operator.
- 4.9. Subject to the provisions of the Ordinance, the Operator shall maintain reserves as its Appointed Actuary may require, in the PTF.
- 4.10. The Operator shall ensure that the Re-takaful arrangements are consistent with the sound Takaful principles and are as per the guidelines provided by its Shariah Advisor.
- 4.11. The Operator shall appoint a Shariah Advisor who shall be responsible for the approval of products, documentation, as well as approval of all operational practices and investment of funds.



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- 4.12. The sub-fund 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 that 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 Operator's Fee which can, at the discretion of the Operator, vary for each class of Participants by the Family Takaful or Supplementary Benefits, as the case may be. The Operator shall have the right to make such adjustments in Operator's Fees as may be appropriate for each Participant. The Operator shall ensure that any adjustment to the Contributions which is not related to the assessment of risk is made from the Operator's fees and not from the Waqf Donations, which should be appropriate to the risk being placed in the PTF.
- 5.2. The Operator, in the capacity of Mudharib or Wakeel, shall be entitled to set the profit-sharing ratio or Wakalah fee relating to the investment management of the PTF based on the advice of the Shariah Advisor and the Appointed Actuary. The Operator might choose to keep different profit-sharing ratios or Wakalah fee for different sub-funds after approval from the Shariah Advisor and the Appointed Actuary.
- 5.3. In the case of any surplus arising in the PTF while there is a Qard-e-Hasna outstanding, the Operator shall have a first right of return in respect of the amount provided as Qard-e-Hasna to PTF. The exact portion of surplus to be used for the payment of Qard-e-Hasna would be defined by the Appointed Actuary and the Shariah Advisor at the time of surplus in the PTF.
- 5.4. The Operator shall have a right to make payments from the PTF as enunciated in clause 6.2 of this Deed.
- 5.5. 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 Sharjah guidelines.

6. The income of and outgo from the PTF

- 6.1. The income of the PTF shall include but not be limited to the following:
- 6.1.1. Waqf Donations received from the Participants;
 - 6.1.2. Share of claims received from the Re-takaful Operators;
 - 6.1.3. Surplus share received from the Re-takaful Operators;
 - 6.1.4. Investment profits generated by the investment of funds and other reserves attributable to the Participants in the PTF;
 - 6.1.5. Qard-e-Hasna by the Operator's Fund to the PTF (in case of a deficit);
 - 6.1.6. Commission received from Re-takaful Operators; and
 - 6.1.7. Any donation made by the Operator.
- 6.2. The outgo from the PTF shall include but not be limited to the following:
- 6.2.1. Benefit claims Paid;
 - 6.2.2. Contributions paid to Re-takaful Operators;



- 6.2.3. Takaful Operator's fees;
- 6.2.4. Takaful Operator's share in investment income of the PTF;
- 6.2.5. Surplus distributed to the Participants;
- 6.2.6. Return of Qard-e-Hasna to the Operator's Fund (after consultation with the Shariah Advisor);
- 6.2.7. Any amount given to Charity; and
- 6.2.8. Any expenses directly relating to determination of a right to a benefit with the permission of the Shariah Advisor.

7. Dissolution

In the event of winding up of the PTF the following procedure would be followed:

- 7.1. An Actuarial Valuation would be carried out as at the date of the winding up of business for the PTF. The Valuation would be carried out as per the basis which the Appointed Actuary deems appropriate for this purpose.
 - 7.1.1. If after discharging the entire Participants' liability there is a surplus, it would first be used to repay any remaining 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 charity as advised by the Shariah Advisor and the Appointed Actuary.
 - 7.1.2. If the Actuarial Valuation shows that the PTF is not sufficient to pay the Participants' liabilities, the Operator may make a donation to the PTF to make good the deficit.
- 7.2. The seed amount would be transferred, with the approval of the Shariah Advisor, to another PTF/Waqf, formed for similar or any other purpose. However, the shareholders of the Operator shall not be entitled to any of the aforesaid amounts.

8. Power to make rules

The Operator shall be and is hereby empowered to make Rules to effectuate the implementation of this Waqf Deed and the Objects of the PTF within the framework of this Deed in consultation with Shariah Advisor.

9. General

- 9.1. Notwithstanding anything contained herein, the Operator shall ensure due compliance with all applicable laws for the time being in force and Shariah Principles.
- 9.2. Subject to the Waqf rulings of Shariah, the Operator shall have the right to modify / change in, add to, subtract from this Waqf Deed, as may be deemed necessary, with due consultation and approval of the Shariah Advisor
- 9.3. The Settlor shall be empowered to execute such number of Supplementary Deeds as may be deemed necessary for legal and operational reasons. However, all such deeds shall be executed with the approval of the Shariah Advisor.

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

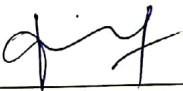
For and on behalf of
Askari Life Assurance Co. Ltd. (the Operator)



JEHANZEB ZAFAR
CHIEF EXECUTIVE OFFICER




Dr. Muhammad Zubair Usmani
Shariah Advisor

Witnesses:


Name: Talha Arshad
CNIC No: 42401-3053008-9


Name: AZFAR KHAN
CNIC No: 42501-0354757-7