

reasonable cost of fitting and shall in no case exceed the Participant's estimate of the value of the Motor Vehicle (including accessories thereon) as specified in the Schedule or the value of the Motor Vehicle (including accessories thereon) at the time of the loss or damage, whichever is less.

5. The Participant shall take all reasonable steps to safeguard the Motor Vehicle from loss or damage and to maintain it in efficient condition and the Company shall have at all times free and full access to examine the Motor Vehicle or any part thereof or any driver or employee of the Participant. In the event of any accident or break-down, the Motor Vehicle shall not be left unattended without proper precautions being taken to prevent further damage or loss and if the Motor Vehicle be driven before the necessary repairs are affected, any extension of the damage or any further damage to the Motor Vehicle shall not be covered under this Policy.
6. The Company may cancel this Policy by serving seven days' notice by registered letter to the Participant at his last known address and in such event shall be given an amount equivalent to the Contribution paid less pro-rata portion thereof for the period this Policy has been in force; or this Policy may be cancelled at any time by the Participant on giving seven days' notice in writing and the Participant shall be given an amount equivalent to Contribution less Contribution at the Company's short period rates, as given below, for the period this Policy has been in force:

Period not exceeding	Short period rates as Proportion of Annual Contribution
1 week	1/8 or 12.5%
1 month	2/8 or 25%
2 months	3/8 or 37.5%
3 months	4/8 or 50%
4 months	5/8 or 62.5%
6 months	6/8 or 75%
8 months	7/8 or 87.5%
Over 8 months	Full annual contribution

However, no refund shall be allowed if any claim has arisen during the period this Policy has been in force.

7. If at the time of claim under this Policy, there is any other existing Takaful or insurance policy covering the same loss, damage or liability, no payment shall be made or contributed more than the rate able proportion under this Policy, of any loss, damage, compensation, costs or expenses. Provided always that nothing in this condition shall impose any liability from which, but for this condition, it would have been relieved under provision (a) of Section II-3 of this Policy.
8. Where any dispute arises under a policy or over a claim under a policy issued by the Company the party to the dispute may take-up the case before the Insurance Tribunal in accordance with the provisions of Insurance Ordinance XXXIX of 2000. This shall be a condition precedent to any legal proceedings to be resorted to by either party.
9. The due observance and fulfillment of the terms, conditions and endorsements of this Policy in so far as 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 condition precedent to the Participant being indemnified under this Policy.
10. For the best interest of the "Participant Takaful Fund" (PTF), the contribution ratio for the next renewal may be increase in the event of claim(s) during the policy period. The ratio of which would depend upon the Company's discretion.

TAKAFUL OPERATOR FEES

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

INVESTMENT MANAGEMENT SHARE

The Company shall act as a Mudarib or Wakeel for the purpose of managing the investment of the participant's Contribution. As such, the Company stands entitled to a Mudarib share or Wakalatul Istismar fee in the investment income subject to approval by the Shariah Advisory Board.

SURPLUS DISTRIBUTION

- Operator may hold a portion of the surplus
- As a contingency reserve (over and above the technical provisions)
 - For charity
 - The rest of the surplus may be distributed to participants in proportion to the contributions to the PTF net of any risk related claims, which they may have received during the undervaluation period.

IMPORTANT

The Participants 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 company for correction.



**PAK-QATAR
GENERAL TAKAFUL**

COMMERCIAL VEHICLES TAKAFUL Participant's Membership Document

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This document may be called **Participant's Membership Document** (hereinafter referred to interchangeably as "scheme" or "policy") as defined in the Takaful Rules, 2005.

COMMERCIAL VEHICLES TAKAFUL

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 Pak Qatar General Takaful Limited (hereinafter called the 'Company').
- 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 Company unless a printed form of receipt for the same, signed by an authorized official of the Company, 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 Witnessed that subject to the Terms, Conditions) and Exceptions contained herein or endorsed or otherwise expressed hereon:

SECTION I - LOSS OR DAMAGE

1. The Participant shall be indemnified against loss of or damage to the Motor Vehicle and/or its accessories whilst thereon by:
 - (a) Accidental external means,
 - (b) Fire, external explosion, self-ignition or lightning 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 transit by air, road, rail, inland waterway, lift or elevator.
2. No payment will be due in respect of:
 - (a) consequential loss, depreciation, wear and tear, mechanical or electrical break-down, failure or breakage nor for damage caused by overloading or strain nor for the loss of or damage to accessories by burglary, house-breaking or theft unless such motor vehicle is stolen at the same time, or
 - (b) Damage to tyres and battery, unless the Motor Vehicle is damaged at the same time when the coverage is limited to 50 percent of the cost of such replacement.
3. In the event of the Motor Vehicle being disabled 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 repairer(s) and of redelivery to the Participant but not exceeding Rs. 500/- in all, in respect of any one accident.
4. The Participant may authorize the repair(s) of the Motor Vehicle necessitated by damage for which the coverage has been granted under this Policy provided that:
 - (a) the estimated cost of such repair(s) does not exceed Rs. 1,000/-,
 - (b) the Company is furnished forthwith with a detailed estimate of the cost, and
 - (c) the Participant shall give the Company every assistance to see that such repair is necessary and the charges are 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 Vehicle, against all sums including claimant's cost and expenses which the Participant shall become legally liable to pay in respect of:
 - i. death of or bodily injury to any person caused by or arising out of the use (including the loading and/or unloading) of the Motor Vehicle
 - ii. damage to property caused by the use (including the loading and/or unloading) of the Motor Vehicle

Provided always that:

- (a) No payment will be due in respect of death, injury or damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the bringing of the load to the Motor Vehicle for loading thereon or the taking away of the load from the Motor Vehicle after unloading there from.
 - (b) Except so far as is necessary to meet the requirements of Section 95 of the Motor Vehicles Act, 1939, no payment will be due in respect of death of or bodily injury to any person in the employment of the Participant arising out of and in the course of such employment.
 - (c) Except so far as is necessary to meet the requirements of Section 95 of the Motor Vehicles Act, 1939, in relation to liability under the Workmen's Compensation Act, 1923, no payment will be due in respect of death of or bodily injury to any person (other than a passenger-carried by reason of or in pursuance of a contract of employment) being carried in or upon or entering or mounting or alighting from the Motor Vehicle at the time of the occurrence of the event out of which any claim arises.
 - (d) No payment will be due in respect of damage to property belonging to or held in trust by or in the custody or control of the Participant or a member of the Participant's household or being conveyed by the Motor Vehicle.
 - (e) No payment will be due in respect of damage to any bridge and/or weigh bridge and/or viaduct and/or to any road and/or anything beneath by vibration or by the weight of the Motor Vehicle and/or load carried by the Motor Vehicle.
 - (f) No payment will be due in respect of damage to property caused by sparks or ashes from the Motor Vehicle.
 - (g) No payment will be due in respect of death or bodily injury caused by or arising out of the explosion of the Motor Vehicle unless such death or injury is caused by or arises out of the use of the Motor Vehicle in a public place in Pakistan within the meaning of the Motor Vehicles Act, 1939.
2. All costs and expenses shall be paid, provided that the same are incurred with the written consent of the company.
 3. In terms of and subject to limitations of the indemnity which is granted by this Section to the Participant, the Participant's driver who is driving the Motor Vehicle 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 Takaful or insurance policy,
 - (b) Shall, as though he were the Participant, observe, fulfill and be subject to the terms, exceptions and conditions of this Policy in so far as they can apply.
 4. The Company may, at its own option;
 - (a) arrange for representation at any inquest or fatal injury in respect of any death which may be the subject of indemnity under this Section and

- (b) Undertake the defense of proceedings in any Court of Law in respect of any act or alleged offence causing or relating to any event which may be the subject of indemnity under this Section.
5. 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.

SECTION III - TOWING DISABLED VEHICLES

This Policy shall be operative whilst the Motor Vehicle is being used for the purpose of towing any one disabled mechanically propelled vehicle and the indemnity provided by Section II of this Policy shall, subject to its terms and limitations, be extended to apply in respect of liability in connection with such towed vehicle.

Provided always that:

- (a) Such towed vehicle is not towed for reward.
- (b) No payment shall be made by reason of this Section of this Policy in respect of damage to such towed vehicle or property being conveyed thereby.

AVOIDANCE OF CERTAIN TERMS AND RIGHTS 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 provisions of the Motor Vehicles 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.

APPLICATION OF LIMITS OF INDEMNITY

In the event of any accident involving indemnity to more than one person any limitation by the terms of this Policy and/or of any Endorsement hereon 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 Vehicle 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 as described in the schedule, or
 - (b) being driven by any person other than a driver as described in the said schedule
- (4) (a) any accident, loss or damage to any property whatsoever, or any loss or expenses whatsoever resulting or arising there from or any consequential loss,
(b) any Liability of whatsoever nature, directly or indirectly caused by or contributed to or arising from ionizing, radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purposes of this exception, combustion shall include any self-sustaining process of nuclear fission,
- (5) Any accident, loss or damage or liability directly or indirectly caused by or contributed to or arising from nuclear weapons material.
- (6) Any accident, loss, damage and/or liability caused, sustained or incurred after any variation in termination of the Participant's interest in the Commercial Vehicle.

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 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 proportions 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 directed 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 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 occurrence or any consequence 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 any 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 Company 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 Company shall require. Every letter, claim, writ, summons and/or processes shall be forwarded to the Company immediately on receipt by the Participant. Notice shall also be given in writing to the Company immediately the Participant shall have knowledge of any impending prosecution, Inquest or Fatal Inquiry in respect of any occurrence which may give rise to a claim under this Policy. In case of theft or other criminal act which may be the subject of a claim under this Policy, the Participant shall give immediate notice to the Police and co-operate with the Company 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 Company, which shall be entitled if it so desires, to take over and conduct in the name of the Participant, the defense 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 Company may require.
3. 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 Company may relinquish the conduct of any defense, settlement or proceedings and the Participant shall not be indemnified for any damage alleged to have been caused to the Participant in consequence of any alleged action or omission of the Company in connection with such defense settlement or proceedings or of the Company relinquishing such conduct, nor shall any costs or expenses whatsoever incurred by the Participant or any claimant or other person will be paid after the Company shall have relinquished such conduct.
4. The Company may, at its own option, arrange to repair, reinstate or replace the Motor Vehicle or part thereof and/or its accessories or pay in cash the amount of the loss or damage. However, such amount of the Company shall not exceed the actual value of the parts damaged or lost plus the