



LOSS OF EMPLOYMENT INDEMNITY POLICY

*This document may be called "Participant's Membership Document" (PMD)
(Hereinafter referred to interchangeably as "contract", or "Scheme")*

Preamble:

This is to acknowledge that the applicant (hereinafter called the 'Participant'), as more fully described in the schedule hereto:

1. Is accepted as a member of the Participants' Takaful Fund/Waqf Fund (hereinafter called the 'Fund') operated by Salaam Takaful Limited (hereinafter called the 'Company').
2. 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 PMD, in accordance with the governing rules of the Fund which include the Waqf Deed, Waqf Rules and Takaful Rules 2012.
3. 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:

1. 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.
2. Notwithstanding anything above, cover under this PMD shall not commence until the Contribution, as stated in the schedule hereof, has been paid.

1. POLICY SCHEDULE CLAUSE:

Whereas, the company, having received an Application Form and the Contribution leading to the issue of this Schedule to the Participant, agrees, subject to the terms, conditions and exclusions of this Schedule and on proof to the satisfaction of the Company of the compensation becoming payable to the title of the Participant , to indemnify the participant as described under different sections hereunder but not exceeding the Sum covered specified for the specific section in the Schedule and subject to applicable deductible excess.

1.1 Definitions

The terms used in the Plan shall have the following meaning unless specifically stated:

(1) Claim

shall mean the receipt by the Participant of any written or verbal notice of demand for compensation.

(2) Limit of Indemnity

Shall mean the limit of liability under this PMD as specified in the Schedule.

(3) Period of Cover

Shall mean the period specified in the Schedule.

(4) Date of the Event

Shall mean the date of termination on or after the Commencement Date and during the period of cover.

(5) Eligibility Date

Shall mean the date that a Participant is Eligible to join the Plan, i.e becoming a confirmed employee after probation has ended.

(6) Expiry Date

Shall mean the end of the Period of Cover shown in the Plan Schedule on which the Plan terminates and or when the eligible claim has been paid of entirely, whichever comes first.

(7) Loss of Employment

Shall mean Unemployment of the Participant arising out of the unilateral decision of the employer to terminate his/ her employment contract for any reason other than those mentioned under Exclusions.

(8) Participant

Shall mean any person who is an active member of ICAP who is a Chartered Accountant during the Period of Cover.

(9) Period of Cover

Shall mean the period specified in the Schedule.

(10) PMD

shall mean:

- (a) The Schedule, Takaful Clauses, Extensions, Conditions, Definitions, Exclusions and other terms contained herein; and
- (b) Any endorsement attaching to and forming part of this PMD either at inception or during the Period of Cover; and
- (c) The Proposal.

(11) Contribution

Shall mean the contribution specified in the Schedule or in any endorsement to the Schedule.

(12) Proposal

Shall mean the written proposal made by the Participant to TAKAFUL PAKISTAN containing particulars and statements which, together with other information provided by the Participant, are the basis of this PMD and are considered as incorporated herein.

(13) Schedule

Shall mean the schedule to this PMD.

(14) Re-Employment

Shall mean accepting and starting work for a new employer or the same employer under a new employment contract during the period when Involuntary Loss of Employment (ILOE) benefit is being paid.

Shari'ah Principles

Shall mean Islamic law as per relevant interpretation by the Shari'ah Advisor of the Operator.

(15) Operator

Refers to Salaam Takaful Limited.

(16) Continuous employment:

The phrase continuous employment in this PMD refers to the member having 6 months of continuous employment with the employer declared at the time of taking out the policy or subsequently notified of a change in employer, if any.

(17) Disability

Shall mean a physical or mental condition that limits a person's movements, senses, or activities.

(18) Date of Event

Shall mean date of resignation or unemployment notified to participant by employer by way of issuance of formal notification in writing.

1.2 SCOPE OF COVER

If a Participant becomes unemployed due to Involuntary Loss of Employment (ILOE) as defined in this Schedule, from a cause not specifically excluded under this Schedule, on or after the Commencement Date and on or before the benefit Expiry Date, the Operator will pay to the Participant an amount as per the limits and up to the number of months as specified in the Schedule subject to other terms and conditions as defined herein.

1.3 ELIGIBILITY CRITERIA and CONDITIONS:

To report a claim under this Benefit, the Participant must meet the following conditions:

- (a) Being unemployed as a consequence of redundancy or dismissal.

(b) The Individual shall qualify for a new claim only in the event that he has been accepted as a participant under a new policy, before which they must be under continuous employment.

(c) The eligibility to LOE depends on conditions as mentioned below on point 2.1 that have to be met on the claim date, irrespective of what the designation of the Participant was when he applied for the policy.

1.4 TERMINATION OF BENEFIT:

The benefit payment terminates at the earliest of the following:

(a) When the maximum number of monthly benefit payment term as mentioned in the Schedule has been reached.

(b) When the Participant resumes work (even if it is only a part-time work) or procures Re-Employment, Self- Employment, private practice or consultancy undertaken or assumed after loss notification or whilst during the monthly benefit payment term.

1.5 EXCLUSIONS APPLICABLE FOR INVOLUNTARY LOSS OF EMPLOYMENT BENEFITS

No Protection Benefits under this Schedule shall be payable in respect of Participant where the event giving rise to a claim under this Schedule occurs directly or indirectly from any of the following causes;

(a) Nationalization and Privatization of National Interests.

(b) Professional Misconduct.

(c) Unemployment due to any of the following; Criminal Conviction; Fraud, Covered Member being under the influence of alcohol or drugs; Sexual Harassment; Bullying; threat making,

(d) Where the Participant was aware of pending unemployment on or before the Plan/Policy Commencement Date.

(e) Unemployment due to voluntary or involuntary retirement until or unless covered under extension of this policy or specifically mentioned in the schedule attached hereto.

(f) Death, Disability, Sickness or Accident or any other medical reasons (mental and/or physical).

- (g) Employees who have not been continuously employed with the same employer for a minimum of 6 months or employees who are on probation or Self-employed persons.
- (h) Members who are on contractual agreement for up to 2 years.
- (i) Where the Participant has neither been terminated nor become redundant, but his/her salary or allowances is being withheld in part or in full for any reason.
- (j) Claims intimated after the loss notification period mentioned in the schedule.
- (k) Loss of Employment which starts within 90 days of the risk Commencement Date for the Participant.
- (l) Where a contributing or resulting cause was a natural catastrophic peril Earthquake, volcanic eruption, typhoon, hurricane, tornado, cyclone or other atmospheric disturbance, war or warlike event; nuclear reaction, nuclear radiation or radioactive contamination, Internationally and locally recognized epidemics and endemics (including COVID-19).
- (m) Employees aged 55 and above will be considered ineligible for this policy.

2.0 CLAIMS:

Subject to the terms, conditions, and exclusions, If a Participant gets unemployed prior to the Expiry Date and whilst the Policy is in force and valid, the benefits detailed in the Schedule may become payable to the Participant provided always that:

- (a) Written notice of claim should be given to the Operator (Salaam Takaful Limited), within 10 working days after the Date of Resignation, otherwise exempt only at the discretion of the Operator. Failure to furnish notice of Termination or Resignation to the Operator within the above time limit shall not invalidate the claim if it shall be shown not to have been reasonably possible to give such notice within the time limit and that notice was given as soon as was reasonably possible.
- (b) The Operator has received satisfactory written proof of the validity of the claim.
- (c) After the investigation, admission of liability and approval of the claim, and the waiting period completion of **90 days** from the Date of Event, the Participant would be indemnified for the monthly benefit specified on the Schedule on monthly basis payable at the last day of each month.
- (d) This indemnity of the policy would be applicable only for a tenure of 3 months.

2.1 CONDITION PRECEDENT TO LIABILITY

- (a) Loss notification immediate but no later than 10 working days from Date of Event.
- (b) The limit of indemnity would be up to the amount of actual gross salary package or the sum covered, whichever is lesser.

3. NOTIFICATION OF CHANGE IN REMUNERATION

The Participant may inform Salaam Takaful Limited for any increment in Salary during the policy period and pay additional contribution to avail increase in Benefit Limit subject always to the maximum indemnity applicable.

4. CANCELATION

This Policy may at any time be terminated at the option of the Company, on 14 days' notice to that effect being given to the Participant at his last known address. In that case, the Participant shall be given an amount equivalent to a rateable proportion of the contribution for the unexpired Period of Policy from the date of such cancellation. This Policy may also be terminated at any time at the request of the Participant, in which case the Participant will be paid an amount equivalent to the actual contribution made initially by him/her, less the amount worked as per the following scale applicable to the period during which the policy has been in force:

Period not exceeding	Short period-rates as Percentage of Annual Contribution
1 month	20%
1½ months	25%
2 months	30%
3 months	40%
4 months	50%
5 months	60%
6 months	70%
7 months	75%
8 months	80%
9 months	85%
Over 9 months	Full annual Contribution

5. TAKAFUL OPERATOR'S FEE

The Company shall deduct Takaful Operator's fee as per defined proportion approved by the Shariah Advisor out of the Contribution received under this PMD. Such fee shall be based on the Wakala principle since the Company hereby acts as a Wakeel of the Participants Takaful Fund.

The Wakala fee shall be credited to the Operator Fund and remaining portion shall be remained credited in the PTF. The rate of Wakala fee shall be approved by the Shariah Advisor.

6. INVESTMENT MANAGEMENT SHARE

The Company shall act as a Mudarib for the purpose of managing the investment of the Participant Takaful Fund. As such, the Company stands entitled to a share in the investment income thereof as Mudarib. The rate of Mudarib share shall be approved by the Shariah Advisor and shall be stated on the company's website.

7. SEGREGATION OF CONTRIBUTIONS AND FUNDS

The Contribution recognized under this PMD, net of any Government levy, shall be credited to the Participant Takaful Fund.

All Contribution 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.

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.

All assets, liabilities, income and expenditures of the Operator which do not relate to a Participant Takaful Fund shall be deemed to be part of the Operator's Fund.

8. SURPLUS DISTRIBUTION

In case a surplus is obtained, it may become distributable in a manner deemed fit by the Management and the Shariah Advisor of the company in accordance with Takaful Rules 2012, for the betterment of the Waqf.

9. UNDERTAKING FOR SUBROGATION

The participant hereby irrevocably and unconditionally authorizes Salaam Takaful Limited 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 upon being indemnified by Salaam Takaful Limited from the Participant Takaful Fund as per the Waqf Deed and the Waqf Rules, and further undertakes to sign all necessary documents in this regard.

IMPORTANT:

The Participant should, in his own interest, examine this PMD to ascertain whether it is in accordance with his specific requirements and is correctly described. If any error or misdescription is found, the same should immediately be intimated to the Company for amendment.