

MINUTES OF THE 123RD BOARD MEETING

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	ISLAMABAD	15.6.1995	12:00

The One hundred and twenty third (123rd) meeting of the Board of Directors of State Life Insurance Corporation of Pakistan was held on 15th June, 1995 at the Chairman State Life's Camp Office Islamabad.

PRESENT

1. Mr. M. Zaheer Khan, Chairman
2. Mr. Nazar Abbas, Director
3. Mr. M. Javed Ashraf Hussain, Executive Director
4. Mr. M. Hafeez Malik, Executive Director
5. Mr. Shah Nawaz Khan, G.M. (PHS) by invitation
6. Mr. S. Gulrez Yazdani, Secretary Board

2. The meeting commenced with the recitation from the Holy Quran.

ITEM NO. 1 Confirmation of the Minutes of 122nd meeting of the Board of Directors.

3. The Additional Secretary Ministry of Commerce observed that the words "by special invitation" appearing against his name under the heading "Present" in para 1 of the minutes of the 122nd meeting of the Board of Directors be deleted as the meeting was attended by him as a nominee of Ministry of Commerce.

4. Accordingly it was decided that the words "by special invitation" appearing against the name of Additional Secretary Ministry of Commerce in paragraph 1 of the minutes be deleted. With these observations and amendments in the minutes of 122nd meeting of the Board of Directors held at Lahore on 11.4.1995 the minutes as placed before the Board were confirmed and the Board resolved as under:

RESOLVED

"that the minutes of 122nd meeting of the Board of Directors as amended be and are hereby confirmed."

ITEM NO.2 Setting up of an Asset Management Company and Flotation of Open-end Mutual Funds
G.M. (Investment)'s Memorandum dated 11.6.1995 ✓

5. G.M. (Investment) explained to the Board of Directors in detail the rationale for establishment of State Life's sponsored Asset Management Company and for launching of an Open-end Mutual Fund which ultimately is intended to be used as a medium for introduction of unit linked insurance products. The General Manager impressed upon and informed the Board of Directors regarding the urgency in taking a decision on the establishment of the Asset Management Company as the Corporate Law Authority (CLA) has informally indicated that the Authority intends to allow establishment of a very limited number of Open-end Mutual Funds.

CHAIRMAN
INITIALS



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6. The idea and concept of establishment of a State Life Sponsored Asset Management Company for flotation of Open-end Mutual Fund was regarded as a good initiative and proposal on behalf of State Life, the concept was also fully endorsed by all the members of the Board. However, the nominee director of Ministry of Commerce observed that the mandate of State Life and the process and basis on which M/s. Beg Associates have been taken as partners in the initiative be incorporated in the working paper which may be submitted to the next meeting of the Board of Directors. It was observed also that Ministry may be consulted but simultaneously it was viewed that State Life has the requisite expertise and competence to take a decision in this regard.

7. It was also indicated that the concerned documentation regarding the regulatory frame-work issued by the CLA for Asset Management Companies may also be attached and the comprehensive redrafted proposal be presented before the next meeting of the Board. The Board of Directors was informed by the GM (Investment) that initial formal contacts have already been made on the subject with the CLA, Registrar of firms and that the search for foreign fund managers of International standing for a possible cooperation have also been initiated.

8. The Board of Directors advised that the process and the initiative being taken in this regard may be continued and while allowing clearance in concept of the proposal, advised that a detailed paper be submitted for final clearance to the Board of Directors at its next meeting. Accordingly the Board after detailed discussion resolved as under:

RESOLVED

1. "A detailed working paper including information on the local associates be submitted to the next meeting of the Board of Directors."
2. "That the preliminary legal and documentation process initiated by the Corporation may continue in the meantime"

Action: G.M. (Investment)

ITEM NO.3 Distribution of Income of the Employees'
Contributory Provident Fund for 1994
G.M. (B&A)'s Memorandum dated Nil

9. The memorandum before the Board of Directors was also submitted to the 122nd meeting of the Board but was withdrawn as being not relevant to the Board. The memorandum after review was resubmitted to the Board of Directors in terms of Regulation 11 of CPF Regulations 1975 wherein the Corporation has to pay interest annually on the amount standing to the credit of each member.

CHAIRMAN'S
INITIALS

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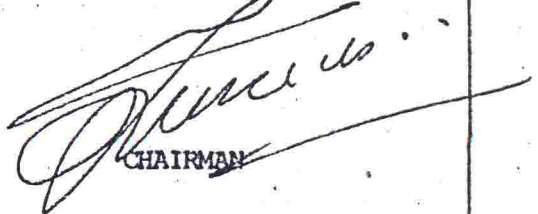
10. The Board of Directors was required to approve the rate of interests which meant that the decision already taken by the Executive Committee through circulation was required to be ratified by the Board. The Board of Directors considering the memorandum agreed with the proposal and approved the distribution of income to members of the fund @ 18% on their average monthly balances. The Board on the issue resolved as under:

RESOLVED

"Distribution of income to members of the fund @ 18% on their average monthly balances is hereby approved."

Action: GM (B&A)

11. The meeting ended with a vote of thanks to the Chair.


CHAIRMAN

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