



MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	26,27 AND 28 <sup>TH</sup> JULY, 1999	

ITEM 3. RATIFICATION OF APPROVAL OF MINIMUM INSTALLMENT THROUGH CIRCULATION BY BOARD ON 04-05-1999.

7. The Secretary Board presented before the Board for ratification the memorandum of ED(S&D) regarding minimum installment approved by the Board through circulation on 4-5-1999.

8. Accordingly, the Board resolved as under:

RESOLVED

(i) "that the memorandum of ED(S&D) regarding fixing of minimum premium installment at Rs.1,250/- w.e.f. 1-5-1999 approved by the Board through circulation on 4-5-1999 be and was hereby ratified."

(ii) "that the minimum premium be progressively increased by Rs.250/- at the beginning of each year so as to reach Rs.2,500/- within the next 3-5 years."

ITEM 4. RATIFICATION OF APPROVAL OF APPOINTMENT OF STATUTORY AUDITORS FOR STATE LIFE U.A.E. OFFICE INCLUDING KUWAIT AND SAUDI ARABIA FOR THE YEAR 1998 THROUGH CIRCULATION BY THE BOARD ON 04-03-1999.

9. The Secretary Board presented before the Board for ratification the memorandum of ED(B&A) regarding appointment of statutory auditors for State Life U.A.E. Office including Kuwait and Saudi Arabia for the year 1998 approved by the Board through circulation on 4-3-1999.

10. Accordingly, the Board resolved as under:

RESOLVED

"that the memorandum of ED(B&A) regarding appointment of M/s. KPMG a well renowned international firm with corresponding offices in Pakistan as Statutory Auditors for State Life UAE Office including Kuwait and Saudi Arabia for the year 1998 in place of M/s. Sajjad Haider & Co. at a revised fee quoted by them i.e. DM 35,000/- with the condition that audit of accounts for the year 1998 would be completed ensuring submission of relevant returns to UAE authorities by 30<sup>th</sup> April 1998, approved by the Board through circulation on 4-3-1999 be and was hereby ratified."

✓ ITEM 5. RATIFICATION OF APPROVAL OF POWER OF ATTORNEY TO THE CHAIRMAN AND REVOCATION OF POWERS OF ATTORNEY EXECUTED IN FAVOUR OF VARIOUS EX-CHAIRMEN AND EX-EXECUTIVE DIRECTORS AND CURRENT EXECUTIVE DIRECTORS THROUGH CIRCULATION BY THE BOARD ON 30-04-1999.

11. The Secretary Board presented before the Board for ratification the memorandum of ED(Law) regarding approval of revised powers of attorney to the Chairman and revocation of powers of attorney executed in favour of various Ex-Chairmen and Ex-Executive Directors and current Executive Directors approved by the board through circulation on 30-4-1999.

CHAIRMAN  
INITIAL



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MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

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12. Accordingly, the Board resolved as under:

**RESOLVED**

(i) "that the memorandum of ED(Law) regarding approval of powers of attorney to the Chairman and revocation of powers of attorney executed in favour of various ex-Chairmen and ex-Executive Directors and current Executive Directors approved by the Board through circulation on 30-04-1999 be and was hereby ratified."

Action: ED(Law)

(ii) "that since the general power of attorney to the Executive Directors approved by the Board in its 139<sup>th</sup> meeting held 30<sup>th</sup> June 1998 was not based on functions allocated to the Executive Directors, the Board decided to revoke the same."

Action: ED(Law)

(iii) "that all power of Attorneys executed in favour of various ex-Chairmen and ex-Executive Directors of the Corporation from time to time including those executed in favour of current Executive Directors be and were hereby revoked and necessary revocation/deeds should be executed. Mr. Rasool Bakhsh, Executive Director and Mr. Muhammad Latif, Executive Director were hereby authorized to execute the revocation/deed/deeds on behalf of the Corporation."

Action: ED(Law)

(iv) "that the Chairman/Board as and when need arises shall delegate and execute such sub-power of Attorney/Power of Attorney in favour of any or all of the Executive Directors."

Action: ED(Law)

(v) "that the Chairman shall exercise all powers conferred on him vide Annexure "A", notwithstanding that in the past, such matters were decided by the Board of Directors/Executive Committee. In case of any contradiction, the Chairman may take appropriate decisions in the matter."

Action: ED(Law)

(vi) "that the resolution passed by the Board of Directors in its 141<sup>st</sup> meeting held on 26-9-1998 be and was hereby amended in the manner that the addition approved to be made in Regulation 6(2), be not made and be deemed to be deleted."

Action: ED(Law)

(vii) "that the following be added after full stop in Regulation No.6(1)(A).

Action: ED(Law)

"if the office of the Chairman falls vacant for whatsoever reason, the senior most Executive Director shall exercise the same powers as that of the Chairman till the new Chairman takes over."

(viii) "that the following clause 28 be added in Annexure "A".

Action: ED(Law)

"that subject to the provision of the order, the rules and regulations framed thereunder, to do all acts, deeds and things which may be necessary in the opinion of the Chairman to facilitate the smooth and efficient conduct of the business of the Corporation."

Action: ED(Law)

(ix) "that the ED(Law) be and was hereby authorized to send the above proposed amendment in the State Life Insurance Corporation (General) Regulations 1972 for the approval of the Federal Government as required under Article 49 of the Life Insurance (Nationalization) Order 1972."

CHAIRMAN'S  
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**ITEM 6.** RATIFICATION OF APPROVAL OF (1) POWER OF ATTORNEY TO THE CHAIRMAN AND (2) AUTHORIZATION OF MR. J.M. PEREIRA, EXECUTIVE DIRECTOR, TO EXECUTE PROXIES AND ATTEND AND REPRESENT THE CORPORATION AT ANY MEETING IN WHICH STATE LIFE MAY BE INTERESTED AS SHAREHOLDERS PASSED BY WAY OF CIRCULATION BY THE BOARD ON 25-5-1999.

13. The Secretary Board presented before the Board for ratification the memorandum of ED(P&GS) regarding approval of power of attorney to the Chairman and authorization of Mr.J.M. Pereira, Executive Director, to execute proxies and attend and represent the Corporation at any meeting in which State Life may be interested as shareholders passed by way of circulation by the board on 25-5-1999.

14. Accordingly, the Board resolved as under:

**RESOLVED**

(i) "that since proposed notification regarding power of Attorney to the Chairman sent to the Ministry of Commerce for approval of the Federal Government would take considerable time, for smooth and efficient conduct of the business of the Corporation, the issuance of General power of Attorney to Dr. Najeeb Samie, Chairman State Life w.e.f 16<sup>th</sup> November 1998 as per Annexure 'A' be and was hereby approved".

(ii) "that the power of Attorney be executed by Mr. Rasool Bakhsh Baloch, Executive Director and Mr. Muhammad Latif, Executive Director and common seal of the Corporation be affixed in their presence."

(iii) "that Mr.J.M. Pereira, Executive Director, be and was hereby authorized by the Corporation to attend and represent the Corporation at any meeting of the creditor or of any debtors and at the meetings of all joint stock companies, Corporations and other statutory bodies in which the Corporation, jointly or severally, may be interested as a shareholder, TFC-holder, Debentureholder or Director, to give vote on Corporation's behalf and to appoint proxy or letter or instrument of appointment and to do all the other things and acts at such meetings on Corporation's behalf and to exercise for the Corporation and in its behalf all rights and privileges and perform all duties which now or hereafter may pertain to the Corporation as holder of shares and/or stocks or debentures or TFCs or as otherwise interested in any company or Corporation."

**ITEM 7.** RATIFICATION OF APPROVAL THROUGH CIRCULATION BY THE BOARD OF REQUEST OF THE OFFICERS OF STATE LIFE INSURANCE CORPORATION FOR PAYMENT OF ONE MONTH'S BASIC PAY TOWARDS BONUS ON ACCOUNT OF EID-UL-AZHA ON 26-03-1999.

15. The Secretary Board presented before the Board for ratification the memorandum of ED(P&GS) regarding the request of the officers of State Life Insurance Corporation for payment of one month's basic pay towards bonus for the years 1996 and 1997 on account of Eid-Ul-Azha through circulation by the Board on 26-03-1999.

Action:  
ED(P&GS)/ED(Law)

Action:  
ED(P&GS)/ED(Law)

Action:  
ED(P&GS)/ED(Law)


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INITIALS







**MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS MINUTE BOOK	HELD AT KARACHI	ON 26,27 AND 28 <sup>TH</sup> JULY, 1999	TIME
<p>Action: ED(P&amp;CS)</p> <p>Action: ED(Int'l)</p> <p>Action: ED(Int'l)/ED(Act)</p> <p>Action: ED(Act)</p> <p>Action: ED(Int'l)/ED(B&amp;A)</p>	<p>20. Accordingly, it was resolved as under:</p> <p><b>RESOLVED</b> "that the memorandum of ED(P&amp;CS) regarding approval of rationalization of salaries of overseas employees passed by the Board through circulation on 22-06-1999 be and was hereby ratified as per Annexure 'B'".</p> <p>✓ <b>ITEM 10. RATIFICATION OF APPROVAL OF RE-LAUNCHING OF U.K. OPERATIONS THROUGH CIRCULATION BY THE BOARD ON 02-06-1999.</b></p> <p>21. The Secretary Board presented before the Board the memorandum of ED(Int'l) regarding re-launching of U.K. operations approved by the Board through circulation on 2-6-1999.</p> <p>22. Accordingly, the Board resolved as under:</p> <p><b>RESOLVED</b></p> <p>(i) "that the memorandum of ED(Int'l) regarding approval of re-launching of U.K. operations approved by the Board through circulation on 2-6-1999 be and was hereby ratified."</p> <p>(ii) "that appointment of a well known U.K. Consulting Actuary firm approved by Principal Office/GM(Act.)/Mr. Samee-ul-Hasan at a professional fee of about Pound Sterling 15,000 approved by the Board through circulation on 2-6-1999 be and was hereby ratified who would prepare a business plan and prepare a projection of the business of the Life Insurance short-term plan for duration of 3 to 5 years and a long range plan for 10 to 15 years to cater to the requirement of Financial Services Authority of U.K. for re-launch of operations. The business plans would indicate the staff requirement, the computer supporting systems, the plan of Life Insurance to be marketed, reinsurance arrangements, sources of business e.g. (insurance brokers, agents, own employees or direct selling) with approximate percentage expected from each source, office space, training of agents, estimated cost and financial resources to cover these costs, forecasted balance sheets and income statements."</p> <p>(iii) "that business plan and insurance plan prepared by the appointed Actuary mentioned above would be submitted to the Board of Directors for approval."</p> <p>(iv) "that funds could be utilized from excess of available assets minus liabilities and supplementary expense reserve of U.K. office which works out to Pound Sterling 318,000 and Pound Sterling 841,000 respectively for the re-launch operations."</p> <p><b>ITEM 11. RATIFICATION OF APPROVAL OF INCREASE IN AUTHORIZED AND PAID-UP CAPITAL OF THE CORPORATION THROUGH CIRCULATION BY THE BOARD ON 22-06-1999.</b></p> <p>23. The Secretary Board presented before the Board for ratification the memorandum of ED(B&amp;A) regarding approval of increase in Authorized and Paid-Up Capital of the Corporation approved by the Board through circulation on 22-06-1999.</p>		<p>CHAIRMAN'S INITIALS</p> <p>✓</p> 



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24. Accordingly, the Board resolved as under:

**RESOLVED**

(i) "that the memorandum of ED(B&A) for approval of increase in Authorized and Paid-Up Capital of the Corporation approved by the Board through circulation on 22-6-1999 be and was hereby ratified."

(ii) "that Authorized Capital of the Corporation be and was hereby increased from Rs.200 million to Rs.1000 million."

(iii) "that Paid-up Capital of the Corporation be and was hereby increased from Rs.100 million to Rs.350 million."

(iv) "that share certificates of Rs.250 million be issued to the Federal Government."

(v) "that the Federal Government be requested to notify the increase in the authorized and paid-up capital of the Corporation in the Official Gazette."

**ITEM 12. RATIFICATION OF APPROVAL OF REVIEW OF PROMOTION CRITERIA FOR OFFICERS THROUGH CIRCULATION BY THE BOARD ON 22-061999.**

25. The Secretary Board presented before the Board for ratification the memorandum of ED(P&GS) regarding approval of review of promotion criteria for officers approved by the Board through circulation on 22-061999.

26. Accordingly, the Board resolved as under:

**RESOLVED**

"that the memorandum of ED(P&GS) for approval of revised promotion criteria for officers approved by the Board through circulation on 22-061999 be and was hereby ratified as follows:-

**1. ACR Total Marks 50**

1. Last 10 years ACR's would form the basis
2. The formula of average would be the same as applied by the Federal Government.
3. For eligibility to be considered for promotion, there should be no adverse remarks in the ACRs of the officer for the last 3 years

**2. Seniority Total Marks 25**

The officers upto three times the number of vacancies would be considered as eligible. However, if the suitable officer was not available from amongst three times the number of vacancies, the committee could go down further in seniority list for selection of the right officer.

Action:  
ED(B&A)

Action:  
ED(B&A)

Action:  
ED(B&A)

Action:  
ED(B&A) ED(GM) (5)

Action:  
ED(B&A)

Action:  
ED(P&GS)

CHAIRMAN'S  
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MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

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<p>3. Qualification Total Marks 10 -</p> <table border="0"> <tr> <td>3 Academics</td> <td>05</td> <td>a) Academic Qualification</td> <td>Max Marks 5</td> </tr> <tr> <td>4 Professional (Life Insurance)</td> <td>05</td> <td>Matric</td> <td>1</td> </tr> <tr> <td></td> <td></td> <td>Intermediate, FA, ICom, A Level</td> <td>2</td> </tr> <tr> <td></td> <td></td> <td>B.A., B.Sc., B.Com, BBA</td> <td>3</td> </tr> <tr> <td></td> <td></td> <td>BCs, LLB, B.Sc (Engg.)</td> <td></td> </tr> <tr> <td></td> <td></td> <td>BE Computer (System)</td> <td>4</td> </tr> <tr> <td></td> <td></td> <td>M.A., M.B.A., M.Sc., LL.M.,</td> <td></td> </tr> <tr> <td></td> <td></td> <td>M.Com., M.Cs, MBBS</td> <td>5</td> </tr> <tr> <td></td> <td></td> <td>b) Life Ins. Professional Qualification</td> <td>5</td> </tr> <tr> <td></td> <td></td> <td>Agents Development Programme (ADP), ACS</td> <td>2</td> </tr> <tr> <td></td> <td></td> <td>Management Orientation Programmes (MOP)</td> <td>2</td> </tr> <tr> <td></td> <td></td> <td>Study Courses in Agency Management (SCAM)</td> <td>2</td> </tr> <tr> <td></td> <td></td> <td>Marketing Management Services (MMS)</td> <td></td> </tr> <tr> <td></td> <td></td> <td>CA Inter, ICMA Part III</td> <td>2</td> </tr> <tr> <td></td> <td></td> <td>Chartered Life Underwriters</td> <td></td> </tr> <tr> <td></td> <td></td> <td>FLMI, ACIL, ASA/AIA</td> <td>4</td> </tr> <tr> <td></td> <td></td> <td>ACMA, ACA</td> <td>4</td> </tr> <tr> <td></td> <td></td> <td>FCMA, FCA, FIA, FSA, FCII</td> <td>5</td> </tr> </table> <p>4. Interview/suitability Total Marks 15</p> <p>Grand Total 100 Marks</p> <p>5. Formation of Committees</p> <p>a) For Promotion of DGM to GM, GM to Executive Directors</p> <p><u>Step 1</u> Board of Directors</p> <p><u>Step 2</u> Promotion Committee would comprise of Secretary Commerce as Chairman, Additional/Joint Secretary and Chairman, State Life. The Committee would, however, be constituted by Ministry of Commerce.</p> <p>b) From Dy. Manager to Manager, Manager to AGM and AGM to DGM The Committee would consists of Senior most Executive Director as Convenor and other Executive Directors as Members. The Committee would consult the concerned Divisional Heads wherever necessary. Divisional Head P&amp;GS would act as Secretary to the Committee.</p>				3 Academics	05	a) Academic Qualification	Max Marks 5	4 Professional (Life Insurance)	05	Matric	1			Intermediate, FA, ICom, A Level	2			B.A., B.Sc., B.Com, BBA	3			BCs, LLB, B.Sc (Engg.)				BE Computer (System)	4			M.A., M.B.A., M.Sc., LL.M.,				M.Com., M.Cs, MBBS	5			b) Life Ins. Professional Qualification	5			Agents Development Programme (ADP), ACS	2			Management Orientation Programmes (MOP)	2			Study Courses in Agency Management (SCAM)	2			Marketing Management Services (MMS)				CA Inter, ICMA Part III	2			Chartered Life Underwriters				FLMI, ACIL, ASA/AIA	4			ACMA, ACA	4			FCMA, FCA, FIA, FSA, FCII	5
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CHAIRMAN'S INITIALS

*[Handwritten Initials]*





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Summary of the valuation results was as follows: (1996 figures are shown for comparison)

	(In f 000)	
	1996	1998
Life Fund as per Balance Sheet	1,455	1,842
Less Policy liability by Actuarial Valuation	1,352	1,470
Surplus	103	372
Less cost of Recommended bonuses	29	28
Balance to provide for the minimum	74	344
Guaranteed fund and reserve for policyholder		
Excess of available asset and implicit item over the required minimum margin	17	318

Bonus Recommendation for U.K. Pound Sterling Business

- a) Reversionary bonuses per thousand sum assured per annum (1995 and 1996 rates are shown for comparison):-

	1995	1997
Endowments		
20 years and over	32	38
15 to 19 years	21	26
14 years or less	12	12
Plus Persistency bonus from the 6 <sup>th</sup> Policy year onward	4	4

- b) Interim bonuses (including persistency bonuses, where applicable) on death and maturity claims would be allowed till the next valuation, at the rates mentioned in (a) above.

ITEM 14. CLOSURE OF REGIONAL OFFICES.

29. ED(Inv) presented before the Board a review of performance of Regions and Zones for the year 1996, 1997 and 1998 and for six months ended June 30, 1999 together with their respective date of creation, FYP, Persistency, Accretion to Life Fund and Expense ratio.

30. ED(Inv) gave a brief historical back ground for creation of Regions and decentralization of function of the Principal Office in areas of S&D, B&A, PHIS/NB to provide speedy and efficient service to policyholders and the field staff. ED(Inv) also explained to the Board the reasons for withdrawal of certain functions of the Region and subsequent reinstatement of some of the function which were previously withdrawn. ED(Inv) also put before the Board the function of Regional Chiefs and Regional In-charges. Proposal was made by the then Chairman in a meeting held on 12<sup>th</sup> August, 1998 at Islamabad under the Chairmanship of the Commerce Minister to consider reducing Zones of life business from 28 to 18 and Regions from 4 to 3 by merging Multan Region with Lahore. However, after due consideration, it was then decided that Multan Region should not be merged but would keep its independent identity and would be given higher targets to justify its existence as such. In spite of being given an opportunity, Multan Region has failed to achieve its target. The Honorable Minister then also informed that as a result of re-structuring officers and staff would be rendered surplus which if disposed off through Golden Handshake Scheme would entail a substantial saving to the Corporation.

31. A comparative position in respect of each Region measured through four indicators, i.e., FYP, Persistency, Renewal Expense Ratio and Total Expense Ratio was presented to the Board along with that of the Zones for review of the Board.

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32. Mr. Samee-ul-Hasan, Consulting Actuary, made a presentation to the Board on viability of economic Zone/sub-Zone through three models over a period of 8 years prepared by him, taking into consideration number of policies, average premium per policy, FYP, Second Year and onwards premium, field expenses, establishment expenses and total estimated expenses and renewal expense ratio. The Actuary explained that a proper feasibility should have been prepared before creation of a new Zone, further more the new Zone was normally new business oriented and old policies of the parent Zone are transferred gradually. The new Zone enables the field force to take full advantage of the opportunity within the market and agents were required to travel lesser distance for personal contract with policyholders. New policy plans with dynamic premium rates and sum assured to match rate of inflation rather than being fixed should be launched. There were cases of surrender of old policies from the parent Zones and issuance of new policies from the new Zones. Shortage of good underwriters also existed.

33. After deliberation, the Board resolved as under:

**RESOLVED**

(i) "that the closure of Multan Region with immediate effect be and was hereby approved and a letter be written to the Ministry of Commerce informing them about the decision of the Board."

Action:  
ED(S&D) ED(P&GS)

(ii) "that Mr. Samee-ul-Hasan, Consulting Actuary, be and was hereby requested to carry out an exercise in respect of performance of all the Regions and Zones and lay down a criteria/broad parameters on which their performance could be evaluated and a decision could be taken whether any Zone should exist or be closed down."

Action:  
Consulting Actuary

(iii) "that an analysis be prepared to determine whether it would be advisable to close down intra city Zones in Karachi, Lahore and Islamabad where underwriting would be done in the Zones whereas premium would be collected in the sub-Zones."

Action:  
ED(S&D) Consulting Actuary

(iv) "that a review of field workers contract be carried out and SRs, SOs and SMs be required to undergo basic training course and meet laid down criteria for promotions."

Action:  
ED(S&D) ED(P&GS)

(v) "that Zonal Heads who did <sup>not</sup> meet the targets be replaced with Performing Development Manager/Area Managers."

Action:  
ED(S&D) ED(P&GS)

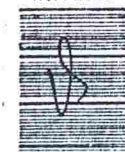
(vi) "that efforts be made to recover excess cost/advances to field workers/Area Managers."

Action:  
ED(S&D) ED(P&GS)

**ITEM 15. EFFECTIVE UTILIZATION OF THE POST OF SECTOR HEAD.  
ED(INV) MEMORANDUM DATED 24-7-1999.**

34. ED(Inv) presented before the Board a proposal to reduce the number of Sector Heads based upon the audited figures of performance of all Sector Heads in respect of FYP, SYP and Renewal Premium as instructed by the Board at its 146<sup>th</sup> meeting held at Lahore on 17<sup>th</sup> May, 1999 recommending their transfer to other Divisions where they could make effective contribution. The productivity per Sector Head had reduced from Rs.10.2 million in 1994 to about Rs.6 million in 1998 showing a decrease of 41.6%.

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INITIALS



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35. ED(Inv) recommended to the Board of Directors to fix the number of required Sector Heads at 157 worked out by dividing the target figures of Rs.1600 million FYP for the year 1999 (approved by the Board) by the productivity per Sector Head in 1994 of Rs.10.2 million.

36. An analysis of the business performance of the AGMs/Managers(S&D) as at 31<sup>st</sup> December, 1998 revealed the following:

- (a) The number of Sectors were 210, whereas, the number of Sector Heads were 197 as certain number of Sector Heads held dual and triple charge.
- (b) 13 AGM/Managers(S&D) had either retired or were on IPR. One AGM(Dev.) had been posted as Zonal Head, Sukkur, during the previous year.
- (c) Although the average number of Area Managers per Sector was 3.1, there was a significant distortion in the number of Area Managers per Sector Head as could be observed from the following chart:

DISTRIBUTION OF AREA MANAGERS PER SECTOR HEAD

Number of Area Managers Per Sector Head	Number of Sector Heads
0	14
1	7
2	25
3	62
4	45
5	23
6 and more	21

37. In order to evaluate the performance of the Sector Heads and to post them at certain other Department commensurate to their respective qualification, a Committee consisting of the following senior officers was constituted:

- Mr. J M. Pereira, Executive Director
- Mr. Umair Khan, Executive Director
- Mr. Akram Hussain, General Manager
- Mr. Aslam Sabir, Dy. General Manager
- Respective Regional Chief.

38. The said Committee undertook the evaluation of Sector Heads through interviews in the Larkana, Sukkur, Quetta, Peshawar, Rawalpindi, Islamabad and all the Zones in the Central Region.


39. The said Committee ought to conduct the interviews of the Sector Heads of the remaining Zones, i.e., Karachi(S), Karachi(E), Karachi(C), Hyderabad, Mirpurkhas, Mirpur(A.K.), Abbottabad, Gujrat, Multan, Sahiwal, Rahim Yar Khan, D.G. Khan and Bahawalpur, immediately after the Board Meeting.

CHAIRMAN'S  
INITIALS





**MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS MINUTE BOOK	HELD AT KARACHI	ON 26,27 AND 28 <sup>TH</sup> JULY, 1999	TIME
	<p>40. The number of Sector Heads to be transferred to non-S&amp;D positions would be determined after the exercise was completed and if the need arose, the vacancies would be filled through promotion of eligible Area Managers.</p> <p>41. After deliberation, the Board resolved as under:</p> <p><b>RESOLVED</b></p> <p>“that a Committee consisting of the following senior officers be and was hereby authorized to conduct interviews of the Sector Heads in all the Regional Offices of State Life and after going through the performance/bio-data and interview result, decide the number of persons and their names who would be transferred to non-S&amp;D position in various offices of State Life.</p> <p>Mr. J.M. Pereira, Executive Director            Mr. Umair Khan, Executive Director            Mr. Akram Hussain, General Manager            Mr. Aslam Sabir, Dy. General Manager            Respective Regional Chief.”</p> <p><b>ITEM 16. <u>GOLDEN HANDSHAKE SCHEME</u></b> <b>ED(P&amp;GS) MEMORANDUM DATED 26-7-1999.</b></p> <p>42. In view of the ever increasing expenditure of State Life, ED(P&amp;GS) informed the Board that it may consider offering Golden Handshake Scheme in the light of Government of Pakistan DO letter No.35/2/97-RWIII dated 12-8-1997 issued by Establishment Division, Islamabad and communicated by the Ministry of Commerce letter No.2(1)/97-A.Vii dated 20-8-1997 regarding introduction of Golden Handshake/Early Retirement Benefit Scheme for the Government and Public Sector Organizations including Autonomous/Semi-Autonomous Departments on voluntary basis.</p> <p>43. ED(P&amp;GS) requested the Board to accord approval for preparation/resubmission of memorandum in the light of Government of Pakistan instructions with regard to Golden Handshake/Early Retirement Benefit Scheme.</p> <p>44. After deliberation, the Board resolved as under:</p> <p><b>RESOLVED</b></p> <p>“that ED(P&amp;GS) and ED(PHS) be and were hereby authorized to review the overall strength of the Corporation and prepare and submit a memorandum to the Board on Golden Handshake/Early Retirement Benefit Scheme at its next meeting for approval.”</p>		<p>CHAIRMAN'S INITIALS</p> 

Action:  
ED(S&D)/ED(P&GS)

Action:  
ED(P&GS)

MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	26,27 AND 28 <sup>TH</sup> JULY, 1999	
<p>ITEM 18. INVESTMENT POLICY ED(INV) MEMORANDUM DATED 26-7-1999.</p> <p>45. ED(Inv) presented before the Board a memorandum in respect of Investment Strategy and creation of Investment Committee. In line with the Chart of Financial Powers effective in State Life, the Investment Division was required to submit Investment Strategy at the beginning of each year for consideration and decision by the Board of Directors, however, no Investment Strategy was submitted to the Board in the year 1998 nor in the beginning of the year 1999 and surplus fund were invested on case to case basis by the Investment Division.</p> <p>46. In order to create a suitable frame work and to provide operating guidelines for the smooth and effective running of the Investment Division, the following measures had been initiated:</p> <p>(a) A draft Investment Policy was prepared by the Investment Division, a copy of which was enclosed as Annexure 'C'.</p> <p>(b) In order to improve the decision making and to create objectivity, an Investment Committee was constituted with effect from 18<sup>th</sup> June, 1999. The Office Order relating to the formation of the Investment Committee which indicated its composition and its functions was enclosed as Annexure 'D'.</p> <p>47. The Investment Committee had made the following recommendations so that the liquidity could be created and costly over draft avoided:</p> <p>(a) Sale of FIBs through regular quotes from money market brokers.</p> <p>(b) Sale of quoted shares at high premium through negotiation.</p> <p>(c) Sale of quoted shares which were under performing or trading below par value, if sale proceeds from them could be better utilized for improved return.</p> <p>(d) Sale of quoted shares where there were little or no transactions and marketability was limited/did not exist, by calling special quotes from brokers.</p> <p>(e) Co-ordinate with NIT, with whom State Life had already executed deals in past to off load quoted shares.</p> <p>48. After deliberation, the Board resolved as under:</p> <p><b>RESOLVED</b></p> <p>(i) "that Investment Policy be and was hereby approved."</p> <p>(ii) "that formation of Investment Committee and its composition and function be and was hereby approved. The Investment Committee would continue to function till such time that an Investment Consultant/Fund Manager was engaged."</p> <p>(iii) "that the recommendation of Investment Committee relating to creation of liquidity through sale of FIBs and quoted shares be and was hereby approved."</p>			

Action:  
ED(INV.)

Action:  
ED(INV.)


Action:  
ED(INV.)

CHAIRMAN'S  
INITIALS



MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	26,27 AND 28 <sup>TH</sup> JULY, 1999	
<p><u>APPOINTMENT OF FUND MANAGER/INVESTMENT CONSULTANT</u></p>			
<p>49. Technical and financial proposals were called from various firms for appointment of Fund Manager/Investment Consultant for the Investment Division to streamline the various functions of the Investment Division and re-structure its portfolio and for functional training of its employees on portfolio management and various functions related thereto. The proposals were received from the following Brokerage Houses/Corporate members of Karachi Stock Exchange:</p>			
<ol style="list-style-type: none"> <li>1. M/s. Jahangir Siddiqui &amp; Co. Ltd.</li> <li>2. M/s. Westminster and Eastern Financial Services Ltd.</li> <li>3. M/s. Credit Agricole Indosuez</li> <li>4. M/s. Jardine Fleming</li> </ol>			
<p>Mr. M. Yasin Lakhani who does not have fund management/consultancy facilities did not submit the proposal.</p>			
<p>50. The representatives of the above firms made presentation of their proposals to the Board. Mr. Mansoor Ali of M/s. Jahangir Siddiqui &amp; Co. Ltd. informed the Board that his firm was a full service house involved in equity sales and trading, fixed income sales and trading, corporate finance and investment advisory services and was the largest listed brokerage house in Pakistan rated 'A' by PACRA and had strong partners in IFC and AMVESCAP one of the largest asset management company. M/s. Jahangir Siddiqui &amp; Co. explained that State Life required an investment advisor for active management of its portfolio to take advantage of trading opportunities based on strong research and being conversant with market movements/cycles. State Life having a long term liability to its policyholders had to base its portfolio on good research, avoid speculation and its earning should be more than the rate of inflation. M/s. JSCL suggested two options to State Life, i.e., discretionary portfolio management or fee-based advisory services. In case of discretionary portfolio management, portfolio manager would retain the custody of the portfolio and take decisions on behalf of State Life. M/s. JSCL are currently advisor to Muslim Commercial Bank and Pakistan Insurance Corporation. They were also involved in trading for Unit Trust of Pakistan and Bear Stearns, however, they felt that there would be no conflict of interest in management of State Life portfolio as there were different teams handling different assignments.</p>			
<p>51. Ms. Fizza made the presentation for M/s. Westminster and Eastern Financial Services Limited. The objectives of the firm would be as follows:</p>			
<ul style="list-style-type: none"> <li>• Improve State Life's overall portfolio return</li> <li>• Identify potential "trouble" or "loss" investments</li> <li>• Invent investment strategies to dispose of loss assets in lowest possible cost</li> <li>• Introduce new investment avenues to further enhance returns</li> <li>• Inspect and continuously monitor the portfolio to keep it current</li> </ul>			
<p>52. The options that would be available to meet the objective would be based on the following:</p>			
<ul style="list-style-type: none"> <li>• Identification of State Life's risk tolerance profile, liquidity needs and return objectives</li> </ul>			


CHAIRMAN'S INITIALS  






MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	26,27 AND 28 <sup>TH</sup> JULY, 1999	
<ul style="list-style-type: none"> <li>• Liquidity and Marketability</li> <li>• Risk Tolerance</li> <li>• Interest Rate sensitivity</li> <li>• Time Horizon</li> </ul> <ul style="list-style-type: none"> <li>• Portfolio should be further segregated into:               <ul style="list-style-type: none"> <li>• Short Term Portfolio -- to capitalize on trading opportunities</li> <li>• Long Term Portfolio -- to benefit from dividend yield and capital gains</li> </ul> </li> <li>• Any liquidity enhancement strategy would have to focus on freeing the 'blocked portfolio'</li> <li>• Greater coordination with NIT and other institutional investors for improving corporate governance in equity investments.</li> </ul> <p>58. In the 2<sup>nd</sup> phase for modernizing the fund management process, the following actions were suggested:</p> <ul style="list-style-type: none"> <li>• Fund management should be streamlined by creating a new database system</li> <li>• Such a system should               <ul style="list-style-type: none"> <li>• Identify key buy/sell points for existing and potential stocks for short-term portfolio</li> <li>• Identify buy/sell points for stocks in long term portfolio</li> <li>• Produce comparative market valuations for stock analysis/selection</li> <li>• Mark-to-market portfolio on a daily basis</li> <li>• Computer relative performance</li> <li>• Be integrated with the settlement system</li> </ul> </li> </ul> <p>Phase - III regarding monitoring portfolio performance would consist of the following:</p> <ul style="list-style-type: none"> <li>• Post restructuring, portfolio's performance would be benchmarked to the KSE100 Index.</li> <li>• The benchmarking process however, would be adjusted for portfolio specific factors including 'blocked holding'.</li> <li>• The portfolio performance measurement process would also include suggestions for 'portfolio re-balancing'</li> <li>• Portfolio re-balancing would primarily include:               <ul style="list-style-type: none"> <li>• Suggestions for stock addition/deletion in both short and long-term portfolios.</li> <li>• Allocation of stock and sectoral weightages in both portfolios</li> </ul> </li> </ul> <p>59. The benchmarks would be mutually agreed after discussion with State Life Fund Manager after which portfolio performance would be reviewed on a quarterly basis. M/s. Indosuez informed the Board that they would be interested only in investment advisory services and not in fund management. They would assist State Life in hiring and training of State Life personnel and installation of research software and putting in place internal control. M/s. Indosuez summarized the following:</p>			

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62. After deliberations, the Board resolved as under:

**RESOLVED**

"that ED(Inv) to analyse and carry out a thorough review of the proposals submitted by the various firms/brokerage houses and submit recommendations to the Board at its next meeting for consideration and necessary approval."

**ITEM 19. PROPOSAL OF APPOINTMENT OF INTERIOR DECORATOR TO PLAN LAY OUT OF OFFICES IN STATE LIFE BUILDING NO. 2. GM(RE) MEMORANDUM DATED 26-7-1999.**

63. The memorandum of GM(RE) regarding appointment of consultant for space planning of State Life Building No.2, Karachi, which is in a dilapidated condition and requires subsequent rearrangement of offices, partitioning, construction of new counter for PHS and cash collection and internal painting in the light of advice of the consultant to bring about savings and efficient utilization of space was put before the Board.

64. State Life Building No.2 (16 storied) is located on Wallace Road off I.I. Chundrigar Road, Karachi, having an area of 160,000 Sq.ft. available for rent out of which 78,000 Sq.ft. was in occupation of Karachi Southern Zone while 15,000 Sq.ft. was occupied by G&P offices, the remainder had been rented out to commercial tenants. The Zones required around 50,000 Sq.ft. for setting up of its entire offices as a result 20,000 Sq.ft. in the shape of two floors could be saved if proper interior planning of the Zone is done. The saved space could be rented out on commercial rent which would be around Rs.20 per Sq.ft. and would bring about an increase in rental income of Rs.4.8 million per annum. An approximate amount of Rs.3 million would be required for re-planning, partitioning and cost of architect's fee. The following firms were consulted to give concept of the new plans and their terms and conditions for services towards interior planning:-

- (i) M/s. Tariq A. Qaiser
- (ii) M/s. Abbas Associates
- (iii) M/s. ARCOP Associates
- (iv) M/s. Arif Tanveer Associates

65. Of the above firms M/s. Arif Tanveer Associates had visited the sites and showed his interest in the work, however, the other three firms expressed at the moment they were busy and could not take up the work immediately. The scope of work of the work would be as under:

- (a) All existing partition would be used as far as possible. New partitions of the similar material would be constructed only where the existing material fell short.
- (b) There would be no major change in the specs of the partition material or in the furniture.
- (c) The design of the work would be done within one month and total construction time would be 3 months.

CHAIRM  
INITIA





**MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME	
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<p>Action ED(P&amp;GS/GM(RE))</p> <p>Action ED(P&amp;GS/GM(RE))</p>	<p>66. After deliberation, the Board resolved as under:</p> <p><b>RESOLVED</b></p> <p>(i) "that ED(P&amp;GS) and GM(RE) be and were hereby authorized to negotiate, finalize and execute the contract for award of the above work to M/s. Arif Tanveer Associates at an approximate fee of Rs.500,000 and total cost of the work including partitioning and painting not to exceed Rs.3 million."</p> <p>(ii) "that efforts be made to rent out the 20,000 Sq.ft. area made available as a result of above exercise at a rent exceeding Rs.20 per Sq.ft. if possible."</p> <p><b>ITEM 20. BUSINESS PROGRESS REPORTS WITH COMMENTARY SHOWING COMPARISON WITH LAST YEAR &amp; TARGET OF THE CURRENT YEAR.</b></p> <p>(i) <u>SALES &amp; DEVELOPMENT (LIFE)</u> ED(S&amp;D) MEMORANDUM DATED 26-7-1999.</p> <p>(ii) <u>GROUP &amp; PENSION BUSINESS</u> ED(G&amp;P) MEMORANDUM DATED 26-7-1999.</p> <p>(iii) <u>INTERNATIONAL BUSINESS</u> ED(INT'L) MEMORANDUM DATED 26-7-1999.</p> <p>(iv) <u>REAL ESTATE PROJECTS AND INCOME, EXPENSES ON SALARIES PAID TO THE OFFICERS AND STAFF OF R.E.D. TO BE SHOWN SEPARATELY</u> GM(RE) MEMORANDUM DATED 26-7-1999.</p> <p>(v) <u>INVESTMENT INCOME</u> ED(INV) MEMORANDUM DATED 24-7-1999.</p> <p>67. Business Progress Reports of all the above operating Divisions were presented before the Board for the period ended 30<sup>th</sup> June, 1999. Individual Life showed a year-to-date increase of 1.94% whereas Group Life showed an increase of 12% over last year. The Board appreciated the efforts of Group Life and Individual Life Division and hoped that they would continue their hard work and improve upon the targets assigned to them for the year 1999. The over all trend in business in the International Division showed a decline in almost all areas except renewal premium collection and persistency. The persistency was also not upto the mark. Shortage of manpower, lack of training and status of Zones from legal point of view were given as the reasons for the declining performance.</p> <p>68. Steps like agreement with M/s. Warba Insurance Co. in Kuwait, induction of new manpower in Saudi Arabia and posting/transfer of key personnel in Kuwait and Saudi Arabia, were expected to bring about a positive change in the coming months, through acquiring a better legal status, increase in field force, raise in sales activities, better supervision and motivation.</p>			<p>CHAIRMAN'S INITIALS</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>



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ITEM 21. POSITION PAPER ON SELECTION AND APPOINTMENT OF CONSULTING FIRM FOR COMPUTERIZATION OF ALL FUNCTIONS OF STATE LIFE AND REPLACEMENT OF EXISTING HARDWARE  
ED(CD) MEMORANDUM DATED 27-7-1999.

69. ED(CD) presented before the Board a position paper on status of selection of firm for complete software development of various function of State Life. The Board was informed that out of the two basic options discussed in the last Board Meeting, ERP based solutions had the draw back of being extremely expensive. The proposal from Jaffer Brothers for a "free" installation of Oracle Financial had upon further investigation revealed an actual cost charged for implementation for one Zone at USS:2,15,000/-. In addition Oracle Financial would also not cover all business functions. For customized solutions, bids have been received from five firms, however, the proposals needed to be reviewed in much further detail and meetings are required to be conducted with the bidding firms.

70. The Board noted the same and instructed Dr. Sayeed Ghani, Consultant, Computer Division, to go through the scope of work and technical and financial proposals received from various consultants and make a detailed presentation together with recommendation to the Board at its next meeting for finalization of selection of firm for total automation of State Life.

Action:  
Consultant (CD)

ITEM 22. POSITION PAPER ON STATUS OF WORK ON ISO-9000.  
ED(SYS) MEMORANDUM DATED 26-7-1999.

71. ED(Sys) presented before the Board the position paper on status of work on ISO-9000 which was noted by the Board. The Board desired that keeping in view the importance of the assignment, all Executive Directors, all Divisional Heads, all Zonal Heads of Individual Life and Group Life should take keen interest and involve themselves in the process of the documentation of Quality Manual/Procedural Manual/Work Instructions and after getting it cleared from the consultant M/s.BMIQA get it implemented in the selected Zones to be replicated in the remaining Zones. It was also desired by the Board that the time plan of ISO-9000 certification process be adhered to so as to ensure completion of the assignment by the middle of year 2000.

Action:  
ED(System)

ITEM 23. POSITION PAPER ON APPOINTMENT OF HRD CONSULTANT AND STATUS OF WORK ON DIAGNOSTIC REVIEW BY M/S. COOPERS & LYBRAND  
ED(HRD) MEMORANDUM DATED 23-7-1999.

72. ED(HRD) presented before the Board a position paper on status of work being carried out by M/s. Coopers & Lybrand Consulting on diagnostic study/gap analysis and recommendations on HRD Division, its training programs, courses, curriculum and career planning of officers and staff of State Life. The Board was informed that the final report would be submitted by the Consultant by the end of July 1999 which was noted by the Board.

Action:  
ED(HRD)

CHAIRMAN'S  
INITIALS

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ITEM 24. POSITION PAPER ON PROGRESS ON Y2K COMPLIANCE.  
ED(CD) MEMORANDUM DATED 26-7-1999.

73. ED(CD) and Consultant/Divisional Head(CD) presented before the Board an update on Y2K readiness project being undertaken by M/s. CresSoft. The complete Form in ORACLE as made Y2K compliant had been handed over by the Consultant to State Life for verification which have been returned back to M/s. CresSoft for correction. The Forms after correction would be finally handed over by 28<sup>th</sup> July, 1999 for testing and verification. Initial testing and verification of the Forms, Reports in SQL Report Writer and RPT (an alternate method of generating reports) Reports tools would be completed by the end of July 1999.

74. In 2<sup>nd</sup> week of May 1999, the COBOL source code had been supplied to M/s. CresSoft complete in all respect. The data of one Zone upto May 1999 had also been supplied to test and verify the converted applications before handing over to the State Life team for verification purposes. It was felt that the pace of work in COBOL was not satisfactory, as was apparent during mutual discussion for assessment in meetings held for the purpose.

75. Mr. Sayeed Ghani, Consultant(CD), informed the Board that the 3<sup>rd</sup> Steering Committee meeting between State Life and M/s. CresSoft was held on July 23, 1999 in which M/s. CresSoft had promised to enhance the quality and quantity of its manpower and working hours to compensate for the deficiency in the project to meet the deadline. The system study work on the Phase II of the project has yet to be initiated. It had been mutually decided that henceforth, manpower/number of working hours would also be increased by both the sides on the project. The number of teams would be increase from 1 to 3, to work concurrently on individual modules of the project. Each team would be provided with backup resources and meetings would be held on daily basis with the Project Team and on a by weekly basis with State Life. Individual dead lines would be determined for each module and monitored, so would be the target pace for the achievement of the dead line. Resources would work beyond extended hours during all working days and presence would be ensured during off days if necessary.

Action:  
ED(CD)

76. New machine should be purchased by the State Life for testing of the Applications and migration of existing Data for On-line environment. Specification for the same were being finalized by the Consultant(CD) after taking into consideration the existing/future requirement.

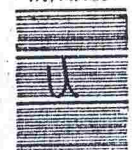
Action:  
ED(CD)

77. Training of the existing staff on the ORACLE environment would be conducted so that the entire team of State Life was conversant and familiar with working in the new environment. In this regard quotations have already been called from companies involved in imparting training in Oracle. It was expected that the training would start by September, 1999.

Action:  
ED(CD)

78. Representatives of M/s. CresSoft were invited who then gave a presentation to the Board on the current status of Y2K assignment. The Board desired that the October deadline for completion of work should be met under all circumstances and that the entire State Life team should own the assignment and all items involved in the project should be State Life property. The Board instructed that live testing of the data and programs should be carried out in the Southern Zone of Individual Life at Karachi.

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ITEM 25. POSITION PAPER ON STATUS OF WORK ON REVIEW AND REDESIGNING OF THE EXISTING AUDIT MANUAL. M/S. YOUSUF ADIL & CO.  
GM(IA&E) MEMORANDUM DATED 23-7-1999.

79. The Board was informed that M/s. M. Yousuf Adil Saleem & Co., Chartered Accountants, have been assigned the work of preparation of Internal Audit Manuals in order to improve the effectiveness of the existing Internal Audit functions in line with the internationally recognized standards and concepts of Internal Audit. The Consultant have already completed the work of reviewing the existing procedures of IA&E Division, conducting interview of Divisional Heads, information gathering process. A conceptual report containing recommendation for re-structuring of IA&E Division has already been received from the consultant which has been circulated to all the Executive Directors soliciting their comments. The final draft of the manual would be submitted by middle of August after which training programs of Zonal Auditors would be conducted in coordination with the consultant and HRD Division of State Life. The Board instructed GM(IA&E) for finalization and implementation of the Audit Manuals by August 15, 1999.

RESOLVED

"that GM(IA&E) be and was hereby instructed to get the Audit Manuals finalized by the consultants and get the same implemented by August 15, 1999."

Action:  
GM(IA&E)

ITEM 26. POSITION PAPER ON APPOINTMENT OF CONSULTANT FOR PREPARATION OF MANUAL OF FINANCIAL AND ADMINISTRATIVE POWERS AND STATUS OF WORK TO-DATE. ED(P&GS) MEMORANDUM 26-7-1999.

80. M/s. Ferguson Associates presented before the Board a paper on the scope, progress and recommendations given to State Life on work assigned to them for preparation of administrative and financial manuals for State Life. The Board took note of the presentation and desired that the work should be completed at the earliest within the time agreed to with the management of State Life. The Board instructed that the recommendations to be made by the consultant should take into account the prevalent practices and should clearly define the various levels of management. The authority entrusted to the middle management would automatically vest up the line.

Action:  
ED(P&GS)

81. ED(P&GS) informed the Board that schedules of existing delegation of administrative powers in the same/similar form as the financial powers based on practice prevalent in the Corporation, relevant laws, rules, regulations, instructions and such other documents identified by State Life's management have been submitted by M/s. Ferguson Associates which have been vetted by State Life for accuracy and compared with source documents provided by State Life. Recommendations and schedules of delegation of administrative powers have since been received from the consultant and circulated amongst the Executive Directors and various Divisional Heads for comments, if any, before finalization of the manual.

82. After deliberation, the Board resolved as under:

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RESOLVED

That a Committee comprising of the following Executive Directors and Divisional Heads of the Corporation be and was hereby constituted to examine the recommendation of the consultant and to ensure that they were in conformity with the needs of the Corporation and if required, suggest necessary amendments there to, and have the manual finalized at the earliest.

Action:  
ED(P&GS)

- |                                |                  |
|--------------------------------|------------------|
| 1. Executive Director (P&GS)   | Member           |
| 2. Executive Director (B&A)    | Member           |
| 3. Executive Director (P&IS)   | Member           |
| 4. Incharge (S&D)              | Member           |
| 5. General Manager(Actuarial)  | Member           |
| 6. General Manager(IA&E)       | Member           |
| 7. Dy.General Manager(Systems) | Member           |
| 8. Dy.General Manager(P&GS)    | Member/Secretary |
| 9. Asstt.General Manager(Law)  | Member           |

ITEM 27. POSITION PAPER ON FINALIZATION OF ANNUAL ACCOUNTS - 1998.

ED(B&A) MEMORANDUM DATED 19-7-1999.

83. ED(B&A) presented before the Board a position paper on the current status of finalization of audit of accounts of State Life for the year ended December 31, 1998 wherein the Board was informed that the audit of accounts would be completed and initialed accounts together with the auditors report would be received from the auditors by 31-8-1999 for approval of the Board. ED(B&A) informed the Board that the permission for appointment of auditors by the Government of Pakistan had delayed the finalization of the accounts. The Board expressed its concern at the delay in finalization of the accounts and requested ED(B&A) to take all necessary steps for finalization of the annual accounts by June 30 each year. The Board also decided that a meeting of the Board of Directors would be held on 10<sup>th</sup> September, 1999 to receive and approve the audited accounts for the year 1998 together with the auditors report thereon.

Action:  
ED(B&A)

ITEM 28. REVISION IN THE CRITERIA FOR SELECTION OF ASSISTANT GENERAL MANAGER (DEV.) FROM AMONGST THE AREA MANAGERS.

ED(S&D) MEMORANDUM DATED 27-7-1999.

84. ED(S&D) informed the Board that the promotions of the Area Managers to S&D Executives has been abnormally delayed as such in view of stiff competition from private sector and present dearth of competent S&D executives, it had become absolutely necessary to promote the outstanding performers from amongst the Area Managers to the position of Assistant General Manager which would not only cater to the present and future needs of the Corporation and serve as a motivation but also arrest the growing trend to succumb to the inducement being offered to the successful Marketing Executives by our competitors.

85. ED(S&D) informed, that the Executive Committee had formulated a set of criteria for the purpose of selection of Area Managers for the post of Assistant General Manager effective 1-1-1993.

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- |  |                    |
|--|--------------------|
| 1. Association as 'A' Category Manager   | 8 years            |
| 2. Minimum Average FYP of last 3 years   | 75 lac             |
| 3. Minimum Average Persistency of last 3 years.  | 70%                |
| 4. Minimum Renewal Persistency Preceding Year.   | 90%                |
| 5. Minimum FYP achieved through new SRs in preceding year or year before preceding year. | 25%                |
| 6. Educational Qualification   | Graduate           |
| 7. Professional Qualification  | LIMRA, MOP OR SCAM |
| 8. Operational Cost  | 10%.               |

86. An exercise to evaluate the performance of the outstanding Area Managers as at 31-12-1998 was, carried out on the same pattern as was done in 1995. The names of only Area Managers who have completed eight years of association and whose average FYP exceeds Rs.50 lacs are as follows:-

NAME OF THE AREA MANAGER	SHORT FALL (S)
- Mr. Riaz Akhter	Average persistency below criteria.
- Mr. M. Aslam Mulla	Average persistency and FYP through new SRs below criteria.
- Mr. Haji Hussain	Average FYP and FYP through new SRs below criteria
- Mr. Javed Iqbal Nehas	Fully qualified.
- Mr. Mohammad Ahmed Amjad	Average FYP, FYP through new SRs and average persistency.

87. Barring Mr. M. Aslam Mulla all other candidates mentioned above are under graduates, and as such none of them met the graduation requirement.

88. ED(S&D) proposed that the Board consider the candidates of the above referred Area Managers for double promotion as Assistant General Manager(Dev.) by condoning the deficiencies mentioned against their names.

89. After deliberation, the Board resolved as under:

RESOLVED

(i) "that the following outstanding Area Managers as of 31-12-1998 be and were hereby promoted as Assistant General Managers and the deficiencies mentioned against their names as per laid down criteria were waived/condoned by the Board on a one time basis and that this would not be taken as a precedent for the future.

1. Mr. Riaz Akhter.
2. Mr. M. Aslam Mulla
3. Mr. Haji Hussain
4. Mr. Javed Iqbal Nehas
5. Mr. Mohammad Ahmed Amjad

(ii) "that there would be no change in the laid down criteria for promotion of Area Managers to AGM(Dev.) and all the Area Managers be informed accordingly through a circular."

Action:  
ED(P&GS)/ED(S&D)

Action:  
ED(P&GS)/ED(S&D)

CHAIRMAN'S  
INITIALS





MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
TE BOOK	KARACHI	26,27 AND 28 <sup>TH</sup> JULY, 1999	

Action: GM(RL)/ED(INV)

Action: GM(RL)/ED(INV)

(iii) "that in future there would be no quota for promotions and all those who qualify the laid down criteria would be promoted."

(iv) "that in future promotions would be made strictly on the basis of laid down criteria and performance of full twelve months from the date of last promotion would be evaluated rather than performance based on a calendar year basis in December."

ITEM 29. PRIME MINISTER'S HOUSING SCHEME - STATE LIFE LAND IN DEH THANO, MALIR, KARACHI - CHRISTIAN MUTUAL COLONIES NO.1&2, SITUATED AT FEROZEPUR ROAD, NEAR YUHANNABAD AND DEULLO KHURD-LAHORE.  
GM(RH) MEMORANDUM DATED 26-7-1999.

90. The Board was informed that at the request of the Ministry of Commerce, a meeting of the Chairman was held with official of the Prime Minister's Housing Authority, wherein, the Chairman was requested that State Life should participate in the Prime Minister's Housing Scheme. The Prime Minister's Housing Authority desired that a copy of the Corporation's Real-Estate portfolio be provided for its necessary review. Accordingly a copy of the Real Estate portfolio of State Life was furnished to the authority.

90(a). State Life's properties were the asset of the Life Fund which was essentially a trust money and in terms of Section 10(3) of the Insurance Act, 1938, the Life Fund could not be utilized directly or indirectly for any purpose other than discharging the liabilities towards policyholders such as payment of maturity claims, death claims, surrenders and bonuses to policyholders. The assets constituting Life Fund could not be transferred without consideration even for public service. State Life, therefore, has to receive expected market price for the land to fulfil the requirements of the Insurance Act.

90(b). State Life in terms of Article 25 of Life Insurance (Nationalization) Order also required a direction from the Federal Government to carry out the transaction and that the consideration has to be received by State Life in the form of registered, transferable, marketable and tradable on the stock market TFCs duly guaranteed by the Federal Government and their terms and conditions of repayment and markup thereon and their tenure as proposed by the PMHIA be accepted. State Life would also require constitutive document/notification of Prime Minister Housing Authority.

90(c) State Life feels that most of the plots owned by State Life were on smaller areas, as such they were suitable only for commercial buildings, however, the two properties located at Malir, Karachi, approximating 35 Acres and at Ferozepur Lahore approximating 65 Canals, being bigger in size could suit the requirement of the Prime Minister's Housing Scheme, and their details were submitted to the authority. The above two properties have been lying vacant since very long and have some encroachments on them which could not be contained despite best efforts and for similar reason could not be disposed off because of unattractive offers.

91 After deliberation, the Board resolved as under:

**RESOLVED**

"that once a decision to acquire the said properties by Prime Minister's Housing Authority was communicated to the Ministry of Commerce, the true market value of the same would be established and their cost would be adjusted against Bonds/TFCs to be issued by the Prime Minister's Housing Authority to meet the following legal and statutory requirements as specified in Section 2(3) of the Insurance Act, 1938 and in SRO 309(K)/70 dated 21-3-1990 which bind Life Insurers including State Life:

Action: GM(RL)/ED(INV)

CHAIRMAN'S INITIALS





**MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

STORS	HELD AT	ON	TIME
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- a) that a Housing Authority/Corporation/Institution be constituted which may, on its part, issue Bonds/TFCs etc., guaranteed by the Federal Government as regard to the principal amount and interest to be accrued thereon.
- b) that State Life would require the Bonds/TFCs to be declared as approved security in terms of the Insurance Act, and further:
  - (i) that the Bonds/TFCs should be guaranteed by the Federal Government in respect of principal and interest thereon and
  - (ii) that the Bonds/TFCs should be "Registered", transferable, marketable and tradable on the stock market and
  - (iii) that the terms with regard to maturity/repayment and rate of return would be based on prevailing market rates."

**ITEM 30. APPROVAL OF INSURANCE SERVICE REPRESENTATIVE AGREEMENT BETWEEN STATE LIFE AND M/S. WARBA INS. CO. SAK, KUWAIT.**  
ED(INT'L) MEMORANDUM DATED 26-7-1999.

92. ED(Int'l) presented before the Board the proposed insurance service representative agreement to be executed between State Life and M/s. Warba Ins. Co. SAK, Kuwait. ED(Int'l) informed the Board that State Life started its business in Kuwait in 1983 under the sponsorship of Mr. A. Majeed A. Razaq Zalzalah. The status of State Life in Kuwait could not take a legal shape due to the fact that the sponsor was not permitted to undertake insurance business and thus could not provide legal cover for State Life operations. The agreement was not registered with the concerned Kuwaiti Authorities as such State Life was working in Kuwait without disclosing its identity as a life insurer and with limited field force without any possibility of expansion. 5% sponsorship commission on an annual basis was paid on FYP procured.

93. ED(Int'l) informed that State Life explored the possibilities of a sponsor under whose umbrella marketing of our life insurance products could be undertaken without any reservation and conflict with the local laws. In the process, contact was established with M/s. Warba Ins. Co.SAK, Kuwait which after negotiations had culminated into a proposed representative agreement wherein M/s. Warba would act as sponsor for the Corporation at sponsorship fee of 5% of FYP. The proposed agreement had been thoroughly examined by State Life's legal advisor in Kuwait M/s. Anwar Al Basher, a law firm and also cleared by AGM(Law) at Principal Office, Karachi. The new agreement would be duly registered with the concerned authorities and all business would be transacted in accordance with it. The new sponsor was an insurance company and as such transaction of business through them would provide State Life legal cover, and would give full opportunities of exploring the market.

94. Accordingly, the Board resolved as under:

**RESOLVED**

- (i) "that the draft letter for termination of existing agreement with Mr. Abdul Majeed Abdul Razaq Zalzalah be and was hereby approved and ED(Int'l) or his nominee be and was hereby authorized to execute the same."
- (ii) "that ED(Int'l) or his nominee be and was hereby authorized to finalize and execute the agreement with M/s. Warba Ins. Co. SAK, Kuwait, as finally vetted by the legal advisors of both the parties, and Law Division of State Life."

CHAIRMAN'S INITIALS

*u*

ction:  
D(INT'L)

ction:  
D(INT'L)



MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

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**ITEM 31. APPROVAL OF "QUALITY POLICY" OF THE CORPORATION. ED(SYS) MEMORANDUM DATED 23-7-1999.**

95 ED(Sys) presented before the Board for approval the Quality Policy of the Corporation formulated by the ISO-9000 Steering Committee which is required to be defined, documented and communicated throughout the Corporation. The suggested policy was as follows:

"To ensure satisfaction of our valued policyholders in processing new business and providing after sales service and optimizing return on life fund through a quality culture and maintain our position as the leading life insurer in Pakistan."

96 The suggested Quality Policy for the Corporation as finalized by the ISO-9000 Steering Committee and recorded by ED(Sys) was agreed to by the Board.

**ITEM 32. APPROVAL OF CHAIRMAN INSPECTION TEAM REPORT OF ITS ACTIVITIES TO-DATE.**

97. ED(P&GS) presented before the Board the performance review of Chairman Inspection Team formed vide P&GS Order No. PO/143/99 dated 21-06-1999 which was appreciated by the Board. The team had detected various irregularities covering purchase of substandard furniture, forgery of signature of policyholders for drawing loans, unauthorized deduction from commission earnings of field workers and their remittance to President Field Worker's Federation and irregular appointments and promotions. The above irregularities related to Rahim Yar Khan, Multan, Bahawalpur, Sargodha and Faisalabad Zones.

**ITEM 33. POSITION PAPER REGARDING DISCIPLINARY PROCEEDING AND PENDING INQUIRIES.**

98. ED(P&GS) presented before the Board a position paper regarding status of various ongoing disciplinary proceedings and pending inquiries against various accused employees. The Board expressed its concern about delay in processing and finalization of inquiries proceeding particularly in cases involving financial irregularities and fraudulent acts. AGM(Law) was invited to give his view point about the inordinate delay in completion of inquiries. It was pointed out that under State Life Employees (Service) Regulations 1973, formal inquiry proceeding is mandatory in all cases, which causes delay even in those cases where strong documentary evidence of misconduct of the accused employees exist. It was decided that disciplinary procedure as laid down in Government Servants (efficiency and disciplinary) Rule 1973 could be adopted as it contains provision whereby in appropriate cases lengthy procedure of formal inquiry could be dispensed away with.

99. After deliberation, the Board resolved as under:

**RESOLVED**

- (i) "that in order to expedite the disposal of inquiries against the accused employees for various mal practices it was expedient that disciplinary procedure as laid down in Government Servants (efficiency & disciplinary) Rules 1973 be adopted to the extent possible in State Life Employees (Service) Regulation 1973 and following amendments be made in Regulation 31(2) in the manner that existing provisions be replaced with the following and clause 31(3) be inserted before the proviso.

Action  
ED(SYS) (M)

Action:  
ED(LAW)

CHAIRMAN'S  
INITIALS

*[Handwritten Initials]*



**MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

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31(2) for award of punishment, the following procedure shall be adopted:

(i) The Divisional head (Personnel) Division shall determine and seek approval of ED(Personnel) whether in the light of facts of the case or in the interest of justice an inquiry should be conducted through an inquiry officer/committee. If on such determination, the Inquiry Officer/Committee is appointed, the procedure described below in sub Regulations (iii), (iv), (v), (vi) and (vii) shall be followed.

(ii) If it is determined that in the light of the facts of the case or in the interest of justice it is not necessary to have an inquiry conducted through an Inquiry Officer/Committee, he shall;

(a) by order in writing, inform the accused of the action proposed to be taken in regard to him and the grounds of the action; and

(b) give him a reasonable opportunity of showing cause against that action.

(c) after receipt of the explanation of the accused, the case shall be forwarded to the competent authority i.e. ED(Personnel) for passing appropriate order. ED(Personnel) before passing the order, shall inform the accused employees of the proposed punishment in writing and afford him an opportunity of show cause and personal hearing if the accused employee so desires.

(iii) where an Inquiry Officer/Committee is appointed, a charge sheet along with a statement of allegation leveled against the accused employee, shall be served on him. While serving the charge sheet, the accused employee shall be given a reasonable time, not being less than 7 days to put in his written defense and to state at the same time whether he desires to be heard in person.

(iv) The Inquiry Officer/Committee, as the case may be, shall inquire into the charge and may examine such oral and documentary evidence in support of the charge and in defense of the accused as may be considered necessary and the accused shall be entitled to cross examine the witnesses against him.

(v) The Inquiry Officer or the Committee as the case may be, shall commence the hearing of the case within 5 days of the receipt of reply of the accused employee and continue it from day to day. No adjustment shall be given except for reasons to be recorded in writing. Normally no adjournment shall be for more than three days.

(vi) where the Inquiry Officer or the Committee as the case may be, is satisfied that the accused in hampering or attempting to hamper the progress of the Inquiry, he or it shall administer a warning, and if thereafter he or it is satisfied that the accused employee is acting in disregard of the warning, he or it shall record a finding to that effect and proceed to complete the inquiry in such manner as he or it thinks best suited to do substantial justice.

(vii) The Inquiry Officer or the Committee, as the case may be, shall within a week of the conclusion of the proceedings submit his or its findings whether the charges against accused employee have been proved or not and the grounds thereof to Divisional Head (Personnel).

CHAIRMAN'S  
INITIALS





MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

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<p>(vii) On receipt of the report of Inquiry Officer or the Committee as the case may be, or where no such Officer or Committee is appointed, on receipt of the explanation of the accused employee, if any, Divisional Head (Personnel) shall determine whether the charge has been proved and shall forward the case to the Competent Authority i.e. ED(Personnel) along with the charge sheet and statement of allegations served on the accused employee, the explanation of the accused, the findings of the Inquiry Officer or Committee, if appointed, to ED(Personnel) who shall pass such orders as he may deem proper.</p> <p>(ix) ED(Personnel) before passing any order shall inform the accused employee about the findings of the Inquiry Officer or Committee and ask him to show cause why he should not be awarded punishment as provided in Regulation No.30(1)(g) and shall also afford him an opportunity of personal hearing if he so desires. A copy of the findings of the Inquiry Officer or Committee may also be provided to the accused employee before the personal hearing.</p> <p>31(3) In the Zones, the Zonal Head being the competent authority, with regard to employees in grade 1 to 7, SS I to SS III and MN I to MN III shall exercise the same power as that of ED(Personnel) under the regulations, in disciplinary proceedings. //</p> <p><b>ITEM 37. CLOSURE OF CORPORATE ZONE (G&amp;P)</b> ED(G&amp;P) MEMORANDUM DATED 26-7-1999.</p> <p>100. ED(G&amp;P) presented before the Board a paper proposing the closure of the Corporate Zone with immediate effect. ED(G&amp;P) elaborated that the performance of the Zones based on last three years statistics (1996-1999) had not been satisfactory. Total premium collection by the Zone in 1998 was about Rs.200 million out of which about Rs.90 million (45%) pertains to Pakistan Army and about Rs.109 million (54.5%) to State Life which is more or less secured by in-house business. New business of about Rs.1 million was secured by the Zone in 1998. Only ten new policies with a premium of about Rs.900,000 were sold whereas six policies with premium of Rs.200,000 lapsed during the year. Annual administrative expenses of the Zone exceed Rs.6.5 million. The closure of the Corporate Zone would not effect the Pakistan Army business as it has always been served by a special cell located at GHQ even before the Corporate Zone came into existence. State Life business was previously better handled from Principal Office, Karachi.</p> <p>101. After deliberation, the Board resolved as under:</p> <p><b>RESOLVED</b></p> <p>(i) "that the Corporate Zone(G&amp;P) Islamabad be and was hereby closed with immediate effect."</p> <p>(ii) "that Pakistan Army and other business be and was hereby transferred to Rawalpindi Zone and GHQ Special Cell would continue to work without any change except that now it would be attached with the Rawalpindi Zone of G&amp;P."</p> <p>(iii) "that State Life business be and was hereby transferred to Karachi Central Zone."</p> <p>(iv) "that Officers and Staff of the Corporate Zone would be transferred elsewhere depending upon the need on nation-wide basis in any department."</p>			

Action:  
ED(P&GS)/ED(G&P)

Action:  
ED(G&P)

Action:  
ED(G&P)

Action:  
ED(P&GS)/ED(G&P)

CHAIRMAN'S  
INITIALS





MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

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TE BOOK	KARACHI	26,27 AND 28 <sup>TH</sup> JULY, 1999	

ITEM 38. INCREASE IN AUTHORIZED AND PAID-UP CAPITAL OF THE CORPORATION.  
ED(B&A) MEMORANDUM DATED 19-7-1999.

102. ED(B&A) informed the Board that Economic Coordination Committee of the Cabinet Division in its meeting held on 15-4-1999 had decided to increase the authorized capital of the Corporation from Rs.200 million to Rs.1000 million if the fee payable on enhancement of authorized capital upto Rs.750 million falls in the maximum slab other wise the authorized capital be increased upto Rs.750 million. A letter was written to the Ministry of Commerce explaining that State Life has been constituted under the Life Insurance Nationalization Orders 1972 and was governed by Insurance Act 1938, therefore, Company Ordinance 1984 was not applicable to State Life and accordingly no fee was payable on the increase of authorized capital by State Life. Ministry of Commerce vide their letter dated 22<sup>nd</sup> June 1999 had instructed State Life to apply to Security and Exchange Commission of Pakistan for determination of fee payable on the increase in authorized capital. Reply was still awaited from the Commission to State Life's request.

ITEM 39. CONSULTANT ON MANAGEMENT INFORMATION SYSTEM AND INTERNAL AUDIT.  
GM(IA&E) MEMORANDUM DATED 24-7-1999.

103. The Board was informed that the IA&E Division needs to be strengthened as presently it comprises of non-qualified, inexperienced and untrained and low-grade staff specially in the Zonal Administrative setup, as such various financial and administrative irregularities have come to light due to lack of internal control. No remedial action have been taken due to lack of follow-up of Internal Audit Report. The Management Information System hardly exists to help the upper level management to make decisions to improve the profitability of the Corporation and take corrective action.

104. To overcome the above situation, GM(IA&E) informed the Board that it would be more appropriate to have professionally qualified and experienced officers and staff well conversant with the working of other Division posted at IA&D Division. To further strengthen the working of the audit Division as a whole and to ensure the effectiveness of the auditors at Principal Office/Regional/Zonal Offices, GM(IA&E) informed the Board that it was felt that a consultant be appointed to further improve the working of IA&E Division and in this context an advertisement was given in Daily Dawn of 11-2-1999 inviting applications as per laid down terms of reference prepared by IA&E Division.

105. After deliberation, the Board resolved as under:

RESOLVED

"that a Committee consisting of ED(P&GS), ED(Inv) and GM(IA&E) be and was hereby authorized to evaluate, negotiate, select and execute contract with an individual, to assign the work to improve the functions of IA&E Division and lay down the scope of his work in the light of term of reference on which proposals were invited."

Action:  
ED(P&GS)/ED(Inv)

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INITIALS



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ITEM 41. NEGOTIATION WITH THE CBA ON THE CHARTER OF DEMAND 1999-2000.

106. ED(P&GS) presented before the Board a position paper on progress made so far in the negotiation with the CBA on the Charter of Demand received from State Life Employees Federation of Pakistan on 9-2-1999 under Section 26(1) of IRO 1969. The first round of negotiation between the management and the CBA was held on 26<sup>th</sup> & 27<sup>th</sup> May, 1999. The Second round continued from June 1, 1999 to 28<sup>th</sup> June, 1999 in which sub-committees from both the sides discussed item by item Charter of Demand submitted by CBA and issues raised by the management of the Corporation. The third round has started from July 19, 1999 wherein the demands were being discussed at length to arrive at some mutual agreement, however, negotiations are still on. The Board noted the above position and gave guidelines for early finalization of the agreement.

107. After deliberation, the Board resolved as under:

**RESOLVED**

"that all irregular appointees the list of which has been provided to the Ministry of Commerce would not be considered for promotions/confirmations pending final decision by the Government."

Action:  
ED(P&GS)

ITEM 42. ANY OTHER ITEM WITH THE PERMISSION OF THE CHAIR.

(i) LPR OF MR. CHIPPA M. RAFIQUE  
ED(CD) MEMORANDUM DATED 27-7-1999.

108. ED(CD) informed the Board that LPR was made compulsory by the Board in its 136<sup>th</sup> meeting, however, since M/s. CresSoft had been working on the millennium solution since March 9, 1999 by converting COBOL into ORACLE environment, State Life at this juncture could not afford to dispense with the service of Mr. Chippa M. Rafique well versed with the COBOL application for which there was no documentation available to comprehend the programs fully, as such it was desired that LPR of Mr. Chippa M. Rafique be refused and he be duly compensated for the services he would render by granting him an addition of Rs.4000/- per month as a special pay to his existing monthly emoluments w.e.f. 1-4-1999.

109. Accordingly, the Board resolved as under:

**RESOLVED**

"that the request of Mr. Chippa M. Rafique for LPR be and was hereby refused and he be duly compensated for the services he would render by granting him an addition of Rs.4000/- per month as a special pay to his existing monthly emoluments w.e.f. 1-4-1999."

Action:  
ED(P&GS)

(ii) PAYMENT OUT OF ADVERTISEMENT BUDGET FOR DEVELOPMENT OF PUBLIC PARK, MURREE.

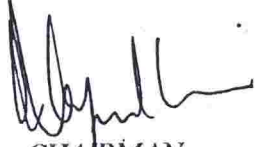

110. The Board was informed that a letter has been received from Commissioner Rawalpindi that PIA had donated a plot of land for public park in Muree, for development of which State Life was requested to contribute a sum of Rs.1 million. State Life in the past also been contributing sums for the sake of public service and such amounts have been paid out of Advertisement Budget and due publicity was given to State Life at such places..

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INITIALS





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DIRECTORS	HELD AT	ON	TIME
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<p>111. Accordingly, the Board resolved as under.</p>			
<p><b>RESOLVED</b> That a sum of Rs.1 million be and was hereby approved for payment out of Advertisement Budget for development of the Public Park subject to condition that State Life would be given a permanent publicity at the site."</p>			
<p>112. The consideration of the items 17, 34, 35, 36, 40 and 42(ii) was deferred by the Board until its next meeting.</p>			
<p>ITEM 17. ADVERTISING PLAN.</p>			
<p>ITEM 34. RECHECKING OF BUSINESS SUBMITTED/UNDERWRITTEN IN THE MONTHS OF NOVEMBER AND DECEMBER 1996, 1997 AND 1998.</p>			
<p>ITEM 35. DEFICIT IN PENSION FUND.</p>			
<p>ITEM 36. DEFICIT IN GRATUITY FUND.</p>			
<p>ITEM 40. REVISION IN PAY SCALES AND ALLOWANCES OF OFFICERS OF STATE LIFE INSURANCE CORPORATION OF PAKISTAN.</p>			
<p>ITEM 42(ii) PROVISION OF CORPORATION MAINTAINED VEHICLE TO DIVISION HEAD G&amp;P ED(G&amp;P) MEMORANDUM DATED 28-7-1999.</p>			
<p>113. The meeting ended with vote of thanks to the Chair.</p>			
 CHAIRMAN			
<p>CHAIRMAN'S INITIALS</p> 			

MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

MEMBERS	HELD AT	ON	TIME
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Annexure 'A'

Item 6

GENERAL POWER OF ATTORNEY

THIS GENERAL POWER OF ATTORNEY executed at Karachi this \_\_\_\_\_ day of \_\_\_\_\_ in the year 1976 by State Life Insurance Corporation of Pakistan, a statutory corporation established under the Life Insurance (Nationalization) Order, 1972, (President's Order No.10 of 1972) having its Principal Office at State Life Building No. 2 Wallace Road, Off: I.I. Chundrigar Road, Karachi (hereinafter referred to as "the Corporation" in favour of Mr. \_\_\_\_\_ S/o. \_\_\_\_\_, the Chairman and Chief executive of the Corporation/an Executive Director of the Corporation (hereinafter referred to as "the Authority");

WHEREAS for the purposes of facilitating transaction of the business and ensuring efficient conduct of the business of the Corporation, it is expedient to appoint a General Attorney and the Board of Directors of the Corporation (hereinafter called the "Board") by a Resolution dated \_\_\_\_\_, 1978 duly resolved to appoint the above named Mr. \_\_\_\_\_ as the Corporation's General Attorney.

AND WHEREAS the Board has further received that this Power of attorney may be duly executed under the Corporation's Seal affixed in the presence of the two Directors of the Corporation, and registered in due form of law;

KNOW ALL PERSONS, THEREFORE, BY THESE PRESENTS that the Corporation does hereby nominate, continue and appoint the said Mr. \_\_\_\_\_ as the true and lawful General Attorney for the Corporation and on its behalf to manage the affairs and conduct the business of the Corporation and do perform all the following acts, deeds and things, that is to say:-

(1) to open in the name of the Corporation, any accounts including current accounts, cash-credit, fixed deposit account, time-deposit account or any other, with any bank, corporation or firm and to pay money into it and to draw, overdraw, or withdraw money from any such account and to negotiate, endorse and sign jointly with another authorised signatory, all cheques of such accounts and give all directions relating to such accounts including the opening of accounts including the opening of Letter of Credit and to close any of the accounts;

(2) to negotiate, sell, purchase, acquire, convey and transfer, give or take on lease or under licence, any properties, moveable or immovable and/or exchange or otherwise charge, hypothecate, pledge, mortgage any properties of the Corporation, and to execute in that behalf any contracts, writings, letters, bonds, agreement, conveyance, deeds of exchange, lease, licence, mortgage, transfers, hypothecation, pledge or charge and any other documents, or things as may be necessary for completing the transaction and to give and receive consideration or earnest money.

3. to accept and/or redeem any mortgage, amend or alter any mortgage registered or equitable, give or accept any charge, guarantees counter-guarantees, undertaking or

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similar security for or in favour of the Corporation and to have the charge registered under the Companies Act and to execute and get registered the deeds of mortgage and redemption with the Registrar/Sub-Registrar of Assurances and to take all appropriate measures to secure the interest of the Corporation;

(1) to ensure the fulfillment of any contracts or engagements entered into by the Corporation by mortgage or charge of all or any of the property of the Corporation any property belonging to the Corporation or in which it is interested, or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee/or trustees and to execute memorandum or deeds of trust;

(5) in appointing any person or persons (whether incorporated or no) to accept and hold in trust for the Corporation any property belonging to the Corporation or in which it is interested, or for any other purposes and to execute and do all such deeds and things as may be requisite in relating to any such trust and to provide for the remuneration of such trustee/trustees and to execute memorandum or deeds of trust;

(6) to invest any of the money of the Corporation, subject to the provisions of any relevant laws, in such moveable or immovable properties, shares, debentures, securities or investments and in such manner as the Attorney may think fit and from time to time vary or realize such investments and to enter into any under-writing, buy-back or financing arrangement with any person, company or other institution and execute any agreement or other document in that behalf and to have the common seal of the Corporation affixed thereon;

(7) to purchase and pay for all sell, shares, NIT Units, ICP Mutual Fund Certificates, Participation Certificate, Debenture, bonds issued by the Government or a semi-Government institution or an autonomous statutory Company or Corporation and Government Securities including any bonds and Saving Certificates and collect and realize any income, interest, dividends and bonus and right shares, relating thereto and execute any transfer deeds or purchase deeds, applications and other documents.

(8) the donee(s) has/have not express and unconditional authority to receive interest on and to hold, sell, purchase, transfer, negotiate or otherwise deal with the securities of the Government of Pakistan and those of the Provincial Government and any other statutory body or company or firm; and to sign and execute sale bonds, security bonds, indemnity bonds, guarantee bonds and other bonds as the case may be, and to sign and execute:

- a) any application for allotment of shares and issue of share certificate, and debentures;
- b) application for consideration and splitting of Corporation's share-holders;
- c) deeds for transfer of shares and Debentures in favour of or by the Corporation;
- d) Acceptance of allotment and renunciation of allotment of shares and debentures in favour of the Corporation;

and have such transfer of shares and Debentures registered and take all other steps to complete any of these transactions;

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DIRECTORS	HELD AT	ON	TIME
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<p>(9) to arrange and order for custody of shares, securities and other security documents including any title deeds, and release any such shares and securities or deeds transferred to or otherwise disposed of by the Corporation;</p> <p>(10) to look after, manage, superintendent and supervise any company, firm or business belonging to the Corporation or in which the Corporation may for any reason be interested whether wholly or in part as well as all properties, whether Urban or rural belonging to the Corporation absolutely or held by it as a lessee either alone or jointly with any other person or in which the Corporation is or hereafter may be interested and to collect rents, means profits, ceases, to profits, and income thereof and pay all outgoing there of and to accept and grant rent bills, receipts and full discharges on payments;</p> <p>(11) to determine from time to time and by office instructions or order appoint employees of the Corporation who shall be entitled to sign on behalf of the Corporation bills, rent bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents;</p> <p>(12) to sanction approve and incur revenue and capital expenditure of all description of the Corporation.</p> <p>(13) to institute, conduct, defend, compound, compromise or abandon any legal proceedings by or against the Corporation or its officers, or otherwise concerning the affairs of the Corporation and also to compound and allow time for payment or satisfaction of any debts due or of any claims or demands by or against the Corporation and do and perform all acts, deeds and things incidental or consequential thereto;</p> <p>(14) to appear and act in all courts of law, civil or criminal, and before all judicial, revenue and administrative authorities of the Government and to commence, institute prosecute, defend or to take part in any actions, applications, suits, appeals, or proceedings in which the Corporation may anywise be interested or concerned, and for that purpose to subscribe, sign and verify all plaints, written statements, petitions, applications, affidavits, tabular statements, complaints and memorandum of appeal and to do all acts and matter and things which may be necessary in relation thereto, and for which purpose to appoint vakils, attorneys, advocates, solicitors, pleaders, mukhtars, barrister and other lawyers and to sign all vakalatnamas, warrants of attorney and powers and to file and take back all or any documents, or prepare from Courts of Government or public Offices, and to do all acts or things in relation thereto which the Attorney may think proper under the circumstances.</p> <p>(15) to apply for withdrawal, withdraw and receive all moneys that may be deposited in any court of Pakistan or in any other country in the world or with any officer thereof or with any other Government office to the credit of any suits or proceedings in which the Corporation is interested, or realized in execution of any decree or order of a court or with any office of the Government revenue, judicial or executive and payable to the Corporation and to sign valid proper receipt and discharge for the same..</p>			

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MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
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<p>(16) to demand, withdraw sue to recover, realize and receive from the Government of Pakistan, or any Government or from all and from any company or other body public or corporate, person or firm all monies, properties, moveable or immovable, and all interest, dividends, now or hereafter to become due, owing, payable, deliverable or belonging to the Corporation, alone or jointly with any other person or persons, and on any account whatsoever and on receipt thereof to sign and give proper and effectual receipts and other discharges for the same;</p> <p>(17) to appear before the Registrar or Sub-Registrar of Assurances or any other officer having authority to register deeds and/or documents in Pakistan and to present for registration, admit execution and complete registration in due form of law of all or any document or documents executed on behalf of the Corporation or by the Attorney under the authority of these presents and/or the authority of the resolution of the Board and to do all deeds matters and things for completing registration thereof in due form of law;</p> <p>(18) to appear in any Court in any insolvency or bankruptcy or winding-up of Company proceedings or in any other Court having jurisdiction in the matter of insolvency or bankruptcy or winding up and to apply for and to have any debtors adjudged insolvent, a company to be wound-up or oppose the petition of insolvency of any debtor or debtors or the winding up of any company and to do all acts, deeds and things necessary in that connection;</p> <p>(19) to settle, adjust or submit to arbitration any accounts, debts, claims, demands, disputes and matters whatsoever, wherein the Corporation now and/or at any time hereafter shall be in anywise interested or concerned with any persons, firms, bodies, companies or corporations, whatsoever and to pay or receive the balance thereof as the case may require, and on receipt of payment to grant the receipts and valid discharges and to have agreements of arbitration or awards filed in court and to oppose such proceedings in any court.</p> <p>(20) to appear before Income Tax Officer, Assistant Commissioners of Income tax, Commissioners of Income Tax, Income Tax Appellate Tribunal, Board of Revenue or other Income Tax or Revenue Authorities and to prepare, sign and file returns, petitions, applications and appeals, to make payments, to withdraw and receive funds, and to do all acts and things which may be necessary and which the circumstances of the case may require, in connection with income tax or revenue cases or matter in which the Corporation may interested or concerned and to appoint pleaders, solicitors, advocates or income-tax practitioners, for the purposes;</p> <p>(21) to attend and represent the Corporation at any meeting of creditors or of any debtors and at the meetings of all joint stock companies, corporation and other statutory bodies in which the Corporation, jointly or severally, may be interested as a shareholder, Debenture-holder or Director, to give vote on Corporation's behalf and to appoint proxy or letter or instrument of appointment and to do all other things and acts at such meetings on Corporation's behalf and to exercise for the Corporation and in its behalf all rights and privileges and perform all duties which now or hereafter may pertain to the Corporation as holder of shares and/or stocks or debentures or as otherwise interested in any company or Corporation;</p>			

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(22) to appear and represent the Corporation before the Registrar of the Companies, Controller of Capital Issues, Controller of Insurance, Board of Revenue, Monopoly Control Authority, securities and Exchange Authority, Land Acquisition Collector, Official Assignee, Official Trustee, Official Receiver and any other judicial, Government or Semi-Government authorities;

(23) to appear before Municipal, Revenue and Urban Immovable Property Tax Authorities and any other Authority constituted by/under any law in connection with assessment cases, building cases, sanction of plan cases or in respect of mutation cases or application for transfer of leases and any other matter wherein the Corporation is or may in any manner or wise as interested and do all things in relation thereto and take all necessary proceedings for obtaining sanction of plans for erection of new buildings or for affecting additions and/or alterations to existing buildings belonging to the Corporation or in which the Corporation is or may in future be interested and sign and execute all plans, bonds and/or undertakings in connection with such plans and sanctions thereof in relation to such properties.

(24) to negotiate and enter into any contract or assignment including a settlement or arranging such in relation to labour/personnel matters of the Corporation, or to terminate, vary, rescind or relinquish any existing agreement concerning all or any of the matters in which the Corporation is now or may thereafter be interested or concerned specifically in matters of its business and things and matters appurtenant thereto or otherwise ancillary to its business.

(25) to execute in the name and on behalf of the Corporation, in favour of any Director, Executive Director or other person who may incur or be about to incur any personal liability for the benefit of the Corporation such undertaking as may be deemed reasonable in the circumstances and to incur such expenditure as may be necessary in this behalf;

(26) to witness the impressing of the common seal and official seal of the Corporation on any documents and to authorise a person or persons to apply and witness the impressing of the common seal and official seal on any documents where the Corporation is party;

(27) At any time and from time to time by power of attorney appoint any person or persons to be the attorney or attorneys of the Corporation for such purpose and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Attorney under these presents) and for such period and subject to such conditions as the Attorney may from time to time think fit and any such appoint may be made in favour of any corporation or Directors, executive Directors or Managers or any other officer of the Corporation and may contain power enabling any such delegate or attorneys to sub-delegate all or any of the power, authorities and discretions for the time being vested in them, and to revoke and withdraw the powers from such attorney or attorneys at any time;

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DIRECTORS	HELD AT	ON	TIME
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(28) and all and whatsoever the said attorney shall and may lawfully do or causes to be done in or about the premises, the Corporation for itself, its successor-in-interest and assigns do hereby covenant to ratify and confirm.

IN WITNESS WHEREOF we, the State Life Insurance Corporation of Pakistan have caused these presents to be duly executed and the common seal of the Corporation affixed below on the day, month and year first above-written.

for STATE LIFE INSURANCE CORPORATION  
OF PAKISTAN

(Director)

(Director)

The common seal of the State Life Insurance Corporation of Pakistan has hereunto been affixed by order of the Board of Directors vide Resolution No. \_\_\_\_\_ dated \_\_\_\_\_

1.

(Director)

2.

(Director)

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MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON		TIME
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Annexure 'B'				
S/N	DESIGNATION	PARTICULARS	PROPOSED	
1.	AGM/Zonal Head	<p>Basic Pay</p> <p>Overseas Allowance</p> <p>Residential Accommodation/IIRA</p> <p>Conveyance</p> <p>Entertainment</p> <p>Education Allowance</p> <p>Electricity/Gas/Water conserve (Utilities)</p> <p>Residential Telephone Expense</p> <p>Bonus</p> <p>Home passage facilities</p> <p>Medical facilities</p>	<p>Existing Scale in Pakistan converted into US\$ at prevailing parity fixed by the GOP.</p> <p>US\$1000</p> <p>US\$1500 being house rent.</p> <p>Corporation maintained car with driver provided by State Life including petrol limit of 200 litres per month.</p> <p>Being business promotion expenses , the reimbursement of actual expenses may be allowed with a maximum limit of US\$ 150 per month.</p> <p>May be discontinued</p> <p>Included in House Rent.</p> <p>US\$50 per month subject to production of actual telephone bill.</p> <p>Bonus as declared in Pakistan may be paid in equivalent US\$ after applying exchange rate as fixed by the GOP.</p> <p>May be continued as it is.</p> <p>May be continued.</p>	<p style="text-align: center;">CHAIRMAN'S INITIALS</p> <p style="text-align: center;">[Signature]</p>

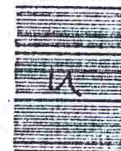


MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	Held AT	ON	TIME
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S NO.	DESIGNATION	PARTICULARS	PROPOSED
2	Manager/ Zonal Head	Basic Pay	Existing Scale in Pakistan converted into US\$ at prevailing parity fixed by the GOP.
		Overseas Allowance	US\$1000
		Residential Accommodation/HRA	US\$1500 being house rent.
		Conveyance	Corporation maintained car with driver provided by State Life including petrol limit of 200 litres per month.
		Entertainment	Being business promotion expense, the reimbursement of actual expenses may be allowed with a maximum limit of US\$ 150 per month.
		Education Allowance	May be discontinued
		Electricity, Gas/Water conserve (Utilities)	Included in House Rent.
		Residential Telephone Expense	US\$50 per month subject to production of actual telephone bill.
		Bonus	Bonus as declared in Pakistan may be paid in equivalent US\$ after applying exchange rate as fixed by the GOP.
		Home passage facilities	May be continued as it is.
		Medical facilities	May be continued.

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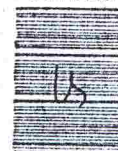


MINUTES OF 147<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
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S.NO.	DESIGNATION	PARTICULARS	PROPOSED
3.	Manager(Dev.)/ Sector Heads	Basic Pay	Existing Scale in Pakistan converted into US\$ at prevailing parity fixed by the GOP.
		Overseas Allowance	US\$900
		Residential Accommodation/IIRA	US\$1300 being house rent.
		Conveyance	Corporation maintained car with driver provided by State Life including petrol limit of 200 litres per month.
		Entertainment	Being business promotion expenses, the reimbursement of actual expenses may be allowed with a maximum limit of US\$ 150 per month.
		Education Allowance	May be discontinued
		Electricity/Gas/Water conserve (Utilities)	Included in House Rent.
		Residential Telephone Expense	US\$50 per month subject to production of actual telephone bill.
		Bonus	Bonus as declared in Pakistan may be paid in equivalent US\$ after applying exchange rate as fixed by the GOP.
		Home passage Facilities.	May be continued as it is.
		Medical facilities	May be continued.

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RECTORS	HELD AT	ON	TIME
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S NO.	DESIGNATION	PARTICULARS	PROPOSED
5.	Assistant Manager	Basic Pay	Existing Scale in Pakistan converted into US\$ at prevailing parity fixed by the GOP.
		Overseas Allowance	US\$700
		Residential Accommodation/HRA	US\$1000 being house rent.
		Conveyance	May be discontinued.
		Entertainment	Being business promotion expenses, the reimbursement of actual entertainment expenses may be allowed up to the maximum of.
		Education Allowance	May be discontinued
		Electricity/Gas/Water conserve (Utilities)	Included in House Rent.
		Residential Telephone Expense	US\$30 per month subject to production of actual telephone bill.
		Bonus	Bonus as declared in Pakistan may be paid in Pak Currency in Pakistan only as being paid to other officers of the Corporation.
		Home passage facilities	May be continued as it is.
		Medical facilities	May be continued.

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DIRECTORS	HELD AT	ON	TIME
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Annexure 'C'

Investment PolicyBackground

The Investments of the Corporation are governed under section 27 of the Insurance Act 1938 and SRO 309(k) 70 as amended from time to time. According to section 27 of the Insurance Act 1938, the Corporation can invest its funds worked out under the provisions of this section as under.

- i. 20% in Government Securities
- ii. 30% in approved Government Securities
- iii. 50% in accordance with provisions of SRO 309(k)/70.

Objective

The objective of investment policy is to obtain secure and reasonable return.

Allocation

The investment alternatives currently available and partly being used by the State Life are as follows:

- i. Government Securities
  - Special Government Bonds
  - Federal Investment Bonds
  - Defence Saving Certificates
  - Special Saving Certificates
  - Regular Income Certificates
  - Foreign Government Securities
- ii. Loans to Policy Holders
- iii. Debentures/Loans/Term Finance Certificates
- iv. Equities or Shares
- v. Real Estate
- vi. Deposit with Banks

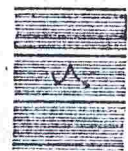
Government Securities

The investments in Government securities comprise of the following

- i. Special Government Bonds
- ii. Federal Investment Bonds
- iii. Defence Saving Certificates
- iv. Special Saving Certificates
- v. Regular Income Certificates

Special Government bonds

These bonds were issued exclusively for State Life from 1981 onwards. These carried a compound growth of 14.48% p.a. and had 15 years maturity period. The first issue of the Bonds matured in 1996. The Government of Pakistan repaid face value of the bonds, and

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reinvested accrued interest for a period of five year at simple interest of 14% p.a. to be paid in five installments. The first installment was received in cash while the balance alongwith proceeds of bonds maturing in 1997 was rolled over by the Government. Similarly the Government rolled over all payments due to the Corporation in 1998 and intends to do so in 1999 as well. Interest on SGBs is subject to 30% withholding tax.

Defence Saving Certificates

These are issued for a period of ten years and carry a compound growth of 15.97% p.a on maturity. These can be encashed on each anniversary date with interest payable for the number of years the funds remain in DSCs.

General Investment Bonds

These are issued for a period of three, five and ten years with half yearly coupons. The investment in FIBs is subject to 30% withholding tax. These are trade able in open market and can be used for REPO transactions.

Special Saving Certificates

These are issued for a period of three years with half yearly coupons. The first five half years carry 14% interest per annum while the last half year 16% p.a. The interest paid to Corporate Bodies is subject to 10% withholding tax.

Regular Income Certificates

These are issued for a period of five years with monthly coupons. These carry interest @ 10% p.a. with 10% withholding tax. There is a penalty @ 4%, 3%, 2% and 1% for encashment after one, two, three and four years respectively.

1.1 Policy for Investment in Government Securities

- I. State Life will invest in FIBs if available at discount as the earnings on FIBs are subject to 30% withholding tax.
- II. Investment in DSCs will be avoided as there are chances of roll over on maturity.
- III. State Life will invest 50% of surplus funds in Government securities.
- IV. All investments in Government Securities will be made with the prior approval of E.D (Inv) Chairman.

1.2 Dis Investment of Government Securities

- I. In case of need for funds, RICs purchased under previous RIC scheme will be encashed to avoid penalty.
- II. FIBs are also sold to meet funds requirements and simultaneously that they are trading above par and provides opportunity for capital gains.
- III. All dis-investments in Government Securities will be made with the prior approval of E.D (Inv) Chairman.

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**2.0 Approved Government Securities**

Investment in approved in Government securities as Wapda Bonds and other Government guaranteed debts will be made after approval of E.D (Inv)/ Chairman on case to case basis.

A memo for each case will be submitted after carrying out its financial analysis.

**2.1 Dis-Investment of approved Government Securities**

Approved Government Securities will be disinvested in case the Corporation can realise capital gain by selling these securities. Approval on case to case basis will be obtained from E.D (Inv) Chairman.

**3.0 Equities**

The investment in equities will be made after approval of Investment Committee constituted by the Chairman. The Committee will select best possible options and will fix quantities of shares to be bought alongwith the prices. While selecting equities the committee will keep the dividend trend of the companies in mind.

- i. Exposure in any company will be made to the extent approved by Investment Committee.
- ii. Pre-IPOS are not allowed. However IPOS are allowed under provisions of RO 309(F) 70.
- iii. Investment will not be made in companies that fail to pay dividend during previous five years.
- iv. Investment in one sector will not exceed 20% of the total portfolio.

**3.1 Dis-Investment of equities**

Dis-Investment of equities will be made

- i. In companies with bleak future prospects
- ii. In companies not paying dividend for three consecutive years
- iii. To generate liquidity
- iv. To realise capital gains
- v. In companies with lower growth potential

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<p>In case there is a buyer for entire holding in a company, sale will be made in coordination with NIT or other institutions. Similarly State Life will follow NIT when an offer for sale of entire holdings in a company is received through NIT.</p> <p><b>4.0. Real Estate</b></p> <p>Investment in Real Estate will be made on case to case basis after approval of Board/E.C. Each case will be analyzed by Real Estate Division.</p> <p>Dis Investment will also be processed by Real Estate Division and submitted to Board.</p> <p><b>5.0. Policy Loans</b></p> <p>The Corporation will pay policy loans as specified in policy terms at interest rates announced by the Corporation from time to time.</p> <p><b>6.0. Term Finance Certificates</b></p> <p>Investment in TFCs will be made after approval of Board/E.C. on case to case basis.</p> <p>6.1 Disinvestment in TFCs will be made in case a TFC has a bleak future and a buyer is available.</p> <p><b>7.0 Bank Deposits</b></p> <p>Amount will be placed in PLS accounts of the banks in accordance with the limits fixed by Investment Committee.</p> <p><b>8.0 Foreign Investment</b></p> <p>State Life will follow advice of Lloyds Bank in case of U. K Investments and ABN MBRO for UAE investment as option in foreign markets are not available with State Life.</p> <p><b>9.0 General Policy</b></p> <p>a) Surplus Funds will be invested as under</p> <p>I 50% in Government Securities</p> <p>II 50% as decided by Investment Committee.</p> <p>b) In case opportunities are not available in the market, the investment committee may place the entire surplus funds in Government Securities.</p> <p>c) Any deviation in investment policy i.e. investments made outside the scope of policy will be intimated to the Board.</p>			
			<p>CHAIRMAN'S INITIALS</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>

