

MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

IS	HELD AT	ON	TIME
DOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

CONFIDENTIAL AND RESTRICTED

The 200<sup>th</sup> Meeting of the Board of Directors of State Life Insurance Corporation of Pakistan was held on Tuesday, 28<sup>th</sup> April' 2009 at 11.00 a.m. in the Board Room, State Life Building No.9, Dr. Ziauddin Ahmed Road, Karachi.

PRESENT:

- |                             |                 |
|-----------------------------|-----------------|
| 1. Mr. Shahid Aziz Siddiqi  | Chairman        |
| 2. Mr. Qamar Zaman Chaudhry | Director        |
| 3. Mrs. Spenta Kandawalla   | Director        |
| 4. Mr. Aslam Faruque        | Director        |
| 5. Mr. Amin Qasim Dada      | Director        |
| 6. Mr. Rasheed Y. Chinoy    | Director        |
| 7. Syed A. Wahab Mehdi      | Director        |
| 8. Syed Hur Riahi Gardezi   | Director        |
| 9. Mr. Akbarali Hussain     | Secretary Board |

2. The meeting started with recitation of verses from the Holy Quran by the Syed Hur Riahi Gardezi, Director.

3. Syed Arshad Ali, Executive Director(Mkt/G&P/PHS), Mr. Allah Rakha Aasi, Executive Director(F&A/Act), Mr. Mohammad Yahya, Executive Director((RE/P&GS/Legal Affairs), and Mr. Shoaib Mir, Executive Director(IT/R&A) attended the meeting by invitation.

ITEM (1) CONFIRMATION OF MINUTES OF 199<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS.

4. The minutes of the 199<sup>th</sup> meeting of the Board of Directors held on 2<sup>nd</sup> February, 2009 together with implementation report were placed before the Board.

5. To a query, ED(IT) informed the Board that Managing Director, BearingPoint Pakistan held a meeting in the office of ED(IT) and explained that the company is continuing its international business smoothly and BearingPoint Pakistan is particularly doing well and assured that there were no chance of its Pakistan operations going out of business in the near future.

6. The Board decided that the Steering Committee constituted to approve RFP and elevation criteria of bids besides expediting the process of implementation of IT strategy consisting of all the Executive Directors, Divisional Head(P&GS), Divisional Head(Actuarial), Divisional Head(IT), Project Manager, (BearingPoint), Project Manager(an official of IT Division, State Life) will henceforth invite Mr. Aslam Faruque, Director and Syed A. Wahab Mehdi, Director in their meetings as and when they are held. Divisional Head(F&A) and Divisional Head(Investment), who were involved in the evaluation process may also attend the meeting of the Steering Committee if required. A presentation would be made by the bidder M/s. Sidat Hyder Morshed Associates to the Steering Committee which would evaluate the bid and put up its recommendations to the Board at its next meeting for final approval.

Action:  
ED(IT)  
DH(IT)

CHAIRMAN'S  
INITIALS



**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

CTORS	HELD AT	ON	TIME
JTE BOOK	<b>KARACHI</b>	<b>28<sup>TH</sup> APRIL' 2009</b>	

Action:  
ED(Mkt)

7. The Chairman informed the Board that he had visited the Gulf Countries and had a very fruitful meeting with the officials of WARBA International, Pakistan Ambassador to KSA, Saudi Arabian Monetary Authority, M/s. Jaffalis, a major business house in KSA. Interim data has been sent to M/s. A. F. Ferguson & Co. Chartered Accountants for review who had submitted a interim report to the Chairman regarding business terms and law relating to insurance business in Gulf countries. The Chairman further informed that the prospect of doing business in Greece, Italy and Spain would be looked into at the first available opportunity.

Action:  
All EDs

8. Mr. Rasheed Chinoy, Director requested that a meeting of the Board of Directors of State Life should be held every alternate month to deliberate on policy issues and take decisions required.

9. It was decided that the next Board meeting would be held on Friday, 15<sup>th</sup> May, 2009 in which all deferred items and five year business plan including financial marketing, investment and manpower plan and business module would be presented and discussed upon.

Action:  
Secretary  
(BAC)

10. Syed Hur Riahi Gardezi, Chairman, Board Audit Committee informed the Board that the existing audit manual as per the directive of the Board given at its 199<sup>th</sup> meeting should be first reviewed by IA&E Division and a report be submitted to the Board Audit Committee at its next meeting. A decision could then be taken by the Board, on the recommendations of the Board Audit Committee as to whether the services of an outside Consultant has to be hired to further review the functions of the Audit Division and update the existing audit manual.

Action:  
Secretary  
(BAC)

11. Mrs. Spenta Kandawalla suggested that one of the Statutory Auditors M/s. Ovais Hyder Liaquat Noman has completed its tenure of five years as Statutory Auditor of State Life in 2008 as such they may be requested to carry out a cost free study of the existing audit manual and advise shortcoming in it since they would be in a better position to envisage audit functions to be carried out. Subsequently quotations following the laid down PPRA rules, could be asked for the review and redrafting of the internal audit manual from audit firms like M/s. Sidat Hyder, A. F. Ferguson and Ovais Hyder who are not currently the Statutory Auditor.

Action:  
ED(P&GS)  
DH(P&GS)  
DH(IA&E)

12. On a query from Mr. Aslam Faruque and Syed A. Wahab Mehdi, the Chairman informed that every effort is being made to recover the embezzled amount in the Sukkur fraud case. The Board advised that effort should continue for recovery of the embezzled amount and special audit being carried out by IA&E Division of State Life should complete the audit for the remainder period of ten years and submit its report to the Chairman.

Action:  
ED(F&A)  
DH(F&A)

13. ED(F&A) informed that approval has been received from the Finance Division on the recommendations of SECP through Ministry of Commerce for increase in paid up capital of State Life from Rs.900 million to Rs.1100 million. However the approval for increase in authorized capital to Rs.1500 million is still awaited. ED(F&A) was requested to follow up on the request in coordination with Mr. Qamar Zaman Chaudhry, Director-SLIC/Additional Secretary, Ministry of Commerce.

CHAIRMAN'S INITIALS



**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

14. Implementation report of 199th meeting of the Board of Directors was noted.

15. Subject to the above, Syed Hur Riahí Gardezi proposed and Mrs. Spenta Kandawalla seconded that the minutes of 199<sup>th</sup> meeting of the Board of Directors be confirmed.

16. Accordingly, it was resolved as under:-

**RESOLVED:**

"that the Minutes of 199<sup>th</sup> meeting of Board of Directors held on 2<sup>nd</sup> February, 2009, are confirmed."

Action:  
Secretary  
(Board)

**ITEM 2(i) CONFIRMATION OF MINUTES OF 277<sup>TH</sup> MEETING OF EXECUTIVE COMMITTEE HELD ON 12-03-2009.**

17. The minutes of the 277<sup>th</sup> meeting of the Executive Committee held on 12<sup>th</sup> March, 2009 was presented before the Board of Directors for confirmation.

18. The Board put on record its appreciation on the guidance given by Mr. Amin Qasim Dada, Director, based on which State Life was able to obtain a discount of Rs. 2 million on purchase of Microsoft Product Licenses.

Action:  
ED(P&GS)  
DH(P&GS)

19. The Board agreed that ED(P&GS) should arrange for a course on Corporate Governance from Pakistan Institute of Corporate Governance (PICG) for the members of the Board and the Executive Directors in the month of September, 2009.

20. After deliberation, the Board resolved as under:

**RESOLVED:**

(i) "that the minutes of 277<sup>th</sup> meeting of Executive Committee held on 12<sup>th</sup> March, 2009 are confirmed."

Action:  
Secretary  
(Board)

**ITEM 2(ii) CONFIRMATION OF MINUTES OF 27<sup>TH</sup> AND 28<sup>TH</sup> MEETING OF BOARD AUDIT COMMITTEE HELD ON 22-01-2009 AND 27-04-2009**

21. The minutes of the 27<sup>th</sup> and 28<sup>th</sup> meeting of the Board Audit Committee held on 22<sup>nd</sup> January, 2009 and 27<sup>th</sup> April, 2009 was presented before the Board of Directors for confirmation.

Action:  
DH(F&A)  
DH(Act)

22. The Chairman, Board Audit Committee appreciated the efforts of the Divisional Head, officers and staff of the F&A Division and the Actuarial Division for having met the target date given by the Board Audit Committee in its 27<sup>th</sup> meeting held on 22<sup>nd</sup> January, 2009 facilitating the submission of the audited accounts and actuarial valuation report to SECP within the prescribed time.


Action:  
DH(F&A)  
DH(Act)

23. The Board desired that a report be submitted to the Chairman by the F&A Division in coordination with the respective Divisions on the points raised by the Statutory Auditors in the management letter of 20<sup>th</sup> April, 2009 addressed to the Board of Directors and also mentioned in the para 3.3 of the minutes of the Board Audit Committee in its 28<sup>th</sup> meeting held on 27<sup>th</sup> April, 2009. The Board also

CHAIRMAN'S  
INITIALS



**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME	
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009		
<p>Action: ED(IT) DH(Inv)</p> <p>Action: Secretary SAC)</p> <p>Action: DH(P&amp;GS) DGM(GS)</p> <p>Action: ED(F&amp;A) DH(F&amp;A)</p> <p>Action: ED(F&amp;A) DH(F&amp;A) DGM(GS)</p> <p>Action: DGM(GS)</p>	<p>requested that in future the Actuarial Division should complete its actuarial valuation report before the initialing of the audited accounts by the auditors so that its effect could be incorporated in the final accounts.</p> <p>24. Mr. Shoab Mir, Executive Director, State Life and the Chairman of the Board of Directors of SAMCO, a subsidiary of State Life was asked to reconvene a meeting of the Board of Directors of SAMCO to review the audited accounts for the year ended June 2008 and submit their recommendations to the Board of Directors of State Life for approval/decision in their next meeting.</p> <p>25. After deliberation, the Board resolved as under:</p> <p><b>RESOLVED:</b> (i) "that the minutes of 27<sup>th</sup> and 28<sup>th</sup> meeting of Board Audit Committee held on 22<sup>nd</sup> January, 2009 and 27<sup>th</sup> April, 2009 were confirmed."</p> <p><b>ITEM 2(iii) CONFIRMATION OF MINUTES OF 7<sup>TH</sup> MEETING OF SOCIAL RESPONSIBILITY COMMITTEE HELD ON 25-03-2009.</b></p> <p>26. The Secretary Board presented before the Board, the Minutes of 7<sup>th</sup> meeting of the Social Responsibility Committee held on 25<sup>th</sup> March, 2009 for confirmation and for approval of its recommendations to the Board.</p> <p>27. The Board desired that as directed a follow up letter be written by DGM(GS) to the various organizations to submit details asked for by the Board in respect of name, academic details and progress of the students who would be availing the benefits from the scholarship fund given by State Life and the needy people who have benefited from the donations allowed by State Life. The details of vehicles and equipment purchased out of donations given by State Life should also be obtained. A copy of the letter be circulated to all the members of the Board by DGM(GS).</p> <p>28. Mrs. Spenta Kandawalla requested the Board to approve a reasonable and significant amount in the Corporation's budget to the Social Responsibility Committee as permissible under the law for donation to be recommended by the Committee and then to be approved by the Board.</p> <p>29. After deliberation, the Board resolved as under:</p> <p><b>RESOLVED:</b> "that the minutes of 7<sup>th</sup> meeting of the Social Responsibility Committee held on 25<sup>th</sup> March, 2009 is confirmed and following recommendations to the Board, is approved." (a) "that a donation of Rs.500,000/= to Rashid Memorial Welfare Organization, for purchase of equipments for blood bank, Lab for Hepatitis B &amp; C and facility for Thalassemia, is approved. The details of such equipments purchased be provided to SLIC."</p>			<p>CHAIRMAN'S INITIALS</p> 



**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	
Action: DGM(GS)	<p>(b) "that a donation of Rs. 500,000/= to be paid in two equal installments of Rs. 250,000/= each in the year 2009 &amp; 2010 respectively to Indus Valley School of Art &amp; Architecture, Karachi to support poor and needy students of Indus Valley School of Art &amp; Architecture for a four year degree programme, is approved." Indus Valley School of Art &amp; Architecture, Karachi be requested to provide information regarding name, academic details and progress of the students who would be availing the benefits from the scholarship fund to be submitted to the Board periodically.</p>		
Action: DGM(GS)	<p>(c) "that a donation of Rs.500,000/= to be paid in two installments of Rs. 250,000/= each in the year 2009 &amp; 2010 respectively towards assistance/scholarships to support 2 medical students of Ziauddin University, Karachi, is approved." Ziauddin University, Karachi be requested to provide information regarding name, academic details and progress of the students who would be availing the benefits from the scholarship fund to be submitted to the Board periodically.</p>		
Action: DGM(GS)	<p>(d) "that a one time donation of Rs.1,000,000/= (Rupees one million) to the Layton Rahmatulla Benevolent Trust(LRBT) towards the expenses which will help the Layton Rahmatulla Benevolent Trust maintain the one national safety net that the poor have to access free quality eye care in Pakistan, is approved."</p>		
Action: DH(F&A)	<p>(e) "that ED(F&amp;A) is hereby authorized to allocate budget for the donations approved at (a) to (d) above and take all steps for making payment of the same."</p>		
Action: DGM(GS)	<p>(f) "that DGM(GS) monitor the proper utilization of the funds donated by State Life and ensure that the amounts donated are State Life specific and bear State Life logo and information of students availing the benefits from scholarship fund be provided to the Board periodically."</p>		
<p><b>ITEM 2(iv) CONFIRMATION OF MINUTES OF 2<sup>ND</sup> MEETING OF THE HUMAN RESOURCES COMMITTEE HELD ON 07-04-2009.</b></p>			
<p>30. The Secretary, Human Resources Committee presented before the Board, the minutes of the 2<sup>nd</sup> meeting of the Human Resources Committee held on 7<sup>th</sup> April, 2009 for confirmation and for approval of recommendations made by the Committee to the Board.</p>			
<p>31. After deliberation, the Board resolved as under:-</p>			
<p><b>RESOLVED:</b></p>			
Action: ED(P&GS) DH(P&GS)	<p>"that the minutes of 2<sup>nd</sup> meeting of the Human Resources Committee held on 7<sup>th</sup> April, 2009 is confirmed and following recommendations of the Committee to the Board, is approved:-</p>		

CHAIRMAN'S INITIALS  

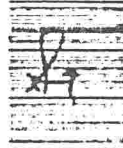

MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	
<p>(a) "that since no substantial financial impact was involved and the Chairman is competent to accord approval, therefore there was no need to refer the matter of Elevation Scheme for upgradation of staff members from Grade-1, 2 and 3 to Grade-4 on the basis of academic qualification and required computer skills with the view to motivate staff members to HRC, is approved."</p> <p>(b) "that adhoc promotion of 49 Managers(Marketing)/Sector Heads to AGM(Marketing) is not advisable, but since Marketing Division feels acute need and justification both for promotion of business and mobility of existing persons, therefore, to cater to this problem, proposal for creation of additional vacancies be considered in the presentation of budget-2009, is approved."</p> <p>(c) "that the decision that a proper organogram of officers/staff be placed in next meeting of Human Resources Committee, is approved."</p> <p>(d) "that since the existing policy of the Board in terms of promotions allows enough room for requisite number of officers as per need and requirement. P&amp;GS may carry out the promotion exercise more frequently, preferably, biannually, is approved."</p> <p>(e) "that there is no need of restructuring and creation of a Directorate of Real Estate Division and that the Chairman is competent to create Divisions as there is no major financial impact or policy change involved."</p> <p>(f) "that the bifurcation of Real Estate Division into two Divisions administratively dealing with Engineering and Real Estate Division respectively, is approved."</p> <p>(g) "that the acceptance of appeal and reinstatement of Mirza Sarfaraz Baig(C.S.No.56033-8), Ex-Area Manager, D.G.Khan as there is no serious charge pending against him, is approved."</p> <p>(h) "that due to non appearance for the hearing, the rejection of appeal of Mr. Fida H. Gill, Ex-Manger(G&amp;P), Lahore on the basis of available record, is approved."</p> <p>(i) "that a brief be put up by P&amp;GS Division to the Board regarding reinstatement of Trainee Executives under Presidential Order, is approved."</p> <p>(j) "that after examining the CVs of M/s. Zia Khokhar and Jamshed Mujib and considering that there is a need for the appointment of above referred Consultants, the HR Committee recommended the approval of appointment of Mr. Zia Khokhar as Media Consultant on a monthly remuneration of Rs.100,000 for a period of six months, subject to further extension of six months by Chairman, SLIC and the appointment of Mr. Jamshed Mujib as Printing and Publishing Consultant for a period of six months on a monthly remuneration of Rs.60,000 extendable for another six months by Chairman, SLIC, is approved."</p> <p>(k) "that the recommendation of the HR Committee that DH(P&amp;GS) would be the Secretary of Human Resources Committee instead of ED(P&amp;GS) is hereby approved.</p>			

CHAIRMAN'S  
INITIALS




MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME	
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009		
	<p><b>ITEM 2(v) CONFIRMATION OF MINUTES OF 3<sup>RD</sup> MEETING OF THE REAL ESTATE COMMITTEE HELD ON 27-04-2009.</b></p> <p>32. The Secretary, Real Estate Committee presented before the Board the minutes of 3<sup>rd</sup> meeting of Real Estate Committee held on 27<sup>th</sup> April, 2009 for confirmation and approval of recommendations made by the Committee to the Board.</p> <p><b>Action: Secretary</b></p> <p>33. Syed Hur Riahi Gardezi pointed out that in the resolution in para-109 of item-7 of the minutes of 3<sup>rd</sup> meeting of Real Estate Committee the word "Retainer Consultants" be replaced with the word "Consultants". The corrected version be incorporated in the minutes of the RE Committee and in the working papers of the Board meeting.</p> <p><b>Action: ED(RE) DH(RE)</b></p> <p>34. The Board noted the progress regarding the following:-</p> <ol style="list-style-type: none"> <li>i) Briefs of the suits pending for determination of the ownership rights in the High Court in respect of State Life Building No.1, (CISP Building), Lahore.</li> <li>ii) Receipt of copies of the title documents in respect of State Life Building No.2, Layton Road, Lahore by M/s. Hajvari Law Group from RE, Lahore Office.</li> <li>iii) Ambiguity in the title documents of State Life Building No.4 (63-D, Regal Street, Lahore) received from RE Lahore Office wherein civil suit for determination of ownership and title documents is pending for the last 20 years, which needs clarification from the Office of Revenue Department.</li> <li>iv) Retrieval of title documents from Revenue Department before initiation of mutation of the property of State Life Building No.5, 63-Regal Street, Lahore.</li> <li>v) Follow up with the Revenue Authority to start mutation process in respect of State Life Building No.6(Moti Mansion), 2-Mcleod Road, Lahore.</li> <li>vi) Follow up with the Revenue Authority to start mutation process in respect of State Life Building No.7(Alico Mansion).</li> <li>vii) Cross litigation in respect of State Life Building No.9, Bank Square, Lahore.</li> <li>viii) Retrieval of title documents from the revenue record in respect of State Life Building No.10, Bank Square, Lahore and institution of criminal proceedings under the dispossession Act.</li> <li>ix) Ejection of tenants who are in default of rent under the Punjab Rented Premises Ordinance 2007.</li> </ol> <p><b>Action: ED(RE) DH(RE)</b></p> <p>35. The Chairman informed the Board that a meeting of the DDWP would be held in the first week of May, 2009 to review the various projects of State Life.</p> <p>36. After deliberation, the Board resolved as under:</p> <p><b>RESOLVED:</b>  "that subject to the above, the Minutes of 3<sup>rd</sup> meeting of the Real Estate Committee held on 27<sup>th</sup> April, 2009 is confirmed and following recommendations to the Board, is approved."</p> <p><b>Action: Secretary (RE)</b></p>			<p>CHAIRMAN'S INITIALS</p> 

MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME	
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009		
Action: DH(RE)	<p>a) "that a complete statement of rented and vacant spaces of all the properties of State Life be submitted for the perusal and information of the Chairman."</p> <p>b) "that remainder suits be filed against the encroachers/illegal occupants and stay orders obtained and recorded in revenue record in respect of State Life plot at Yohanabad (Christian Mutual Colony No.1) at Lahore and at Dallukhurd Christian Mutual Colony No.2."</p> <p>c) "that as recommended by the Real Estate Committee, delegation of powers to Mr. Mohammad Akhlaq, AGM(REM/Law)PO to the extent mentioned in the para-72 to 74, of the minutes is approved for completion/execution of all the title documents including the mutations in respect of State Life properties at 24-D/1, Gulberg-III, Lahore and 66-C/1, Gulberg-III, Lahore and 133/J, Gulberg-III, Lahore and State Life Plot No.19, Bank Square, The Mall, Lahore."</p> <p>d) "that as recommended the completion/execution of all the title documents including the mutations in respect of State Life properties at 24-D/1, Gulberg-III, Lahore and 66-C/1, Gulberg-III, Lahore and 133/J, Gulberg-III, Lahore and State Life Plot No.19, Bank Square, The Mall, Lahore. is approved."</p> <p>e) "that as recommended by the Real Estate Committee, the task of retrieval of documents of State Life properties at Plot No.SE-16 R-11, Davis Road, Lahore be assigned to M/s. Hajvari Law Firm and to get the mutation work completed within shortest possible time and expenses so required to be claimed at actual is approved."</p> <p>f) The Board agrees with the grave concern shown by the Committee over the irresponsible attitude on highly sensitive official matters on the part of the dealing officers at RE Lahore namely Mr. Khalid Mahmood, DM, Mr. Naseer Ahmed, DM and Mr. Abdul Razzak, DM and approves the recommendations of the Committee to issue strict warning letter to the above officers as follows:</p> <ul style="list-style-type: none"> <li>(i) to be careful in future.</li> <li>(ii) to dispose of all the legal matters on the same day on which they are received from Principal Office or from the said law firm.</li> <li>(iii) No legal matter be put off till next day.</li> <li>(iv) Statement of accounts as well as un-scaled maps of the premises which are under litigation have to be provided the same day as required by law firm.</li> <li>(v) Evidences in the courts of law for the Corporation be given by Zonal Accountant, RE, Lahore in all the cases of default in payments of rent etc.</li> <li>(vi) Any single absence from the court in this respect without plausible reasons shall be view strictly.</li> <li>(vii) Such complaints in future shall make the officer concerned liable to face invariably relevant provisions of Removal from Service (Special Powers) Ordinance, 2002.</li> </ul> <p>g) "that the recommendations of Real Estate Committee to initiate ejectment proceedings through M/s. Hajvari Law Associates against all the parties who are in default, sublet-tee as well as against those who are not executing rent agreement under the new rent law and that ED(RE),</p>			

CHAIRMAN'S  
INITIALS



**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	
Action: EP(RE) DH(RE)	<p>DH(REM) and AGM(REM/Law)PO to jointly evolve a strategy to assess the market rent in respect of all the properties at Lahore so as to be offered to the parties who would come up for negotiation out of the court is hereby approved."</p>		
Action: EP(RE)	<p>h) "that the recommendations of Real Estate Committee to constitute a committee comprising of the following members to physically visit the offered sites and present a report covering all aspects of purchases of the said property to be submitted for recommendations of the Real Estate Committee or Board of Directors, is hereby approved:-</p> <ul style="list-style-type: none"> <li>(i) Syed Hur Riahi Gardezi, Member of the Board of Directors</li> <li>(ii) Mr. Amin Qasim Dada, Member of the Board of Directors</li> <li>(iii) Executive Director(Real Estate)</li> <li>(iv) Regional Chief (North)</li> <li>(v) Divisional Head (Legal Affairs) PO</li> <li>(vi) Divisional Head(Real Estate Management), P.O.</li> </ul>		
Action: ED(RE) DH(RE)	<p>i) "that the recommendation of Real Estate Committee for placement of advertisement for the engagement of Consultants in the field of engineering i.e. (i) Architectural Consultants, (ii) Structural Consultant, (iii) Air-Conditioning Consultant, (iv) Lift Consultant, (v) Electrical Consultant and (6) Property Valuation Consultant, is approved. This would be in addition to the services already being provided by M/s. NESPAK."</p>		
<p><b>ITEM (3) STATE LIFE'S ANNUAL ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2008.</b></p>			
<p>37. Executive Director(F&amp;A) presented before the Board, a memorandum dated 21-04-2009 regarding State Life Annual Accounts for the year ended December 31, 2008. Divisional Head(F&amp;A) made a presentation to the Board with the help of multi media, the 36<sup>th</sup> Annual Report on the operations of State Life Insurance Corporation of Pakistan for the year ended 31<sup>st</sup> December, 2008 comprising (a) Financial Statements: Balance Sheet, Profit &amp; Loss Account, Statement of Changes in Equity, Revenue Account, Statement of Premium, Statement of Claims, Statement of Investment Income, Statement of Expenses, Statements of Cash Flows and (b) Regulatory Returns: Statement of Assets for Solvency, Classified Summary of Assets in Pakistan, Statement of Maximum Management Expenses limits U/S 22(9) and 23(9) of Insurance Ordinance, 2000 prescribed by SECP.</p>			
<p>38. He informed that the accounts of the Corporation for the year ended 31<sup>st</sup> December, 2008 were jointly audited by a panel of statutory auditors namely:</p>			
<ul style="list-style-type: none"> <li>i) M/s. Riaz Ahmad &amp; Co., Chartered Accountants, Lahore.</li> <li>ii) M/s. Avais Hyder Liaquat Nauman, Chartered Accountants, Karachi.</li> </ul>			
<p>39. The panel of auditors was appointed by Federal Government, pursuant to Article 28 of Life Insurance (Nationalization) Order, 1972. Accounts for 2008 of Gulf Zone of the Corporation were audited by M/s. Sajjad Haider &amp; Co., Chartered Accountants, Dubai, UAE.</p>			

CHAIRMAN'S  
INITIALS



MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	
<p>40. Operating results of State Life Insurance Corporation of Pakistan for 2008 were submitted to the Board showing a comparison of figures for 2008 with 2007 as given in Annex-1, Annex-2, Annex-3 and Annex-4 of the Memorandum.</p> <p>41. Annex-5 to the Memorandum contained details of Investment Portfolio of Pakistan Life Fund, Overseas Life Fund and for the Corporation as a whole.</p> <p>42. Annex-6 to the Memorandum showed provisions, adjustments and additions to Investment Portfolio made during 2008 for which specific approval of the Board of Directors was required.</p> <p>43. Annex-7 to the Memorandum showed maximum management expenses limits prescribed by SECP under section 22(9) and 23(9) of Insurance Ordinance, 2000.</p> <p>44. Annex-8 to the Memorandum showed comparative figures for profit and loss account of Shareholders' Fund for 2007 and 2008.</p> <p>45. A set of audited Annual Financial Statements/Regulatory Returns for 2008 as mentioned in the Memorandum, duly initialed by the Statutory Auditors, alongwith Notes to accounts and Auditors' Report thereon, was enclosed for consideration of the Board. A copy of letter addressed to the Board of Directors received from auditors alongwith initialed accounts containing their observations was also submitted for perusal of the Board.</p> <p>46. The Board was requested to consider and approve financial statements/regulatory returns for 2008, mentioned in above para, alongwith notes to the Accounts and Auditors Report thereon as well as amount of provisions, adjustments and additions to Investment Portfolio mentioned in Annex-6 of the Memorandum.</p> <p>47. Chairman, Board Audit Committee circulated the Minutes of 28<sup>th</sup> meeting of Board Audit Committee held on 27<sup>th</sup> April, 2009 and noted by the Board. Chairman, Board Audit Committee informed the Board that audited accounts were considered in detail. Letter of the Auditors to Board of Directors was also discussed at length. The Board Audit Committee accordingly had made certain observations and recommendations which have been recorded in the Minutes of the Board Audit Committee. Board of Directors noted and discussed the BAC Minutes in detail and directed that necessary action as instructed therein be taken by the Management and Divisional Head(F&amp;A) was advised to submit a report on the action taken to the Board of Directors at its next meeting.</p> <p>48. ED(F&amp;A) stated that as per Board Audit Committee's recommendations, the Board was requested to approve the financial statements/regulatory returns for the year ended 31<sup>st</sup> December, 2008 alongwith notes to the Accounts and the Auditors Report thereon as well as the amount of provisions, adjustments and additions to Investment Portfolio mentioned in Annex-6 of the Memorandum.</p> <p>49. The Board was also requested to nominate two directors to sign alongwith Chairman, State Life and Executive Director (F&amp;A), financial statements/regulatory returns for 2008 after consideration and approval by the Board.</p>			

Action:  
ED(F&A)  
DH(F&A)

CHAIRMAN'S  
INITIALS





**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

50. The Board discussed the annual accounts for the year ended 31<sup>st</sup> December, 2008. Chairman, Board Audit Committee, informed that the Audit Committee in its meeting on 27<sup>th</sup> April, 2009 had considered annual accounts in detail. Statutory Auditors were also present. The observations of the auditors were discussed item-wise and necessary directions were issued to Management for improvement. Chairman Board Audit Committee recommended to the Board of Directors that the accounts may kindly be approved.

51. After thorough discussions, the Board resolved as under:

**RESOLVED:**

(i) "that the (a) Financial Statements comprising of Balance Sheet, Profit & Loss Account, Statement of Changes in Equity, Revenue Account, Statement of Premium, Statement of Claims, Statement of Investment Income, Statement of Expenses and Statements of Cash Flows and (b) Regulatory Returns comprising of Statement of Assets for Solvency, Classified Summary of Assets in Pakistan, Statement of Maximum Management Expenses limits U/S 22(9) and 23(9) of Insurance Ordinance, 2000 prescribed by SECP alongwith notes to the Accounts and Auditor report thereon for the year ended 31<sup>st</sup> December, 2008, are approved."

(ii) "that the amounts of provisions, adjustments and addition to investment portfolio for the year 2008 mentioned in Annexure-A to the Minutes, are approved."

(iii) "that the Chairman, State Life Mr. Shahid Aziz Siddiqi, Syed Hur Riahi Gardezi, Director, Mr. Aslam Faruque, Director and Mr. Allah Rakha Aasi, Executive Director(F&A) are hereby authorized to sign the financial statements and regulatory returns for the year 2008 approved by the Board of Directors at (i) above."

**ITEM (4) BUDGET PROPOSALS FOR THE YEAR 2009 AND REVISED BUDGET ESTIMATES FOR THE YEAR 2008.**

52. The Executive Director(F&A) presented before the Board a Memorandum dated 21<sup>st</sup> April, 2009 regarding budget proposals for the year 2009 and revised budget estimates for the year 2008 showing all necessary details of first year premium, second year and third year and above renewal premium in respect of individual life business within Pakistan and Overseas, group life premium, investment income, Real Estate income, payment to policyholders and field workers, group life claims and profit commission, administrative expenses including personnel cost of officers and staff, Area Managers expenses alongwith headwise details of other revenue and administrative expenses. The headwise details of administrative expenses of Investment and Real Estate were also put up to the Board. Estimates of capital expenditure for 2009 for each operating activity were also submitted.

Action:  
ED(F&A)  
DH(F&A)

CHAIRMAN'S  
INITIALS

*[Handwritten Signature]*

**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	<b>KARACHI</b>	<b>28<sup>TH</sup> APRIL' 2009</b>	

53. DH(F&A) explained the salient features of the budget proposals in his presentation on multi media and replied to the different queries raised by the members of the Board.

Action:  
DH(F&A)

54. The members of the Board suggested that they should be a direct correlation between the premium and field expenses and induction of employees in the specialized cadre be carried out for improvement in business activities and its reporting and monitoring. On a query, Board was informed that the provision has been made in the budget for payment to be made as a result of finalization of CBA demands.

55. Board of Directors were requested to kindly consider and approve budget proposals for 2009 and revised budget estimates for 2008, as proposed in para-9 and 11 of the Memorandum.

56. The Board was also requested to consider and authorize re-appropriation of budget among different heads for revenue expenses/capital expenditure, in case a need for such re-appropriation arises, of course, within the overall total amount of budget approved by the Board of Directors.

57. After thorough discussions, the Board resolved as under:-

**RESOLVED:**

Action:  
ED(F&A)  
DH(F&A)

(a) "that as proposed by ED(F&A), the budget proposals in respect of Income, Outgo, Life Fund and capital expenditure for the year 2009 and revised budget estimates for the year 2008 given in para-9 and 11 of the memorandum dated 21<sup>st</sup> April, 2009 and Annexure-B to the Minutes, with detailed break down given in para-4 to para-8 of the Memorandum, are approved."

(b) "that ED(F&A) is authorized to make re-appropriation of budget among different heads of revenue expenses/capital expenditure, in case a need for such re-appropriation arises within the overall total amount of budget approved by the Board."

(c) "that the expenditure on field force is a cause of concern and Management is advised to work out an equitable commission structure so that the expenses are brought to a sustainable level."

**ITEM (5) ACTUARIAL VALUATION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2008.**

58. Mr. Shujat Siddiqui, Appointed Actuary and Mr. Shahrukh Sabzwari, Divisional Head(Actuarial) joined the meeting. Mr. Shujat Siddiqui gave a presentation on the salient features of Actuarial Valuation for the year 2008.

59. Appointed Actuary presented before the Board a Memorandum dated 18<sup>th</sup> April, 2009 for consideration and approval of Actuarial Valuation report of the insurance policies of the Corporation as on 31<sup>st</sup> December, 2008. The Appointed

CHAIRMAN'S  
INITIALS

*[Handwritten Signature]*



MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	
<p>Actuary briefed the members of the Board on the salient features of the memorandum. He explained about surplus figures of Rupees, overseas and Pension Fund. The Appointed Actuary further informed the Board regarding salient features of bonuses for Rupee business as well as for foreign currency business etc. for the year 2008. The Appointed Actuary felt that there was potential for achieving better results provided SLIC was able to procure I.T. capabilities and trained manpower.</p> <p>60. The Actuarial Valuation as at 31<sup>st</sup> December, 2008 in terms of Section 50(1) of the Insurance Ordinance 2000 is based on audited balance sheet and revenue account for the year ended 31<sup>st</sup> December, 2008 respectively initiated by the Auditors and provided to the Actuarial Division. All policies except those valued by accumulation of premiums or by unearned premiums having valued on the minimum valuation basis prescribed by SECP in Rule 20 Framed under Sub Section 5 of Section 50 of the Insurance Ordinance, 2000.</p> <p>61. The surplus figures for Pakistan Life Fund, Overseas Life Fund and Pension Fund for last four years is given at Annexure to the Memorandum</p> <p>62. The statistical summary of annualized yield on fund, renewal expense ratio, overall expense ratio, number of individual life policies, and gross premium in respect of Pakistan Life Fund, Overseas Life Fund and Pension Fund is given at Annexure-C to the minutes.</p> <p>63. The Appointed Actuary submitted that the Corporation has shown commendable growth in new business and that the Corporation was able to weather the crisis of unprecedented economic slow down internationally due largely to the prudent investment policy which limited exposure to equity investments. The Corporation is also taking part regularly in the PIB auctions and has been able to place sizeable amount at good yields and investment is being made in long term PIBs because the Corporation's liabilities are long term.</p> <p>64. The Board was informed that steps are being taken to increase the volume of the business in the Gulf Region and discussions and negotiations are being carried out with the potential well reputed sponsors as per the requirements of the newly introduced insurance laws in the Gulf countries. A meeting has also been held with Saudi Arabia Monitoring Authority and the possibility of having a set up in Bahrain, Qatar and Oman is being looked into. Presently State Life is marketing conventional policies to lower income expatriate Pakistanis.</p> <p>65. The details of recommended bonuses for Pakistan Rupee Business, Foreign Currency Policies and Specified Major Surgical Benefits are included as Annexure-D(i), D(ii) and D(iii) to the minutes. The Appointed Actuary has recommended that the existing bonus rates including the terminal bonuses be continued without change whereas the loyalty bonus declared for the first time last year will remain valid for the valuation year ended 31<sup>st</sup> December, 2008. The bonuses applicable to the Middle East business will also be continued without change.</p> <p>66. The Appointed Actuary mentioned that the rates of return on the Middle East investments have dropped considerably and that State Life may have to review the</p>			

CHAIRMAN'S INITIALS













MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL 2009	

79. Copy of State Life's letter to the consortium dated 6<sup>th</sup> April, 2009 and their reply dated 9<sup>th</sup> April, 2009 were attached to the memorandum as Annexures.

80. Accordingly, the Board resolved as under:

**RESOLVED:**

- (i) "that the processing of technical proposal submitted by consortium comprising of M/s. GBA Services (Pvt) Ltd and M/s. Sidat Hyder Morshed Associates (Pvt) Ltd, in response to the advertisement appearing in the print and electronic media for selection of the most suitable applicant for provision of the third party administration services for bancassurance business, is hereby approved, subject to a provision to be included in the third party administration contract whereby the period of review would be five years from the date of issue of the first policy under the arrangement."
- (ii) "that a one time payment of Rs. 3 million to M/s. Sidat Hyder Morshed Associates (Pvt) Ltd to cover the capital cost to be incurred upfront by the third party service provider is approved. A position paper regarding feasibility study and service charges and commission structure as and when finalized be submitted to the Board for its review."
- (iii) "that Chairman State Life is hereby authorized to approve the appointment of the Chief of the Bancassurance Cell as per laid down procedure for appointment."

**ITEM (9) GENERAL POWER OF ATTORNEY IN FAVOUR OF MR. KHALID MAHMOOD SHAHID(C.S.NO.2-1224-8), ZONAL CHIEF (GULF).**

81. Executive Director(P&GS) presented before the Board a Memorandum dated 21<sup>st</sup> April, 2009 regarding issuance of General Power of Attorney as per Annexure-A to the memorandum in favour of Mr. Khalid Mahmood Shahid, Zonal Chief (Gulf).

82. Mr. Khalid Mahmood Shahid(C.S.No.2-1224-8), AGM has been posted as Zonal Chief (Gulf) vide Office Order No.P&GS/PO/56 dated 26-2-2009. For facilitating the smooth functioning of the Zonal Office a General Power of Attorney in favour of the Zonal Chief is required to be executed by the Board of Directors.

83. Accordingly, it was requested that the Board of Directors may kindly accord ex post facto approval of the grant of General Power of Attorney, the draft of which was enclosed as Annexure-A to the memorandum and pass the following resolution:

"post facto approval is hereby granted by the Board on the proposal of ED(P&GS) for issuance of power of attorney, as per Annexure-E to the Minutes, in favour of Mr. Khalid Mahmood Shahid(C.S.No.2-1224-8), Zonal Chief (Gulf) which was signed by the Chairman, State Life Mr. Shahid Aziz Siddiqi, and the Executive Director (Marketing), Syed Arshad Ali along with fixation of common seal of the Corporation."

CHAIRMAN'S  
INITIALS

Action:  
D(ACT)  
A(ACT)

MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS


DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	
<p>Action: ED(P&amp;GS) DH(LAD)</p> <p>tion: ED(P&amp;GS) DH(LAD)</p>	<p>84. Accordingly, the Board resolved as under:</p> <p><b>RESOLVED"</b></p> <p>(i) "that as proposed by ED(P&amp;GS) issuance of general power of attorney, as per Annexure-E to the Minutes, in favour of Mr. Khalid Mahmood Shahid(C.S.No.2-1224-8), Zonal Chief (Gulf) alongwith fixation of common seal of the Corporation, is approved and the Chairman State Life Mr. Shahid Aziz Siddiqi and Executive Director(Marketing) Syed Arshad Ali are authorized to execute the same."</p> <p>(ii) "that the revocation of general power of attorney earlier executed by the Corporation in favour of its then Zonal Chief (Gulf) Mr. Mohsin Abbas is approved. The Chairman and Divisional Head(Legal Affairs) are hereby authorized to take all necessary steps in this regard."</p> <p><b>ITEM (10) ANY OTHER ITEM WITH THE PERMISSION OF THE CHAIR</b></p> <p><b>(I) MOBILE PHONE FACILITY TO THE SENIOR EXECUTIVES OF THE CORPORATION</b></p> <p>85. Executive Director(P&amp;GS) presented before the Board a Memorandum dated 20<sup>th</sup> April, 2009 regarding purchase of mobile phones with connections for the Executives of the Corporation.</p> <p>86. The Board of Directors in its 163<sup>rd</sup> meeting held on 10-11-2001 had approved the purchase of mobile phones with connections for Executives of this Corporation and accordingly sanctioned an amount of Rs.600,000/- for the purpose, however subsequently, the Commercial Auditors raised an audit objection that State Life Insurance Corporation of Pakistan had not adhered with the instructions of Cabinet Division regarding the facility of mobile phones for government officers.</p> <p>87. With a view to resolve the issue, the Corporation again took up the matter with the Ministry of Commerce vide letter dated 30-1-2009, in response to which, the Ministry has desired seeking afresh approval of the Board of Directors on the subject.</p> <p>88. ED(P&amp;GS) informed the Board that since the Corporation has already provided mobile phones to most of the Executives, General Managers, Divisional Heads, Regional Chiefs and Zonal Heads as such the immediate required number of new phones shall be very insignificant (between 8 to 10).</p> <p>89. The members of the Board of Directors are requested to accord fresh approval viz purchase of mobile phones with connection for Executives of the Corporation in accordance with the financial limits of office telephone.</p>		

CHAIRMAN'S INITIALS






MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME	
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009		
<p>Action: ED(P&amp;GS) DGM(GS)</p>	<p>90. Accordingly, the Board resolved as under:</p> <p><b>RESOLVED:</b></p> <p>"that as proposed by ED(P&amp;GS) in his memorandum, purchase of mobile phones with connections for Executives of the Corporation including General Managers, Divisional Heads, Regional Chiefs and Zonal Heads in accordance with the financial limit of office telephone is hereby approved."</p> <p><b>(III) CONTRACTUAL APPOINTMENT OF MR. ZIA KHOKHAR AS "MEDIA CONSULTANT" AND MR. JAMSHED MUJIB AS "PRINTING/PUBLISHING CONSULTANT".</b></p> <p>91. Executive Director(P&amp;GS) presented before the Board a Memorandum for contractual appointment of Mr. Zia Khokhar as "Media Consultant" and Mr. Jamshed Mujib as "Printing/Publishing Consultant".</p> <p>92. ED(P&amp;GS) informed the Board that Mr. Zia Khokhar was hired as Media Consultant for a period of six months w.e.f. 1<sup>st</sup> November, 2008 to 30<sup>th</sup> April, 2009 on a remuneration of Rs.100,000 per month for image building, PR activities and improve inter regional liaison of the Corporation. The scope of his work is as follows:-</p> <ol style="list-style-type: none"> <li>1. To work as publicist of State Life, liaise with the print and electronic media</li> <li>2. To provide media coverage of visits of Chairman, Board of Directors and Executive Directors to Islamabad whenever needed. Ensure optimum multimedia publicity of State Life's corporate events, happenings taking place in Islamabad and Rawalpindi as well as in the Northern Region.</li> <li>3. To coordinate with PID, officials, at Islamabad/Rawalpindi and different Ministries/Government Agencies on behalf of State Life and pursue pending matters of State Life in the Ministry of Commerce.</li> <li>4. To contribute articles/write-ups on SLIC in the print and electronic media from time to time both in English/Urdu with the prior approval of AGM Advertising &amp; Public Relations, Principal Office.</li> <li>5. To coordinate with Media Coordinator Northern Regional Office SLIC based at Islamabad.</li> <li>6. To strength and sustain relations with the print and electronic media, news agencies, Ministry of Information, Broadcasting and various media outlets.</li> <li>7. To monitor State Life's news appearing in the print and electronic media.</li> <li>8. To counter negative/adverse news on State Life appearing in the media, if any.</li> </ol> <p>93. The case for approval of appointment and further extension of contract of Mr. Zia Khokhar was put up in the 2<sup>nd</sup> meeting of Human Resources Committee of the Board held on 7<sup>th</sup> April, 2009 which after examining the CVs of Mr. Zia Khokhar and considering the need for Media Consultant has recommended to the Board for ex post facto approval of Mr. Zia Khokhar's appointment as Media Consultant for a period of six months on a monthly remuneration of Rs.100,000 (Rupees one hundred thousand) w.e.f. 1<sup>st</sup> November, 2008 and empowering the Chairman to allow further extension of six months.</p>			<p>CHAIRMAN'S INITIALS</p> 

MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME	
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL 2009		
	<p>94. ED(P&amp;GS) further informed the Board that State Life having its chain of offices located all over the country also requires a high quality of standardized and harmonized printing and publicity material for advertising its business of Insurance to cross section of people which is not possible without engaging a professional in the field of publicity. Accordingly in view of this need Mr. Jamshed Mujib presently employed as a Creative Manager in a private sector organization supervising and managing the entire printing process ranging from designing on graphic softwares, film separation on high end printers to production and planning of printing and delivering of the finished product, was interviewed. The HR Committee at its 2<sup>nd</sup> meeting held on 7<sup>th</sup> April, 2009 recommended to the Board of Directors for approval, his appointment as Printing and Publishing Consultant at a monthly remuneration of Rs.60,000 for a period of six months extendable for another six months by Chairman, State Life.</p> <p>95. Accordingly, the Board resolved as under:</p> <p><b>RESOLVED:</b></p> <p>(i) "that the proposal of ED(P&amp;GS) contained in the Memorandum dated 20<sup>th</sup> April, 2009 and as recommended by the Human Resources Committee at its 2<sup>nd</sup> meeting held on 7<sup>th</sup> April, 2009, the ex post facto approval of contractual appointment of Mr. Zia Khokhar as "Media Consultant" on a monthly remuneration of Rs.100,000 for a period of six months w.e.f. 1<sup>st</sup> November, 2008 to 30<sup>th</sup> April, 2009 and thereafter empowering the Chairman to allow further extension of six months , is approved."</p> <p>(ii) "that as recommended by the Human Resources Committee at its 2<sup>nd</sup> meeting held on 7<sup>th</sup> April, 2009, the contractual appointment of Mr. Jamshed Mujib as Printing and Publishing Consultant on a monthly remuneration of Rs.60,000 for a period of six months extendable for another six months by Chairman, State Life, is approved."</p> <p><b>(III) REINSTATEMENT OF TRAINEE EXECUTIVES RECRUITED DURING 1993 TO 1996 AND SACKED/REMOVED DURING 1996 TO 1998.</b></p> <p>96. Executive Director(P&amp;GS) presented before the Board a Memorandum dated 21<sup>st</sup> April, 2009 for reinstatement of Trainee Executives recruited during the period November 1993 to November 1996 and sacked/removed during the period November 1996 to December 1998.</p> <p>97. The Board was informed that a scheme of Trainee Executives (TEs) was approved by the Board of Directors in its 119<sup>th</sup> meeting held on 2.10.1994 in pursuance of which 287 Trainee Executives were appointed at various stations by Regional / Zonal Offices during year 1994 to 1996 with a monthly stipend of Rs.5,000/- for Post Graduate and Rs.4,000/- for Graduate Candidates. After successful completion of one year's job training, their services were liable for absorption in officers' cadre. Accordingly, 41 TEs among 287 were selected / appointed as Executive Officers on qualifying tests and subsequent interviews in order of merit. They were given appointment letters in the regular cadres of Executive Officer.</p>			<p>CHAIRMAN'S INITIALS</p> 

Action:  
ED(P&GS)  
DH(P&GS)  
AGM(CC)

Action:  
ED(P&GS)  
DH(P&GS)



**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	<b>KARACHI</b>	<b>28<sup>TH</sup> APRIL' 2009</b>	

98. The remaining 246 TEs who could not qualify the written test were allowed to continue their services. On receipt of directives from Cabinet Secretariat (Establishment Division) contained in their Memorandum No.8/57/96-CP.I, dated 07.11.1996 conveyed through Ministry of Commerce vide U. O. No.4 (17)/96-Admn.IV, dated 07.11.1996, the services of all contractual appointees in the Corporation, all TEs (246) in the Corporation were accordingly terminated in January 1997 as they were working on contractual basis.

99. ED(P&GS) further informed the Board that a Presidential Ordinance, titled "Sacked Employees (Reinstatement) Ordinance, 2009" has been promulgated on 14<sup>th</sup> February 2009. In compliance thereof, the Corporation is in the process of reinstating the Trainee Executives under Section 6 of the said Ordinance. A three member committee comprising DH (P&GS), DH (Law) and AGM (P) was constituted to consider reinstatement of terminated TEs in terms of the said ordinance. The Committee recommended that those TEs who could not complete their six months period after their joining on initial engagement as TEs shall now be reinstated as Executive Officers while those who had completed the said period shall be reinstated as Assistant Manager after proper scrutiny of the required papers. The Chairman State Life agreed to the Committee recommendations. The requests of the terminated TEs are being received in P&GS Division and are considered on case to case basis.

100. The progress as of 17.04.2009 is as follows:

No. of Applications Received	No. of Trainee Executives reinstated		No. of Applications pending
	Assistant Managers	Executive Officers	
166	110	16	40

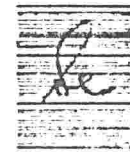
101. ED(P&GS) submitted that some of the cases are pending due to non-completion of required documents i.e.:

- i. Affidavit on the prescribed format on a stamp paper that he / they shall not claim any back benefits other than provided in the ordinance.
- ii. Appointment Letter.
- iii. Joining Letter
- iv. Termination Letter
- v. Educational Certificates (attested photocopies)
- vi. Attested copy of CNIC

102. As per section 9 of the said ordinance (Manner and Mode of Payment of Compensation on Reinstatement), reproduced below:

"On reinstatement in service each employee in corporation or Government service shall be paid compensation equal to three years emoluments of the pay scale in which he would be placed and the emoluments shall be paid to him in

CHAIRMAN'S  
INITIALS



MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

the following manner, namely:

- first installment equal to twelve months emoluments on reinstatement;
- Second installment equal to twelve months emoluments on the 1<sup>st</sup> day of January 2010; and,
- third installment equal to twelve months emoluments on the 1<sup>st</sup> day of January 2011."

103. To compute and evaluate the Financial Impact on the implementation of the decision, a Committee comprising DH (P&GS), DH(B&A), DH(Law) was constituted who, in the light of above para and taking into consideration that all the 246 TEs will be reinstated, has calculated the following financial impact by considering all anticipated reinstatements as Assistant Managers (Annex-A of the memorandum):

**Assistant Manager – Initial Pay Scale (13235 – 910 - 35075)**

		Per Month	Per Annum
Basic Pay	13,235.00		
House Rent	5,294.00		
Conveyance	2,000.00		
Utility	1,985.00	22,514.00	
Corp. Gratuity Cont.		1,103.00	
Corp. P. F. Cont.		1,103.00	
Telephone Reimb. (120 calls)		478.00	302,376.00
Leave Encashment (24 days)			20,411.00
Expected Bonuses (13,235.00 x 2)			26,470.00
Group Insurance (684 + 912)			1,596.00
Medical			Unlimited
<b>Total Emoluments Per Employee</b>			<b>Rs.350,853.00</b>

A)	<b>Annual impact of total employees (246 x Rs.350,853.00) From March 2009 onwards (10 months)</b>	<b>86,309,838.00</b>
Add:	Compensation of 1 <sup>st</sup> installment of 12 months emoluments (Basic + House Rent + Utility + Conveyance allow.) On reinstatement	<b>66,461,328.00</b>
	Compensation of 1 <sup>st</sup> installment of 12 months emoluments (Basic + House Rent + Utility + Conveyance allow.) To be paid on 1 <sup>st</sup> January 2010	<b>66,461,328.00</b>
	Compensation of 1 <sup>st</sup> installment of 12 months emoluments (Basic + House Rent + Utility + Conveyance allow.) To be paid on 1 <sup>st</sup> January 2011	<b>66,461,328.00</b>
B)	<b>Total of three installments</b>	<b>199,383,984.00</b>
	Total Financial Impact to be approved by the Board of Directors (A + B)	<b>Rs.285,693,822.00</b>


104. Approval of the Chairman for reinstatement of Trainee Executives has already been obtained(Annex-B of the memorandum).

CHAIRMAN'S  
INITIALS







MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME	
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009		
<p>Action: ED(P&amp;GS) DH(P&amp;GS)</p>	<p>105. Accordingly, the Board resolved as under:</p> <p><b>RESOLVED:</b></p> <p>(i) "that the reinstatement of 246 Trainee Executives (whose services were terminated in January 1997 on directives from Cabinet Secretariat(Establishment Division) contained in their memorandum No.8/57/96-CP-1 dated 7-11-1996 conveyed through Ministry of Commerce vide UO No.4(17)/96-ADMN.IV dated 7-11-1996) subject to fulfillment of requirements of the (Sacked Employees Reinstatement) Ordinance 2009 promulgated on 14<sup>th</sup> February, 2009, is approved."</p> <p>(ii) "that as recommended by the Committee consisting of DH(P&amp;GS), DH(Legal Affairs Division) and AGM(Personnel) constituted to consider reinstatement of terminated Trainee Executives in terms of the said Ordinance, the reinstatement of Trainee Executives (who could not complete their six months period after their joining on initial engagement as Trainee Executives) as Executive Officers while those who had completed the said period shall be reinstated as Assistant Manager after proper scrutiny of the required papers, is hereby approved."</p> <p>(iii) "that the total financial impact based on reinstatement of all the 246 Trainee Executives amounting to Rs.285,693,822 payable in three equal instalments of Rs.66,461,328 and annual regular payroll of Rs.86,309,838, is hereby approved."</p> <p><b>(IV) DELEGATION OF ADMINISTRATIVE POWERS TO REPRESENT THE CORPORATION IN RESPECT OF STATE LIFE PROPERTIES AT LAHORE.</b></p> <p>106. ED(Legal Affairs/P&amp;GS/REM) submitted before the Board a Memorandum dated 27<sup>th</sup> April, 2009 for consideration and approval to delegate the administrative powers to Mr. Mohammad Akhlaq, AGM(REM/LAW) PO.</p> <p>107. The Board was informed that M/s. Hajvari Law Associates has been engaged to get the Corporation's properties at Lahore mutated in favour of State Life as well as to dispossess the illegal occupants by invoking relevant provisions of Civil Procedure Code and Criminal Procedure Code. The Law firm is following up the issue and have now apprised the Real Estate Committee in their 3<sup>rd</sup> meeting held on 27<sup>th</sup> April, 2009 that the progress is stuck up in some cases due to non-availability of duly authorized officer of the Corporation.</p> <p>108. The Board of Directors at its 149<sup>th</sup> meeting held on 15-11-1999 approved the administrative manual for implementation by State Life Insurance Corporation of Pakistan. The manual defines the administrative powers of the Chairman, Executive Director(Inv), (PHS), (B&amp;A), (G&amp;P), (P&amp;GS), and Divisional Heads (Law), (RE) and Zonal Heads.</p> <p>109. The Real Estate Committee agreed to the proposal that the following powers be delegated to Mr. Mohammad Akhlaq, AGM(REM/LAW)PO so that the assignment of mutation and getting rid of land grabbers could be accomplished without hassles:</p>			<p>CHAIRMAN'S INITIALS</p> 

**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	
<p>a) To appear before the Registrar/Sub-Registrar or before any other officer having authority to register deeds and/or documents in Pakistan and to present for registration in due forum of law of any documents executed on behalf of the Corporation.</p> <p>b) To appear and act in al Courts of Law, Tribunals, Civil or Criminal and before all Judicial, Revenue and administrative authorities of the Government and to commence, institute, prosecute, defend or take part in any action. Application, Suits, Appeals or Proceedings in which the Corporation, may wise 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 Appeals and to do all acts and matters and things which may be necessary in relation thereto.</p> <p>c) To appear before Municipal, Revenue, Development authorities and Urban Immoveable Property Tax Authority or any other Authorities constituted by/under any law in connection with assessment case/building cases or in respect of mutation cases or applications for transfer of leases.</p> <p>110. Accordingly, the Board resolved as under:</p> <p><b>RESOLVED:</b></p> <p>"that as proposed by ED(P&amp;GS/Legal/RE) to delegate the powers mentioned in para-109(a to c) above, issuance of general power of attorney, in favour of Mr. Mohammad Akhlaq, AGM(REM/Legal) alongwith fixation of common seal of the Corporation, is approved and the Chairman State Life Mr. Shahid Aziz Siddiqi and Executive Director(P&amp;GS/Legal/RE) Mr. Mohammad Yahya are authorized to execute the same."</p> <p>111. The meeting ended with vote of thanks to the chair.</p> <div style="text-align: right; margin-right: 100px;">               (CHAIRMAN)         </div> <div style="text-align: right; margin-right: 50px;"> <p>CHAIRMAN'S INITIALS</p>  </div>			

Action:  
ED(P&GS/  
LAD)  
DH(LAD)



MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

ANNEXURE-A(1)State Life's Account for 2008OPERATING RESULTS OF CORPORATION AS A WHOLEComparison of Actual for 2008 with Actual 2007

(Rs. In Millions)

Description	2008	2007	% change 2008 over 2007 Actual
<b><u>INCOME</u></b>			
<u>Individual Life</u>			
First Year Premium (Gross)	5,181.032	3,873.787	33.75
Second Year Premium(Gross)	3,311.935	2,874.427	15.22
Third year & over Premium(Gross)	10,768.998	9,271.789	16.15
Sub-Total	19,261,965	16,020.003	20.24
<u>Group Life</u>			
Premium Income (Gross)	3,564.149	2,821.535	26.32
<b>Total Premium Income</b>	22,826.114	18,841.538	21.15
Less: Reinsurance	(130.834)	(124.842)	
<b>Net Premium Income</b>	22,695.280	18,716.696	21.26
Investment Income (Net)	18,696.912	17,103.562	9.32
Real Estate Income (Net)	341.924	316.436	8.05
<b>TOTAL INCOME</b>	41,734.116	36,136.694	15.49
<b><u>OUTGO</u></b>			
Payment to policyholders	12,778.765	10,782.851	18.51
Acquisition costs	5,909.259	4,494.344	31.48
Less: Commission from reinsurer	(49.468)	(54.962)	(10.00)
Administrative Expenses	2,138.696	1,825.462	17.16
<b>TOTAL OUTGO</b>	20,777.252	17,047.695	21.88
<b>Gross Accretion to Life Fund</b>	20,956.864	19,088.999	9.79
Less: Provision for taxation	117.357	(54.529)	(315.22)
Less: Surplus appropriated to Shareholders	(352.393)	(256.939)	37.15
<b>Life Fund at the beginning of year</b>	156,737.302	137,959.771	13.61
<b>Life Fund at the year end</b>	177,459.130	156,737.302	13.22

CHAIRMAN'S  
INITIALS


**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

**ANNEXURE-A(2)**

State Life's Account for 2008

**OPERATING RESULTS OF PAKISTAN LIFE FUND**

Comparison of Actual for 2008 with Actual 2007

(Rs. In Millions)

Description	2008	2007	% change 2008 over 2007 Actual
<b><u>INCOME</u></b>			
<u>Individual Life</u>			
First Year Premium (Gross)	4,981.873	3,715.171	34.10
Second Year Premium(Gross)	3,162.124	2,759.690	14.58
Third year & over Premium(Gross)	10,265.919	8,870.304	15.73
<b>Sub-Total</b>	<b>18,409.916</b>	<b>15,345.165</b>	<b>19.97</b>
<u>Group Life</u>			
Premium Income (Gross)	3,564.149	2,821.535	26.32
<b>Total Premium Income</b>	<b>21,974.065</b>	<b>18,166.700</b>	<b>20.96</b>
Less: Reinsurance	(106.991)	(104.657)	2.23
<b>Net Premium Income</b>	<b>21,867.074</b>	<b>18,062.043</b>	<b>21.07</b>
Investment Income (Net)	17,807.699	16,909.037	5.31
Real Estate Income (Net)	341.924	316.436	8.05
<b>TOTAL INCOME</b>	<b>40,016.697</b>	<b>35,287.5164</b>	<b>13.40</b>
<b><u>OUTGO</u></b>			
Payment to policyholders	12,534.124	10,634.017	17.87
Acquisition costs	5,702.691	4,325.926	31.83
Less: Commission from reinsurer	(45.550)	(42.441)	7.33
Administrative Expenses	2,061.845	1,768.679	16.58
Provisions for employees benefits	---	---	---
<b>TOTAL OUTGO</b>	<b>20,253.110</b>	<b>16,686.181</b>	<b>21.38</b>
<b>Gross Accretion to Life Fund</b>	<b>19,763.587</b>	<b>18,601.335</b>	<b>6.25</b>
Less: Provision for taxation	108.918	(54.529)	(299.74)
Less: Surplus appropriated to Shareholders	(348.133)	(253.847)	37.14
<b>Life Fund at the beginning of year</b>	<b>154,238.664</b>	<b>135,945.705</b>	<b>13.46</b>
<b>Life Fund at the year end</b>	<b>173,763.036</b>	<b>154,238.664</b>	<b>12.66</b>

CHAIRMAN'S  
INITIALS





**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

**ANNEXURE-A(3)**

State Life's Account for 2008

**OPERATING RESULTS OF OVERSEAS LIFE FUND**

Comparison of Actual for 2008 with Actual 2007

(Rs. In Millions)

Description	2008	2007	% change 2008 over 2007 Actual
<b><u>INCOME</u></b>			
<u>Individual Life</u>			
First Year Premium (Gross)	199.159	158.616	25.6
Second Year Premium(Gross)	149.811	114.737	30.6
Third year & over Premium(Gross)	492.072	387.613	26.9
<b>Total Premium Income(Gross)</b>	<b>841.042</b>	<b>660.966</b>	<b>27.2</b>
Less: Reinsurance	(23.843)	(20.185)	18.1
<b>Net Premium Income</b>	<b>817.199</b>	<b>640.781</b>	<b>27.5</b>
Investment Income (Net)	876.064	184.375	375.2
<b>TOTAL INCOME</b>	<b>1,693.263</b>	<b>825.156</b>	<b>105.2</b>
<b><u>OUTGO</u></b>			
Payment to policyholders	231.015	139.977	65.0
Acquisition costs	206.555	168.418	22.6
Commission from re-insurance	(3.918)	(12.521)	(68.7)
Administrative Expenses	76.749	56.569	35.7
<b>TOTAL OUTGO</b>	<b>510.401</b>	<b>352.443</b>	<b>44.8</b>
<b>Gross Accretion to Life Fund</b>	<b>1,182.862</b>	<b>472.713</b>	<b>150.2</b>
Less: Provision for taxation	8.439	-	-
Less: Surplus appropriated to Shareholders	(4.260)	(3.092)	37.8
<b>Life Fund at the beginning of year</b>	<b>2,382.339</b>	<b>1,912.718</b>	<b>24.6</b>
<b>Life Fund at the year end</b>	<b>3,569.380</b>	<b>2,382.339</b>	<b>49.8</b>

CHAIRMAN'S  
INITIALS



**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

ANNEXURE-A(4)

State Life's Account for 2008

OPERATING RESULTS OF PENSION FUND

Comparison of Actual for 2008 with Actual 2007

Income & Expenses

(Rs. In Millions)

Description	2008 Actual	2007 Actual	% change 2008 over 2007 Actual
<u>Pensions</u>			
Premium Income	11.007	13.872	(20.7)
Investment Income	13.149	10.150	29.5
<b>TOTAL INCOME</b>	<b>24.156</b>	<b>24.022</b>	<b>0.6</b>
Payment to policyholders	13.624	8.857	53.8
Administrative Expenses	0.117	0.214	(45.3)
<b>TOTAL OUTGO</b>	<b>13.741</b>	<b>9.071</b>	<b>51.5</b>
<b>Gross Accretion to Life Fund</b>	<b>10.415</b>	<b>14.951</b>	<b>(30.3)</b>
Life Fund at beginning of the year	116.299	101.348	14.8
Life Fund at the year end	126.714	116.299	9.0

CHAIRMAN'S  
INITIALS





**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

ANNEXURE-A(5)

**State Life's Accounts for 2007**

**Investment Portfolio**

**Distribution of investment portfolio in major categories**

Corporation as a whole

(Rs. In Millions)

DESCRIPTION		2008		2007	
		Amount	% of Total	Amount	% of Total
i)	Government Securities	126188	68.42	116776	71.48
ii)	Other Fixed Income Securities	1335	0.72	733	0.45
iii)	Shares (Quoted)	22344	12.12	19729	12.08
iv)	Shares (Non Quoted/delisted/Pref)	1690	0.92	211	0.13
v)	Holding in subsidiaries	63	0.03	63	0.04
vi)	Loans to Policyholders	13268	7.19	11114	6.80
vii)	Investment Properties	3756	2.04	3569	2.18
viii)	Banks	15775	8.55	11178	6.84
TOTAL:-		184419	100.00	163372	100.00

Pakistan Life Fund

(Rs. In Millions)

DESCRIPTION		2008		2007	
		Amount	% of Total	Amount	% of Total
i)	Government Securities	124782	69.25	115431	72.18
ii)	Other Fixed Income Securities	1080	0.60	527	0.33
iii)	Shares (Quoted)	22249	12.35	19653	12.29
iv)	Shares (Non Quoted/delisted/Pref)	1690	0.94	211	0.13
v)	Holding in subsidiaries	63	0.03	63	0.04
vi)	Loans to Policyholders	12931	7.18	10886	6.81
vii)	Investment Properties	3756	2.08	3569	2.23
viii)	Banks	13641	7.57	9587	5.99
TOTAL:-		180192	100.00	159926	100.00

Overseas Life Fund

(Rs. In Millions)

DESCRIPTION		2008		2007	
		Amount	% of Total	Amount	% of Total
i)	Government Securities	865	25.61	593	27.28
ii)	Other Fixed Income Securities	256	7.57	206	9.46
iii)	Shares (Quoted)	95	2.80	76	3.48
iv)	Loans to Policyholders	337	9.98	228	10.49
v)	Banks	1825	54.04	1072	48.29
TOTAL:-		3377	100.00	2175	100.00

CHAIRMAN'S  
INITIALS



MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

Annexure-A(6)State Life's Account for 2008PROVISIONS, ADJUSTMENTS, ADDITION AND DISPOSAL

Approval of the Board of Directors is sought for provisions, adjustments, additions and disposal of Investment Portfolio, fixed assets and other heads of account made in the books of Corporation for the year 2008. Details are as follows:

Provisions made:

(Rs. In Millions)

Against unquoted and de-listed shares	21.147
Against listed shares	9.102
Provision for employees retirement benefits	73.070
Against doubtful debts	0.331
Total:-	103.650

Provisions reversed:

Against unquoted and de-listed shares	3.419
Total:-	3.419

Net Effect of Provision on income:	(100.231)
------------------------------------	-----------

2. Additions to and Disposal of Investment during 2008:Additions:

During the year 2008, following additions were made in the Investment portfolios:

Pakistan Investment Bonds	13,891.654
Equity Securities	3,074.335
Term Finance Certificates	433.453
Certificate of Investments	100.000
NIT Equity Opportunity Fund	1,500.000
Investment Added to UAE Portfolio	506.984
Total:-	19,506.426

Disposal:

During the year 2008, following disposals were made in the Investment Portfolio:

Equity Securities	499.219
Investment sold from UAE portfolio	18.412
Total:-	517.631

CHAIRMAN'S  
INITIALS




**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

**3. Additions to and Disposal of other assets during 2008:**

**Additions:**

During the year 2008 the following additions were made in the assets:

(Rs. In Millions)

Fixed assets	81.379
Real Estate assets including capital work in progress	190.520
Total:	271.899

**Disposal:**

During the year 2008, following disposals of assets were made:-

Disposal of fixed assets	34,426.000
Total:-	34,426.000

**4. Summary of the provisions, additions and disposal of Investment Portfolio and other assets in the year 2008, requiring approval of the Board of Directors.**

(i)	Provision made	103.650
(ii)	Provision reversed	3.419
(iii)	Additions at cost	19,778.325
(iv)	Disposal at cost	34,943.631

5. Dividend paid to shareholder in 2008 relating to 2007 230.520

CHAIRMAN'S  
INITIALS

*[Handwritten Signature]*

MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

Annexure-B

**BUDGET PROPOSALS FOR THE YEAR 2009 AND  
REVISED BUDGET ESTIMATES FOR THE YEAR 2008**

9. A table showing comparison on corporate basis for income, outgo, contribution to Statutory Funds and Renewal expense Ratio on the basis of actual expenses of 2007, approved and revised estimates of 2008 and budget estimates for 2009 is given hereunder:-

**A. Income**

Rupces in Million

Description	Actual 2007	Budget 2008	Revised Budget 2008	Revised 2008 vs Actual 2007	Budget 2009	Inc/(Dec) over Revised 2008
(a) First Policy Year	3,874	4,769	5,181	33.74%	6,252	20.67%
(b) 2 <sup>nd</sup> Policy Year	2,874	3,174	3,312	15.24%	4,264	28.74%
(c) 3 <sup>rd</sup> and later policy years	9,258	9,984	10,758	16.20%	12,747	18.49%
<b>(e) Total</b>	<b>16,006</b>	<b>17,927</b>	<b>19,251</b>	<b>20.27%</b>	<b>23,263</b>	<b>20.84%</b>
Group Life Premium	2,822	3,522	3,564	26.29%	4,063	14.00%
<b>Total Premium (Gross)</b>	<b>18,828</b>	<b>21,449</b>	<b>22,815</b>	<b>21.18%</b>	<b>27,326</b>	<b>19.77%</b>
Less: Re-Insurance	(125)	(55)	(131)	4.80%	(131)	0%
<b>Total Premium (Net)</b>	<b>18,703</b>	<b>21,394</b>	<b>22,684</b>	<b>21.29%</b>	<b>27,195</b>	<b>19.89%</b>
Investment Income	17,518	19,192	18,009	2.80%	18,906	4.98%
Real Estate Income	636	655	713	12.11%	791	10.94%
<b>Investment &amp; Real Estate Income</b>	<b>18,154</b>	<b>19,847</b>	<b>18,722</b>	<b>3.13%</b>	<b>19,697</b>	<b>5.21%</b>
Exchange Gain			728			
Other Income (from Pension Fund)					409	
<b>Total Income</b>	<b>36,856</b>	<b>41,241</b>	<b>42,134</b>	<b>14.32%</b>	<b>47,301</b>	<b>12.26%</b>

**B. Outgo**

Rupces in Million

Description	Actual 2007	Budget 2008	Revised Budget 2008	Revised 2008 vs Actual 2007	Budget 2009	Inc/(Dec) over Revised 2008
a) Death, Maturity & Annuities	5,744	6,930	6,965	21.26%	8,894	27.70%
b) Surrenders	2,238	2,320	2,454	9.65%	2,903	18.30%
<b>c) Total</b>	<b>7,982</b>	<b>9,250</b>	<b>9,419</b>	<b>18.00%</b>	<b>11,797</b>	<b>25.25%</b>
Group Life Claims	2,792	2,574	3,346	19.84%	3,234	(3.35)%
<b>Total Policy Outgo</b>	<b>10,774</b>	<b>11,824</b>	<b>12,765</b>	<b>18.48%</b>	<b>15,031</b>	<b>17.75%</b>
Field Expenses	3,686	4,780	5,122	38.96%	6,783	32.43%
Area Managers Exp.	374	523	528	41.18%	615	16.48%
<b>Total acquisition Cost</b>	<b>4,060</b>	<b>5,303</b>	<b>5,650</b>	<b>39.16%</b>	<b>7,398</b>	<b>30.94%</b>
Admin. Expenses	2,061	2,340	2,352	14.12%	3,079	30.91%

CHAIRMAN'S  
INITIALS





MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

Investment Expenses	23	23	53	130.43%	26	(50.94)%
Real Estate expenses	319	406	371	16.30%	422	13.75%
<b>Total Admin Exp.</b>	<b>2,403</b>	<b>2,769</b>	<b>2,776</b>	<b>15.52%</b>	<b>3,527</b>	<b>27.05%</b>
<b>Total Management Expenses</b>	<b>6,463</b>	<b>8,072</b>	<b>8,426</b>	<b>30.37%</b>	<b>10,925</b>	<b>29.66%</b>
Income Tax Provision	55	54	(114)		-	-
Govt. share of surplus	257	205	351	36.58%	355	1.14%
<b>Total outflow + Provisions</b>	<b>17,549</b>	<b>20,155</b>	<b>21,428</b>	<b>22.10%</b>	<b>26,311</b>	<b>22.79%</b>

C. Life Fund

(Rupees in Millions)

Description	Actual 2007	Budget 2008	Revised Budget 2008	Revised 2008 vs Actual 2007	Budget 2009	Inc/(Dec) over Revised 2008
Accretion to Statutory Funds	18,777	21,086	20,722	10.36%	20,990	1.01%
Opening Statutory Funds	137,960	137,793	156,737	13.61%	177,459	13.22%
Closing Statutory Funds	156,737	158,879	177,459	13.22%	198,449	11.83%

11. Capital Expenditure:

Estimates for Capital Expenditure for 2009 with comparison vs approved for 2008 is summarized as follows:

(Rupees in Millions)

Portfolio	Approved 2008	Estimated 2009	
i) Individual Life (within Pakistan – Zones/Regions)	125.000	204.410	
ii) Group Life Division	8.121	7.069	
iii) Real Estate Division	864.157	837.535	*
iv) Field Manpower Development Division	4.130	7.663	
v) Computer Division	245.359	249.132	**
vi) Principal Office	15.512	26.219	
viii) Overseas	1.038	3.774	
Total:-	<b>1,263.317</b>	<b>1,335.802</b>	

CHAIRMAN'S  
INITIALS


**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	Held AT	ON	TIME
MINUTE BOOK	<b>KARACHI</b>	<b>28<sup>TH</sup> APRIL' 2009</b>	

\* Real Estate Division has made estimates for 2009 as follows:-

Description	Budget Approved	Budget Utilized	Budget Not utilized and requested for carry forward in 2008
Major renovation initially approved by Board in 184 <sup>th</sup> meeting held on 15.03.2006 and was allowed carry to forward for utilization in 2007 vide 188 <sup>th</sup> meeting held on April 10 <sup>th</sup> 2007.	765.000	101.196	663.804
Renovation Building - Office			5.131
HVAC, Lift, etc.			166.600
Consultation fee			2.000
<b>Total Capital Budget required for 2009</b>			<b>837.535</b>

\*\* I.T. Division has requested for Rs.249.132 millions for I.T. strategy for the Corporation approved by the Board. Break up is as follows:

Hardware and other equipment	81.132 Million
RDBMS application and other software	130.00 Million
H.R. training and traveling	38.000 Million
<b>Total:</b>	<b>249.132 Million</b>

CHAIRMAN'S  
INITIALS





**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

Annexure-C

STATISTICAL SUMMARY

	Pakistan Life Fund	Overseas Life Fund		Pension Fund	Average
		Rupee Accounts	Dollar & Dirham Accounts		
<b>Annualised Yield on Fund</b>					
2003	11.65%	2.64%	3.98%	14.91%	11.53%
2004 (including capital gains/losses)	14.26%	7.51%	4.12%	12.20%	14.17%
2004 (excluding capital gains/losses)	11.77%	7.50%	4.11%	12.20%	11.72%
2005 (including capital gains/losses)	12.03%	4.45%	4.04%	11.64%	11.92%
2005 (excluding capital gains/losses)	10.04%	4.54%	4.13%	11.64%	9.97%
2006 (including capital gains/losses)	12.15%	6.85%	5.04%	8.24%	12.07%
2006 (excluding capital gains/losses)	10.77%	6.94%	5.13%	8.24%	10.71%
2007 (including capital gains/losses)	12.62%	8.97%	6.90%	9.78%	12.57%
2007 (excluding capital gains/losses)	11.33%	7.57%	5.51%	9.78%	11.28%
2008 (including capital gains/losses)	11.72%	5.10%	5.14%	11.44%	11.59%
2008 (excluding capital gains/losses)	11.53%	4.42%	4.45%	11.44%	11.40%
<b>Renewal Expense Ratio</b>					
2003	35.90%	18.76%			34.99%
2004	34.51%	14.18%			33.35%
2005	27.80%	15.49%			27.26%
2006	34.23%	15.69%			33.37%
2007	21.73%	15.00%			21.44%
2008	22.36%	16.24%			22.07%
<b>Overall Expense Ratio</b>					
2003	38.61%	39.51%	39.97%	3.43%	38.60%
2004	40.98%	34.98%	36.78%	3.61%	40.66%
2005	36.38%	34.70%	36.60%	4.32%	36.30%
2006	40.74%	35.45%	35.73%	4.31%	40.52%
2007	33.51%	33.16%	34.35%	1.54%	33.47%
2008	35.30%	34.18%	34.01%	1.04%	35.24%

CHAIRMAN'S INITIALS



**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL 2009	

**STATISTICAL SUMMARY (Continued)**

	Pakistan Life Fund	Overseas Life Fund		Pension Fund	Total
		Rupee Accounts	Dollar & Dirham Accounts		
<b>Number of Individual Life Policies</b>					
2003	1,841,845	7,280			1,849,125
2004	1,918,288	7,966			1,926,254
2005	2,035,506	8,509			2,044,015
2006	2,174,304	9,479			2,183,783
2007	2,338,512	10,279			2,348,791
2008	2,557,678	11,022			2,568,699
<b>Gross Premium (000)</b>					
2003	9,482,776	422,415		12,919	9,918,110
2004	105,84,408	514,023		14,565	11,112,996
2005	13,341,351	545,786		12,190	13,899,327
2006	15,461,687	601,332		13,766	16,076,785
2007	18,166,700	660,966		13,872	18,841,538
2008	21,974,065	841,042		11,007	22,826,114

CHAIRMAN'S INITIALS





**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

Annexure-D(i)

**ACTUARIAL VALUATION FOR THE YEAR 2008**

**A: BONUS RECOMMENDATIONS FOR PAKISTAN RUPEE BUSINESS**

I have pleasure in recommending the following bonuses for with profits Pakistan Life Fund policies:

**I. Whole Life and Endowment Assurance**

For with profits policies in force for the full sum assured as at 31<sup>st</sup> December 2008 -

- (i) Reversionary bonuses per thousand sum assured per annum would be as per the following schedule (2007 figures are given for comparison):

	2008			2007		
	For first five policy years	From 6 <sup>th</sup> policy year to 16 <sup>th</sup> policy year	From 17 <sup>th</sup> policy year onwards	For first five policy years	From 6 <sup>th</sup> policy year to 16 <sup>th</sup> policy year	From 17 <sup>th</sup> policy year onwards
	Rs	Rs	Rs	Rs	Rs	Rs
<b>Whole Life</b>	60	110	150	60	110	150
<b>Endowments</b>						
Term: 20 years and over	50	94	130	50	94	130
Term: 15 to 19 years inclusive	35	81	81	35	81	81
Term: 14 years and less	20	66	-	20	66	-

Notes:

- (a) Jeevan Sathi and Shadabad policies will be treated as Endowment policies.
- (b) Big Deal policies will receive reversionary bonus on 25% of the sum assured only.
- (c) For Whole Life by limited payments, bonuses will be allowed at the same rate as for Whole Life. The bonuses are admissible even after the completion of premium paying period for each year the policy has been in force for full sum assured.

- (ii) Interim Bonus will be payable in addition to regular bonuses already vested, on claims arising in the period up to the next bonus declaration. The rate of interim bonus would be the same as given in I (i) above.

CHAIRMAN'S INITIALS



**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL 2009	

- (ii) Terminal Bonus will be paid on claims by death or maturity in 2009, where more than 10 years' premiums have been paid. The rate will be Rs 50 per thousand sum assured for each year's premium paid in excess of 10 years subject to a maximum of Rs 1,000 (same as 2007 valuation) per thousand sum assured.
- (iv) Special Terminal Bonus will be paid on claims by maturity in 2009, where a Family Income Benefit (FIB) is in force at maturity as a supplementary contract, or as a built-in benefit, and has been in force for more than 10 years. The rate will be Rs 10 per thousand basic sum assured under the policy for each year in excess of 10 years that the FIB supplementary contract has been in force, subject to a maximum of Rs 200 per thousand basic sum assured (same as 2007 valuation).
- (v) Loyalty Terminal Bonus will be paid to those policyholders who have been with State Life since 1989 or earlier. Loyalty Terminal Bonus of Rs 200 per thousand sum assured will be paid on claims by death or maturity in 2009 to policies with risk year 1989 or earlier (same as 2007 valuation).

**NOTE:** Terminal, Special Terminal and Loyalty Terminal bonuses are especially sensitive to the future surplus of State Life. Hence, no indication can or should be given of Terminal, Special Terminal and Loyalty Terminal bonuses which may be allowed on maturities or death claims after 2009.

CHAIRMAN'S  
INITIALS





**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

**II. Anticipated Endowment Assurance**

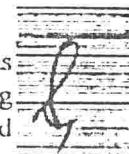
For with profits Anticipated Endowments/Three Stage/Three Payment policies (excluding Sada Bahar Plan) in force for the full sum assured as at 31<sup>st</sup> December 2008:

- (i) Reversionary bonuses per thousand sum assured per annum would be as per the following schedule (2007 figures are given for comparison).

	2008			2007		
	For first five policy years	From 6 <sup>th</sup> policy year to 16 <sup>th</sup> policy year	From 17 <sup>th</sup> policy year onwards	For first five policy years	From 6 <sup>th</sup> policy year to 16 <sup>th</sup> policy year	From 17 <sup>th</sup> policy year onwards
	Rs	Rs	Rs	Rs	Rs	Rs
Term: 20 years and over	35	69	100	35	69	100
Term: 15 to 19 years inclusive	25	59	59	25	59	59
Term: 14 years and less	19	53	-	19	53	-

- (ii) Interim Bonus will be payable in addition to regular bonuses already vested, on claims arising in the period up to the next bonus declaration. The rate of interim bonus would be the same as given in II (i) above.
- (iii) Terminal Bonus will be paid to paid-up policies on claims by death only, as mentioned in paragraph VIII below.
- (iv) Special Terminal Bonus as mentioned in I (iv) above, will be paid on cases having Family Income Benefit supplementary contract. The Special Terminal Bonus will be calculated on the basic sum assured under the policy, and not on the residual survival benefit.
- (v) Loyalty Terminal Bonus as mentioned in I (v) above, will be paid to policies with risk year 1989 or earlier. The Loyalty Terminal Bonus will be calculated on the basic sum assured under the policy, and not on the residual survival benefit.
- (vi) If the policyholder lets a Survival Benefit remain with State Life, a Special Reversionary Bonus will be added six months after the due date of the Survival Benefit. For Survival Benefits falling due in 2009, which the policyholder opts to leave, Special Reversionary Bonuses will be allowed as follows (same as 2007 valuation).

CHAIRMAN'S INITIALS



**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRÉCTORS	HELD AT	ON	TIME
MINUTE BOOK	<b>KARACHI</b>	<b>28<sup>TH</sup> APRIL' 2009</b>	

Period between Survival Benefit due date and maturity date	Special Reversionary Bonus per Rs. 1000 Survival Benefit	Period between Survival Benefit due date and maturity date	Special Reversionary Bonus per Rs. 1000 Survival Benefit
20 years	Rs 3,165	9 years	Rs 1,005
18 years	Rs 2,765	8 years	Rs 845
16 years	Rs 2,350	7 years	Rs 695
14 years	Rs 1,940	6 years	Rs 555
12 years	Rs 1,545	5 years	Rs 420
10 years	Rs 1,175	4 years	Rs 300

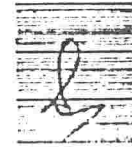
**Note:** Policies under Family Pension Plan (Table 12) will not be eligible for Special Reversionary Bonuses.

**III. Sada-Bahar Plan**

For policies in force for the full sum assured as at 31<sup>st</sup> December 2008:

(i) Reversionary bonuses per thousand sum assured per annum would be as per following schedule (2007 figures are given for comparison):

CHAIRMAN'S  
INITIALS





**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL ' 2009	

Term	2008	2007
	For first five policy years	For first five policy years
	Rs	Rs
20 years and over	44	44
15 to 19 years inclusive	31	31
14 years and less	24	24

- (ii) Interim Bonus will be payable in addition to regular bonuses already vested, on claims arising in the period up to the next bonus declaration. The rate of interim bonus would be the same as given in III (i) above.

**IV. Super (Table 72), Sunchri (Table 73) & Shehnai (Table 77) policies**

- (i) Bonuses under these policies are credited to the policy after the policy has acquired an Adjusted Opening Cash Value. The bonus is credited on the Adjusted Opening Cash Value and not on minimum guaranteed surrender value. Bonuses will be credited at the end of the policy year. These bonuses are payable when the Cash Value under the policy is payable.
- (ii) The rate of bonus is Rs. 105 per thousand per annum of the Adjusted Opening Cash Value. This bonus rate will be allowed till the next valuation.
- (iii) Reversionary, Terminal or any other bonus declared as a result of this valuation will not be payable under these policies. However, bonus mentioned under VII below, if applicable, will be allowed.

**V. Personal Pension Scheme (Table 71)**

- (i) Bonuses under Personal Pension Scheme where "Pension is being paid" will be allowed on Pension Payments. Pension payments will be increased by bonus from the policy anniversary falling in the year 2009. This increase will also be available on pension payments commencing in 2009.
- (ii) The rate of bonus is Rs 80 per thousand per annum of the pension payments.
- (iii) Reversionary, Terminal or any other bonuses recommended as a result of this valuation, will not be payable under these policies.

**VI. Specified Major Surgical Benefit**

- (i) Specified Major Surgical Benefit was announced for the first time in 1992 valuation. This benefit has been retained in 2008 valuation. This benefit is available to all with-profit policies, which have

CHAIRMAN'S  
INITIALS



**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

been in full force as at 31<sup>st</sup> December 2008 and have been continuously in force for at least five complete policy years at the date of surgery. The maximum benefit for such policies is Rs 250,000. However, if the with-profit policies have been in full force as at 31<sup>st</sup> December 2008 and have been continuously in force for at least ten complete policy years at the date of surgery then the maximum benefits for these policies will be Rs 500,000.

(ii) Under such policies, if the life assured undergoes specified major surgery during the inter-valuation period i.e. from 1<sup>st</sup> January 2009 to 31<sup>st</sup> December 2009 on account of a specified dread disease, the Corporation would pay 50% of the basic sum assured (in case of Anticipated Endowment plans, 50% of the remaining sum assured after deducting any due survival benefit(s)), subject to above given maximum amounts. The amount payable will be adjusted against future survival benefit payments, maturity or death claims.

(iii) Details are given in Annexure C.

**VII. Family Income Benefits in course of payment (where the life assured has died)**

Family Income Benefit to heirs or nominees of deceased life assureds will be increased by 7.5% from policy anniversaries in the year 2010 under with profit policies.

**Note:** The percentage increase will be allowed on the actual benefit paid on policy anniversaries (including any prior increases) in the year 2009.

**VIII. Terminal/Loyalty Terminal Bonus for Paid-up Policies**

(i) Terminal Bonus on Whole Life and Endowment type paid-up policies will be paid on claims by death or maturity in 2009, where the policy has been on the books for more than 10 years. The rate will be Rs 50 per thousand paid-up sum assured for each year in excess of 10 years subject to a maximum of Rs 1,000 per thousand paid-up sum assured. Jecvan Sathi and Shadabad policies will be treated as Endowment policies.

(ii) Terminal bonus as mentioned in VIII (i) above will also be paid to Anticipated Endowment paid-up policies on claims by death only. No terminal bonus will be paid to anticipated endowment policies on claims by maturity in 2009.

(iii) Loyalty Terminal Bonus of Rs 200 per thousand paid-up sum assured as mentioned in I (v) above, will be paid to "Paid-Up" policies with risk year 1989 or earlier.

(iv) Loyalty Terminal bonus, as mentioned in VIII(iii) above will also be paid to Anticipated Endowment paid-up policies on claims by death or maturity in 2009.

**Note:** Bonus for Paid-up policies will be calculated on the Paid-up sum assured and not on the basic sum assured.

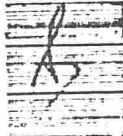
**IX. East West Mutual etc**

CHAIRMAN'S  
INITIALS





MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	
<p>Policies issued by the East West Mutual, Grand Mutual, I.G.I., Pakistan Mutual, Standard and Union Insurance and former East Pakistani companies will not get Terminal Bonuses, Special Terminal Bonuses, Loyalty Terminal Bonuses and Specified Major Surgical Benefit.</p>			
<p><b>B: NO CASH VALUE OF BONUSES UNTIL THREE YEARS' PREMIUMS HAVE BEEN PAID</b></p>			
<p>The Cash Value of bonuses will be payable on an in force policy if at least one of the following two conditions has been fulfilled:</p>			
<p>(i) The policyholder has actually paid at least three full years' premiums</p> <p>(ii) The policy has completed at least three policy years.</p>			
<p>However, in case of a death claim or Single Premium policies, this condition will be waived and all bonuses whether declared or interim will be payable. Also, in the case of a death claim in the first three policy years, where the premiums are in arrears, in order to determine whether the policy could have been kept in force, cash values of bonuses will be taken into account.</p>			
<p>"Actual payment" means payment in cash/pay order/bank draft/cheque after it has been realized.</p>			
			<p>CHAIRMAN'S INITIALS</p> 

MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

Annexure-D(ii)

**BONUS RECOMMENDATIONS – FOREIGN CURRENCY POLICIES**

I have pleasure in recommending the following bonuses for with profits Dollar and Dirham policies in force for full sum assured as at 31<sup>st</sup> December 2008:

1. Policies expressed in Dirham:

Reversionary bonuses per thousand sum insured per annum would be as per following schedule (2007 figures are given for comparison).

	2008		2007	
	For First Five Policy Years	From Sixth Policy Year Onwards	For First Five Policy Years	From Sixth Policy Year Onwards
<u>Whole Life</u>	Dh 21	Dh 39	Dh 21	Dh 39
<u>Endowments</u>				
20 years and over	17	33	17	33
15 to 19 years inclusive	10	24	10	24
14 years and less	5	17	5	17
<u>Anticipated Endowments</u>				
20 years and over	8	26	8	26
15 to 19 years inclusive	5	18	5	18
14 years and less	3	14	3	14

CHAIRMAN'S  
INITIALS





**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	<b>KARACHI</b>	<b>28<sup>TH</sup> APRIL' 2009</b>	

II. Policies expressed in US Dollar:

Reversionary bonuses per thousand sum insured per annum would be as per following schedule (2007 figures are given for comparison).

	2008		2007	
	For First Five Policy Years	From Sixth Policy Year Onwards	For First Five Policy Years	From Sixth Policy Year Onwards
<u>Whole Life</u>	\$ 23	\$ 42	\$ 23	\$ 42
<u>Endowments</u>				
20 years and over	17	33	17	33
15 to 19 years inclusive	10	23	10	23
14 years and less	5	16	5	16
<u>Anticipated Endowments</u>				
20 years and over	8	24	8	24
15 to 19 years inclusive	5	17	5	17
14 years and less	3	13	3	13

Notes:

- (a) Jeevan Sathi and Shadabad policies will be treated as Endowment policies.
- (b) For Whole Life by limited payments, bonuses will be allowed at the same rate as for Whole Life. The bonuses are admissible even after the completion of premium paying period for each year the policy has been in force for full sum assured.

III Interim Bonus on death and maturity claims will be allowed till the next bonus declaration, at the rates as given in I and II above.

IV. Family Income Benefits in course of payment (where the life assured has died)

Family Income Benefit to heirs or nominees of deceased life assureds will be increased by 4% from policy anniversaries in the year 2010 under with profit policies.

**Note:** The percentage increase will be allowed on the actual benefit payable on policy anniversaries (including any prior increases) in the year 2009.

V. No Cash Value of Bonuses Until Three Years' Premiums Have Been Paid

The Cash Value of bonuses will be payable on an in force policy if at least one of the following two conditions has been fulfilled:

- (i) The policyholder has actually paid at least three full years' premiums

CHAIRMAN'S INITIALS



**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	
	<p>(ii) The policy has completed at least three policy years.</p> <p>However, in case of a death claim, this condition will be waived and all bonuses whether declared or interim will be payable. Also, in the case of a death claim in the first three policy years, where the premiums are in arrears, in order to determine whether the policy could have been kept in force, cash values of bonuses will be taken into account.</p> <p>“Actual payment” means payment in cash/pay order/bank draft/cheque after it has been realised.</p>		

CHAIRMAN'S  
INITIALS





**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

Annexure-D(ii)

Specified Major Surgical Benefit

**Accelerated payment of 50% of survival benefits  
subject to maximum accelerated payment of  
Rs250,000 (for policies continuously in full force for at least five years) and  
Rs 500,000 (for policies continuously in full force for at least ten years)**

Specified Major Surgical Benefit, which was introduced for the first time at the 1992 valuation, will continue in 2009 as well. It provides a unique cover to the existing policyholders, free of cost. Basically it makes a lump sum payment if an eligible insured undergoes major surgery during 2009, due to any one of the six "specified surgeries" (as listed below). The lump sum payment provides badly needed financial assistance to help recoup some of the cost of major surgery. The cost of the benefit will be met out of the 2008 actuarial surplus.

The six "specified surgeries" that are covered, provided they are caused by disease and not traumatic injury, are defined as follows:-

1. Coronary artery by-pass surgery:

Undergoing of open heart surgery to correct narrowing or blocking of two or more coronary arteries with by-pass grafts. Laser treatments and/or reliefs, balloon angioplasty and/or any other procedures not necessitating thoracotomy will be excluded.

The coronary by-pass surgery must be a direct result of a diagnosis of definite coronary artery disease by accepted angiography.

2. Surgery for a disease of the aorta:

The actual undergoing of open heart surgery for a disease of the aorta needing excision and surgical replacement of the diseased aorta with a graft. For the purpose of this definition, aorta shall mean the thoracic and abdominal aorta but not its branches.

3. Replacement of a heart valve:

The replacement of one or more heart valves with artificial valves due to stenosis or incompetence, or a combination of these conditions. Valvotomy is specifically excluded.

4. Major organ transplant:

The actual undergoing of a transplant of a heart, heart and lung, liver, kidney or bone marrow as a recipient.


5. Craniotomy:

Any major neuro-surgical procedure on or in the brain, involving craniotomy.

CHAIRMAN'S  
INITIALS



**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME	
MINUTE BOOK	<b>KARACHI</b>	<b>28<sup>TH</sup> APRIL' 2009</b>		
6.	<p><u>Cancer surgery:</u></p> <p>Any major surgical procedure which is the direct result of cancer. For this purpose, cancer means a malignant tumour characterized by uncontrolled growth and spread of malignant cells and the invasion of tissue. Malignancy must have been evidenced by medical investigations. Excluded are: (a) non-invasive cancers in situ, (b) any skin cancers other than malignant melanoma; and (c) male prostate cancer if limited to the prostate.</p> <p style="text-align: center;"><u>DESCRIPTION OF BENEFIT</u></p> <p>The specified major surgery benefit is being provided on with profit policies, which have been continuously in full force for at least five years. The amount of benefit will be 50% of the sum assured subject to a maximum of Rs 250,000 for policies in full force for at least five years and a maximum of Rs 500,000 for policies in full force for at least ten years.</p> <p>If the insured is covered under endowment type plans, such as Table 01 and Table 03, then 50% of the basic sum assured or the maximum limit, whichever is less will be payable in advance, on undergoing a specified surgery, which is adjustable on maturity or death, if earlier.</p> <p>If the insured is covered under anticipated endowment type plans, such as Table 05 and Table 74, then 50% of future instalment benefits (including basic maturity benefit) or the maximum limit, whichever is less, is payable in advance, on undergoing a specified surgery, which is adjustable from the survival instalments or death proceeds, if earlier. The future survival benefits will be reduced by the specified major surgical benefit to adjust the advance payment on specified major surgery. In case, the insured dies before maturity then the balance of the specified major surgical benefit paid and not yet adjusted from survival benefits will be adjusted from death proceeds. Instalments left with State Life will not be taken into account when computing the lump sum amount to be paid on a specified surgery.</p> <p>In case of Joint Life Assurance plan (Table 06), 50% of the sum assured or the maximum limit, whichever is less, is payable in advance, if either of the insured lives undergoes a specified surgery, which is recovered on maturity or on earlier death of either of the insured persons.</p> <p>In case of Child Protection Plan (Table 07) and Child Education and Marriage Plan (Tables 75 and 76), 50% of the sum assured or the maximum limit, whichever is less, is payable in advance, if the payor undergoes a specified surgery, which is recovered on maturity. No specified major surgical benefit is payable in respect of surgery on a "child" covered under tables 07, 75 and 76.</p> <p>In case of Jeevan Saathi Plan (Table 19), 50% of the sum assured or the maximum limit, whichever is less, is payable in advance if either of the lives insured undergoes a specified surgery which is recovered on maturity, or on his /her death if earlier.</p> <p>In case of Big Deal Policy (Table 14) the amount of the basic sum assured will mean Rs 25,000 per unit. 50% of this basic sum assured or the maximum, whichever is less will be payable in advance, on undergoing a specified surgery, which is adjustable on maturity or death, if earlier.</p> <p style="text-align: center;"><u>POSITION OF POLICY AFTER SPECIFIED MAJOR SURGICAL BENEFIT IS PAID</u></p>			<p style="text-align: right;">CHAIRMAN'S INITIALS</p> 





**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	<b>KARACHI</b>	<b>28<sup>TH</sup> APRIL ' 2009</b>	

The policy will continue to participate in the profits of the Corporation, and bonus will accrue on the full sum assured as before. Premium payable under the policy, including extra if any, will continue to be paid by the policyholder, unaltered. Any rider attached to the policy and premium payable thereunder, will be unaffected by the payment of specified major surgical benefit.

CLAIM PROCEDURES

Evidence of having undergone a specified surgery will have to be provided by the claimant to the satisfaction of, and at no cost to State Life. The claimant will have to send his policy document and submit a personal statement. Confidential statements will also be required from the physician making the original diagnosis and the concerned surgeons, including the surgeon who performed the operation. State Life may require any additional proof to support the claim e.g. reports, test results, medical examination of the life insured etc as it deems fit. The decision of State Life's Doctor, appointed for this purpose, will be final and binding.

If policy is assigned then the official discharge and permission in writing of the assignee must be obtained before any amount may be advanced to the insured.

If the policy has an irrevocable beneficiary, or the owner of the policy is not the insured then the official discharge and permission in writing must be obtained from the beneficiary/owner in writing before any amount can be advanced to the insured.

If the benefit is claimed under Joint Life Assurance Policy or Jeevan Saathi Policy then both the insureds must request that the benefit be paid.

ELIGIBILITY

The age of the life insured must be between 20 and 65 at the date of the surgery.

The policy must have been continuously in full force for at least 5 years at the date of surgery.

The policy must be in force for the full sum assured, (that is not paid up for reduced sum assured) as at 31<sup>st</sup> December 2008 and at the date of the surgery. The benefit will NOT be available if the policy was lapsed or paid up as at 31<sup>st</sup> December 2008 and revived subsequently.

Benefits are only payable to with-profits Pakistan Rupee policies. Policies issued under Term Insurance plans, Personal Pension Scheme and Annuity plans are specifically excluded.

MISCELLANEOUS CONDITIONS

- To obtain the specified major surgical benefit, the date of surgery must be between 1<sup>st</sup> January 2009 and 31<sup>st</sup> December 2009.

NB: The question of surgery after 31<sup>st</sup> December 2009 will be considered at the time of the 2009 actuarial valuation.

CHAIRMAN'S  
INITIALS

**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

2. Benefits will be paid only once to any one life. That is, once any insured has obtained benefits under the specified major surgical benefit, he is not eligible for any further benefits on any subsequent surgery.
3. Benefits will be paid only once on any policy. If any insured has received any specified major surgical benefits under a Joint Life or Jeevan Saathi Policy then neither he nor the other insured will be able to claim any subsequent specified major surgical benefit.
4. If the insured is covered under more than one policy, the maximum amount paid on all the policies together will depend on the number of years the policies have been continuously in full force. For policies that have been continuously in full force for at least five years but less than 10 years, the maximum benefit paid under all such policies together will be limited to Rs 250,000. The benefit will be paid (at 50% of the basic endowment benefits outstanding subject to the maximum amount) from the policy issued first to the insured. If the amount paid is less than the maximum limit then amount will be paid from the second policy issued and so on subject to the maximum limit. For policies that are continuously in full force for at least ten years, the maximum benefit payable under each policy is limited to Rs 500,000 or 50% of the sum assured, whichever is less.
5. If the specified major surgical benefit is paid, it will affect the basic surrender value of the policy from which it is paid. The subsequent basic surrender value of the policy will be 50% of the basic surrender value of the policy had no specified major surgical benefit been paid (or more exactly, the basic surrender value of the policy will be reduced proportionate to the outstanding endowment benefits advanced). The total surrender value of the policy would be the reduced basic surrender value of the policy plus the surrender value of the accrued bonuses (which will not be affected by the payment of the specified major surgical benefit).
6. If there is a policy loan and/or APL on the policy, the specified major surgery payment will be first used to pay off the policy loan/APL outstanding. The balance of the specified major surgical payment, if any, will be paid to the insured.
7. The benefit cannot be paid before the surgery takes place. It cannot be paid in anticipation of the surgery. Claims can be entertained only after the surgery has taken place. The amount of benefit is independent of the cost of surgery. It is not intended to help pay for the surgery, but rather to provide a lump sum amount to be disposed off as deemed fit by the claimant. The life insured may use it for post-operative care, recoup part of the cost of surgery, or as assistance in the recovery or transition period required after such surgeries.

CHAIRMAN'S INITIALS





**MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009	

Annexure-E

**GENERAL POWER OF ATTORNEY**

This General Power of Attorney is executed at Karachi on ..... Day of .....2009 by State Life Insurance Corporation of Pakistan established under the Life Insurance (Nationalization ) Order, 1972 (President's Order 10 of 1972) having its Principal Office at State Life Building No.9, Dr. Ziauddin Ahmed Road, Karachi hereinafter referred of **Mr. Khalid Mahmood Shahid S/O Muhammad Taqi**, Assistant General Manager of the Corporation at Dubai, U.A.E. (hereinafter referred to as "the Attorney").

Whereas for the purpose of facilitating Corporation business in United Arab Emirates it is expedient to appoint an Attorney and the Board of Directors of the Corporation by a resolution dated ..... has resolved to appoint the above named Mr. Khalid Mahmood Shahid S/O Muhammad Taqi, as Corporation's Attorney.


And whereas the Board of Directors has further resolved that this power of attorney may be executed under Corporation Seal affixed in the presence of the Chairman & Executive Director (Marketing) of the Corporation.

Know all persons therefore by these presents that the Corporation does hereby nominate, constitute and appoint Mr. Khalid Mahmood Shahid S/O Muhammad Taqi as its true and lawful attorney for the Corporation and on its behalf to do and perform all the following acts, deeds and things that to say

- 1) To make and execute applications, or representations to any Government, Local authority, Chamber of Commerce or other body for the opening, continuance and maintenance or closure of the Corporation in U.A.E. with prior written approval of the Corporation and do all acts, deeds, matters and things ancillary or incidental thereto and in particular for obtaining trade and other licenses from the Abu Dhabi and Dubai Municipalities and registration with the Ministry of Commerce or appropriate Ministries of the U.A.E. Government.
- 2) To conduct, institute, defend on behalf of the Corporation all suits, appeals, applications, and executive proceeding by or against the Corporation in respect of its business in U.A.E. or to which the Corporation is or may become a party in any court or Tribunal in U.A.E. and to do all acts ancillary or incidental to such conduct institution or defense.
- 3) Jointly with an authorized officer of the Corporation to maintain, draw upon, operate and close any current, cash credit or other account in any bank already existing in respect of the overseas life Business of the Corporation in U.A.E. and to open, maintain, drawn upon and operate any current, cash credit or other account in the name of the Gulf Zone of the Corporation in any bank in U.A.E. and in respect of all accounts hereinbefore mentioned to draw, endorse, negotiate and sign all cheques of all such accounts and to withdraw the said accounts or any of them and from time to time issue instructions in that behalf jointly with any other officer authorized by the Corporation in this behalf.

CHAIRMAN'S  
INITIALS

MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME	
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL' 2009		
	<p>4) To hire the services of any personnel in U.A.E. in connection with any work or assignment relating to offices in U.A.E. and to appoint them on such terms and conditions as may be generally or specifically approved by the Corporation and to train, post, transfer, promote and dismiss any such personnel as and when deemed necessary.</p> <p>5) To purchase such articles and to incur such expenditure for running the offices in U.A.E. and for opening of any new office, as may be necessary for the conduct of business in such places.</p> <p>6) To take on lease/license office premises and/or residential accommodation for official use of the Corporation and/or its employees in connection with business of the Corporation in U.A.E.</p> <p>7) To sign and execute for and on behalf of the Corporation and all such lease/license deeds and agreements in which the corporation is interested as a lessee.</p> <p>8) To prepare and submit all financial and other statements in respect of the Corporation business in the U.A.E.</p> <p>9) To exercise internal budgetary control.</p> <p>10) To terminate the contracts of employees, agents, and/or employer of agents with the prior written approval of the Corporation and or to dismiss such personnel with the prior written approval of the Corporation.</p> <p>11) To accept proposals for insurance business and to sign and issue policies in respect of life insurance business.</p> <p>12) For all and any of the above said purposes or relating thereto or arising there from or there under and in matters and things it may be deemed expedient and to be of interest to the Corporation to appoint Wakils, Advocates, Attorneys, Solicitors, Pleaders and other Lawyers or advisors with prior written approval of the Corporation and to sign all wakatnames, warrants of attorney and other papers or documents required in their behalf.</p> <p>13) To appear before the Registrar or sub-registrar of assurances or any other officer having authority to register deeds 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 the attorney under the authority of these presents and/or the authority of the resolution of the Board of Directors/Executive Committee of State Life Insurance Corporation of Pakistan and to do all deeds matters and things for completing registration thereof in due form of law.</p> <p>14) And generally to perform and execute all and every and any other acts and deeds matters and things which shall be necessary and expedient for the</p>			<p>CHAIRMAN'S INITIALS</p> 



MINUTES OF 200<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	28 <sup>TH</sup> APRIL 2009	

performance by the attorney of his functions as aforesaid under these presents.

- 15) This power of attorney shall stand revoked if the Corporation in its sole discretion decides so.

And the Corporation shall ratify and confirm all that the said Attorney may lawfully do or cause to be done by virtue of these presents.

In witness whereof the Corporation has caused these presents to be duly executed on its behalf on the date hereinabove first mentioned.

For State Life Insurance Corporation of Pakistan

Chairman

Director

The common seal of State Life Insurance Corporation of Pakistan has hereinafter been affixed by order of the Board of Directors vide Resolution in its meeting held on ..... n the presence of:

Chairman

Director

=====

CHAIRMAN'S  
INITIALS  
