

MINUTES OF 214TH MEETING OF THE BOARD OF DIRECTORS

TOPICS IN AGENDA	HELD AT	ON	TIME
	KARACHI	7 TH SEPTEMBER, 2010	

CONFIDENTIAL AND RESTRICTED

The 214th Meeting of the Board of Directors of State Life Insurance Corporation of Pakistan was held on Tuesday, 7th September, 2010 at 10.30 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. Shahid Rahim Shaikh | 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 Hur Riahi Gardezi | Director |
| 8. Mr. Akbarali Hussain | Secretary Board |

LEAVE OF ABSENCE:

- | | |
|------------------------|----------|
| 1. Syed A. Wahab Mehdi | Director |
|------------------------|----------|

2. The meeting started with recitation of verses from the Holy Quran by Mr. Amin Qasim Dada, Director.

ITEM (1) CONFIRMATION OF MINUTES OF 213TH MEETING OF THE BOARD OF DIRECTORS.

3. The minutes of the 213th meeting of the Board of Directors held on 22nd July, 2010 together with implementation report were placed before the Board.

4. The Board took serious cognizance of the facts that confidential documents including minutes and note sheet on points raised by ED(RE) Mr. Mohammad Yahya was leaked out which seriously compromises the sanctity of the Board's decision making process. The Chairman informed the Board that an internal inquiry was conducted under his orders to probe into the leakage where responsibility could not be affixed because of large number of recipients of the documents to whom the documents had to be circulated for review and implementation of decisions.

5. The Board directed that the Management should ensure that appropriate measures are being taken and a proper system is evolved to avoid repetition of the above incident.

6. Implementation report of 213th meeting of the Board of Directors was noted.

7. Mr. Rasheed Y. Chinoy, Director proposed and Mr. Aslam Faruque, Director seconded that the minutes of 213th meeting of the Board of Directors be confirmed.

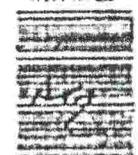
8. Accordingly, it was resolved as under:-

RESOLVED:

"that the Minutes of 213th meeting of Board of Directors held on 22nd July, 2010 are confirmed."

Action:
Secretary
(Board)

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ITEM (2) CONSIDERATION AND APPROVAL OF RECOMMENDATIONS IN MINUTES OF 5TH MEETING OF HUMAN RESOURCES COMMITTEE HELD ON 10TH AUGUST, 2010.

9. The minutes of the 5th meeting of Human Resources Committee held on 10th August, 2010 were presented before the Board of Directors for consideration and approval of its recommendations.

10. The Committee was briefed on premature retirement of Mr. Shah Rukh Sabzwari. On his own written request, after completing 25 years mandatory service, Mr. Sabzwari, DH (Actuarial) was relieved by the competent authority i.e. Chairman, SLIC, under Regulation No. 20 (i & ii) and MOC Notification No. 1(57)/82-Ins.(s) dated 02-12-1991, vetted by Justice and Law Division. The Committee was also informed that after the departure of Mr. Shahrukh Sabzwari, Mr. Faisal Mumtaz (Actuary) has been given the charge of Actuarial Division. Further, Corporation also has Mr. Shujaat Siddiqui as Consultant Actuary

11. The implementation report of 4th meeting of Human Resources Committee held on 1st March, 2010 was submitted before the HR Committee which was noted.

12. Accordingly, the Board resolved as under:

RESOLVED:

"that the minutes of 5th meeting of Human Resources Committee held on 10th August, 2010 are confirmed and the following recommendations to the Board are approved."

(A) Designation of Mr. Kassim Jehan as Staff Officer to the Chairman and approval of proposal of Chairman Secretarial Allowance of an amount of Rs.5,000/- p.m.

"that the recommendation of the Human Resources committee that upon promotion of Mr. Kassim Jehan as Assistant Manager, it would be deemed appropriate that he may be designated as 'Staff Officer to the Chairman' and that an amount of Rs.5,000/- p.m. be given as Chairman Secretariat allowance with immediate effect and till his posting in the Chairman Secretariat as Staff Officer is approved."

"that the recommendation of HR Committee as indicated in para-4 (i) of item (1) of the minutes of the 4th HR Committee Meeting held on 1st March, 2010, that training of SLIC officers covering the following areas: (a) Public Management, (b) Business Management, (c) Marketing, (d) Insurance Management, (e) Policyholders Service, (f) Business Communication Skills and Report Writing, be imparted through appropriate in-house resources i.e. in-service and ex-officers of SLIC while regarding training in the field of (a) Financial Planning & Policy (b) Advanced Financial Management and (c) Corporate & Business Laws, the Executive Director (P&GS) be authorized to negotiate with Pakistan Institute of Management (PIM) or any other reputable institution to organize a 3 - 5 days seminar / workshop encompassing these fields is hereby approved."

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

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(B) EXTENSION IN CONTRACT EMPLOYMENT OF ENGINEER ANWAR ALI BALOCH, AGM(REAL ESTATE – PO)

A memorandum regarding extension in contractual employment of Engr. Anwar Ali Baloch (AGM) was submitted in the 213th meeting of Board of Directors held on 22-07-2010 for approval. The Board directed that the matter be placed in forthcoming Human Resources Committee for consideration.

Engr. Anwar Ali Baloch was appointed as AGM on contract basis vide letter dated 27th May 2009 for a period of 6 months. The Board had also authorized Chairman for allowing further six months extension in his contractual employment. Keeping in view continuation in very important assignments / projects given to Mr. Anwar Ali Baloch, the Real Estate Division suggested / recommended further extension in his contract, expiring on 30th May 2010.

RESOLVED:

“that the recommendation of Human Resources Committee, in view of the exigencies expressed by Real Estate Division for extension in the contract of Mr. Anwar Ali Baloch for a period of one year under same terms and conditions with effect from 1st June 2010 is approved.”

(C) ELEVATION OF PROTOCOL OFFICER, MR. FAKEER M. BALOCH.

A memorandum regarding elevation of Protocol Officer, Mr. Fakeer Muhammad Baloch was submitted in the 211th meeting of Board of Directors held on 18-05-2010 for approval. Mr. Fakeer M. Baloch, Officiating Deputy Manager, is performing duties of Protocol Officer. He is providing protocol duties to Federal Minister for Commerce, Secretary Commerce and other senior officers of TDAP, TCP, NICL and PRCL. The designation of Mr. Fakeer does not commensurate with his duties because he has to provide protocol services to very senior officers and it requires elevation of his present post from officiating Deputy Manager to Deputy Manager. Moreover, he is domicile holder of Balochistan and there is meager representation of officers of Balochistan in State Life. His elevation as Deputy Manager will prove beneficial to address the grievances of People of Balochistan. The Board directed that the matter be placed in forthcoming Human Resources Committee for consideration.

RESOLVED:

“that the recommendation of Human Resources Committee, authorizing the Chairman to consider the case of Mr. Fakeer Muhammad Baloch, Protocol Officer for promotion to Deputy Manager from his present post of Officiating Deputy Manager, keeping in view (a) his performance reflected in the last three years ACRs (b) Balochistan’s representation in SLIC in the cadre of Assistant and Deputy Manager and (c) provision of rules/policy for such like up gradation/elevation is approved.”

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<p><u>(D) TRAINEE EXECUTIVE SCHEME FOR SONS/DAUGHTERS OF OFFICERS</u></p> <p>A memorandum regarding Trainee Executive Scheme for the sons / daughters of In-service officers was placed before Board of Directors in its 213th meeting held on 22-07-2010. The Board directed that the matter be placed in the HR Committee for its review and recommendations to the Board of Directors. In pursuance of CBA agreement, Board of Directors approved 10 seats for "Trainee Executive Scheme for the sons / daughters of in-service staff" in its 205th meeting held on 22-12-2009. The officers of SLIC also approached and requested for similar incentive opportunity for their sons / daughters. The Chairman approved 10 seats for sons / daughters of in-service officers subject to approval by the Board of Directors. It is pertinent to mention that the financial impact will be the same as already approved in case of the scheme for children of staff. In case of approval of 10 extra seats for children of officers, F&A Division has agreed that the amount already allocated for ten (10) seats of Trainee Executive Scheme for sons / daughters of in – service staff be utilized for payment of three months stipend i.e. Rs.360,000/- (from October to December 2010) for twenty (20) seats of both Trainee Executive Scheme i.e. 10 seats staff and 10 for officers sons / daughters. F&A has also agreed that any further expenses (i.e. in addition to already approved i.e. Rs.2,311,510/- for sons / daughters of staff) shall be proposed by P&GS Division for inclusion in budget proposal 2011. Furthermore, F&A has also suggested that for expenses of outsourcing written test the budget of Staff Training may be utilized.</p> <p><u>RESOLVED:</u></p> <p>“that as recommended by Human Resources Committee, the proposal of Trainee Executive Scheme for sons/daughters of officers alongwith its financial impact i.e. Rs.2,311,510/- is approved.”</p> <p>“that the additional financial impact of the above scheme be included in the budget proposal for the year 2011.”</p> <p><u>(E) MEDICAL POLICY FOR EMPLOYEES OF SLIC</u></p> <p>The Board of Directors in its 213th meeting held on 22nd July 2010 had resolved as follow:</p> <p>“that a medical policy be developed by GM(Medical) who is also the Chief Medical Officer of the Corporation, for each grade of employee in respect of hospitalization, medicines, consultation and investigation and presented before the HR Committee of the Board for review and decision. The policy be developed in such a way that the expenses are shared with the employees keeping their financial position in view. The possibility of health insurance coverage of the employees should also be looked into. The Board be informed of the criteria for enlistment of hospitals, consultants/doctors and chemists in the approved panels.”</p> <p>A detailed memorandum on the existing medical policy was submitted to HR Committee by GM (Medical).</p>				<p>CHAIRMAN'S INITIALS</p> 

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Regarding sharing of medical expenses, it is submitted that the medical facility to unionized staff is granted in accordance with the Agreement (s) signed / being signed between the Management of State Life and the State Life Employees Federation of Pakistan (CBA) under the provision of Industrial Relation Act-2008. While the medical facility granted to the officers is governed by State Life Employees (Medical Attendance) Regulation 1973 duly Gazetted and approved by Federal Government. Therefore, any changes or concept of sharing in the scheme is not possible. However, in exceptional cases where the financial impact is very high and the facility is not covered under the said Rules & Regulations, the matter may be taken to the Board of Directors with the approval of the Chairman and decision taken on case to case basis where sharing can also be offered

Mrs. Spenta Kandawalla, Director informed the Board that State Life has been giving donations to Kidney Centre as such kidney patients can be sent by State Life to Kidney Centre where they could be treated as donor patients.

RESOLVED:

"that the recommendation of HR Committee that prevalent medical policy for the employees of State Life Insurance Corporation of Pakistan was satisfactory however, a report be submitted by GM (Medical) containing names of hospitals on SLIC panel with its break up based on its categories in the next Board meeting is approved."

As per above directives of the HR Committee, a position paper on list of State Life approved panel hospitals together with its categorization was submitted before the Board which was noted.

(F) REVISION OF PAY SCALE OF OFFICERS

A memorandum of Executive Director (P&GS) regarding increase in salary of officers of SLIC was submitted. State Life Insurance Corporation of Pakistan increases the salaries of its employees from time to time keeping in view the rate of inflation, increase in the salaries of employees of Government of Pakistan and budgetary provisions. The last salary of staff was increased @ 35% from 1st January 2009 along with other perks after finalization of CBA agreement 2009 – 10. The last revision of basic pay scales of the officers of State Life Insurance Corporation was carried out in year 2008 after concurrence of Ministry of Finance, in which 15% enhancement was made in their basic pays from 01st January 2008 and other enhancement of 15% was made in their basic pays from 01st July 2008.

The Government of Pakistan has granted 50% Adhoc Relief Allowance to its employees with effect from 1st July 2010 vide Finance Division's O.M. No. F.1(1)Imp/2010-622 dated 05-07-2010 received through Ministry of Commerce letter No. 7(8)/2004-Ins dated 22-07-2010. The Officers Association of State Life State Life Insurance Corporation of Pakistan has made a demand to increase the salary of officers in commensuration with the raise in salaries of employees of government of Pakistan keeping in view the rising trend of inflation. It is pertinent to mention that as per the past practice salaries of the officers of State Life are raised after concurrence of Ministry of Finance through Ministry of Commerce.

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Keeping in view the rising trend of inflation, management of State Life also considered options of increase of salary of its officers either @ 30% of their Basic Pays or 48% Adhoc Allowance of their Basic Pay. The financial impacts of both the options were calculated and it is worth noting that the financial impact of 30% increase in Basic Pay of officers is about Rs. 172 Million per six months and financial impact of 48% of Allowance is about Rs. 168 Million per six months. It is pertinent to mention that, State Life Insurance Corporation of Pakistan has received a letter from Ministry of Commerce in which Finance Division's O.M. No. F. No. 7 (8)/2004 – Ins dated 22nd July 2010 has been referred and it has been mentioned that "the SLIC, NICL and PRCL are therefore requested to implement the announcement of the Finance Minister through respective Board of Directors". It is pertinent to mention that in the referred announcement of Finance Minister, 50% Adhoc Relief for employees of Federal Government has been made.

The matter is placed before HR Committee for approval of either 30% increase in Basic pay or 48% Adhoc Allowance of their Basic Pay to the officers of State Life Insurance Corporation of Pakistan with effect from 1st July 2010 subject to subsequent approval by Board of Directors and concurrence of Ministry of Finance through Ministry of Commerce.

The HR Committee had recommended adhoc allowance for officers of SLIC @50% of the basic pay in line with the announcement by the Government of Pakistan effective 1st July, 2010 subject to approval by Board of Directors.

ED(P&GS) submitted before the Board, a letter No.7(8)/2004-Ins dated 25th August, 2010 from Ministry of Commerce, Government of Pakistan enclosing Finance Division's O.M.No.F.4(4)R-4/2010-360 dated 18-08-2010 on the subject of grant of adhoc allowance addressed to the Chairman of three public sector Insurance Companies requesting for implementation of the announcement of the Finance Minister in accordance with the Finance Division O.M. referred above. The Office Memorandum is reproduced below:-

"The undersigned is directed to refer to the subject noted above and to state that consequent upon the grant of Adhoc Allowance – 2010 @ 50% of basic pay to the civil servants in BPS 1-22 w.e.f. 01-07-2010 vide Finance Division's O.M. No.F.1(1)/Imp/2010-622 dated 05-07-2010, it has been decided that the Adhoc Allowance – 2010 will also be applicable to the employees of Autonomous/Semi-autonomous Bodies and Corporations, which have adopted the Federal Government's Basic Pay Scales Scheme in totality.

The above orders will, however, not be applicable to those Public Sector Corporations and Autonomous/Semi-autonomous Bodies which have adopted different pay scales/allowances. In case of such organizations, the Adhoc Allowance – 2010 @ 50% of basic pay will be allowed with the concurrence of Standing Committee of Finance Division on recommendations of the respective Board of Directors/Governors. The grant of adhoc allowance – 2010 will invariably be tagged with the financial position of the Organization.

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	<p>It is also clarified that Autonomous/Semi-Autonomous Bodies and Corporations, will forward the cases of only Executive/Supervisory Staff with the recommendations of their respective Boards for concurrence of Finance Division to the grant of Adhoc Allowance – 2010 @ 50% Basic Pay w.e.f. 01-07-2010 and subsequently, on the same analogy, the benefit of Adhoc Allowance – 2010 will be allowed to the Non-Executive/Non-Supervisory Staff equivalent to BPS 1-16 of the Autonomous/Semi-Autonomous Bodies and Corporation with the approval of their Board of Directors/Governors.</p> <p>All Ministries/Divisions are requested to convey these instructions to Autonomous/Semi-autonomous Bodies and Corporations under their administrative control for taking further necessary action."</p> <p>RESOLVED:</p> <p>"that the recommendation of the Human Resources Committee for allowing adhoc allowance for officers of SLIC @ 50% of the basic pay effective 1st July, 2010 in line with the announcement by the Government of Pakistan, subject to approval by Board of Directors, is hereby approved subject to concurrence of Standing Committee of Finance Division as also laid down in O.M.F.4(4)R-4/2010-360 dated 18th August, 2010 of Section Officer of Government of Pakistan, Finance Division (Regulation Wing)."</p> <p>"that an Adhoc Allowance -2010 @ 50% of basic pay effective 1st July, 2010 be allowed to all the Non-Executive/Non-Supervisory Staff members equivalent to BPS 1-16 of the Autonomous/Semi-Autonomous Bodies and Corporations in line with the announcement of the Government of Pakistan as also laid down in O.M.F.4(4)R-4/2010-360 dated 18th August, 2010 of Section Officer of Government of Pakistan, Finance Division (Regulation Wing). The Adhoc Allowance will be considered as a prepayment and would be adjustable/recoverable against the increase that would be given against forthcoming CBA agreement negotiations, the charter of which would be submitted in the end of 2010 and CBA agreement would be effective for the year 2011-12."</p> <p>"that DH(P&GS) should write a letter to the Standing Committee of Finance Division through Ministry of Commerce forwarding the recommendations of the Board of Directors of State Life Insurance Corporation of Pakistan for allowing Adhoc Allowance equivalent to @ 50% of Basic Pay w.e.f. 1-7-2010 to all the employees of the Corporation in line with the announcement by the Government of Pakistan as also laid down in O.M.F.4(4)R-4/2010-360 dated 18th August, 2010 of Section Officer of Government of Pakistan, Finance Division (Regulation Wing). Acting ED(F&A)/DH(F&A) would work out the total impact of the above decision and its effect on the renewal expense ratio, permissible limit of which is allowed in the Insurance Ordinance and the above information should be highlighted in the letter. The letter should also mention that the Adhoc Allowance given to the staff members w.e.f. 1st July, 2010 would be considered as a prepayment and would be adjustable/recoverable against increase if any to be given to the staff members against forthcoming CBA agreement negotiations, the charter of which would be submitted in the end of 2010 and CBA agreement would be effective for the year 2011-12."</p>		

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(G) INCENTIVE ALLOWANCE FOR STAFF UPGRADATION UNDER INCENTIVE PROMOTION/UPGRADATION SCHEME.

A memorandum of Executive Director (P&GS) regarding incentive allowance for staff upgraded under Incentive Promotion /Upgradation Scheme was submitted. The management was facing acute shortage of staff especially in D.G. Khan, Mirpur (A.K.) and Quetta Zones. Due to Law and Order situation in these areas, the officers / officials were reluctant to serve in these areas and the officers / officials posted in those zones were trying to get transferred to safest zones. This is the reason; it became quite difficult to carry out routine operational activities in these zones and management had no other option except to launch an Incentive Scheme for Quetta, D.G. Khan and Mirpur, A.K. Zones. The Marketing Division devised a "Incentive Promotion / up gradation Scheme" for staff on their posting in above mentioned zones. The officials having Masters Degree and thirteen years experience in State Life Insurance Corporation of Pakistan were offered promotion / up gradation as Executive Officer /Assistant Manager subject to clearance of written test and interview. The successful candidates were required to serve three years at their place of posting after elevation /up gradation. The said scheme was approved by the Chairman.

In order to resolve the issue of decrease in pay after Incentive Promotion / Up gradation, meeting of a Committee comprising of G.M. (P&GS), G.M. (Audit), G.M. (F&A) and G.M. (LAD) was convened and they recommended that the promoted /up graded officials may be given "Incentive Promotion /Up - Gradation Allowance" equivalent to the amount that decrease from their pay after promotion / up gradation as Executive Officers.

The matter was placed before HR Committee for approval to allow "Incentive Promotion /Up - gradation Allowance" to officers mentioned above equivalent to amount that has been decreased from their pay in consequence of the Incentive Promotion /Up gradation

RESOLVED:

"that the recommendation of the HR Committee of regretting the proposal was approved."

(H) CREATION OF TWO POSTS AS PRO

A memorandum of Executive Director (P&GS) regarding creation of two posts as PRO was submitted.

Currently, the Corporation has no such designated position as PRO available in the present hierarchy of the Corporation and according to regulation No. 6 of the State Life Employees (Service) Regulations 1973, the Board of Directors is competent to create permanent posts. It is therefore proposed that two posts with the nomenclature of PRO with pay & other benefits equivalent to Executive Officers may be created, which will be filled by observing all codal formalities.

The Human Resources Committee deferred the proposal.

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(I) APPOINTMENT OF MS. MUMTAZ MOOSA AS UNIT HEAD OPERATIONS/ ADMINISTRATOR BACK-END BANCASSURANCE OFFICE SLIC FOR A PERIOD OF TWO YEARS ON CONTRACT BASIS.

Executive Director (P&GS) put up a memorandum regarding appointment of Ms. Mumtaz Moosa as Unit Head Operations / Administrator Back – end Bancassurance SLIC for a period of two years on contract basis.

The job description of Unit Head operations or Head of Operations/Administrator in the Back-end Office, SLIC includes interalia to establish operational infrastructure and processes and spearhead country-wide teams to support for smooth new Bancassurance business process which will result in achieving strategic goals and objectives.

It is proposed that Ms. Mumtaz Moosa may be appointed as Unit Head Operations Administrator Bancassurance Back-end office, SLIC purely on contract for a period of two years w.e.f that date of retirement i.e. Aug 13, 2010 with a fixed remuneration of Rs. 50,000/- and a vehicle of fuel ceiling as is admissible to the Deputy General Manager in SLIC.

RESOLVED:

“that as recommended by Human Resources Committee, the appointment of Ms. Mumtaz Moosa as Unit Head Operations / Administrator Back – End Bancassurance Office SLIC for two years on contract basis effective from the date of her retirement i.e. 13-08-2010 with fixed remuneration of Rs.50,000/ along with vehicle fuel as is admissible to DGM in SLIC is approved.”

(J) ADJUSTMENT IN STAFF STRENGTH

- i) A memorandum regarding adjustment in staff strength has been submitted. The CBA has been demanding rationalization of staff strength since long. The same was reiterated during the recently concluded negotiation ad in Demand No. 3 (E) of the CBA Agreement 2009 – 10, an understanding was given that the management would consider their demand positively. The issue was discussed in 3rd meeting of HR Committee held on 4th December 2009 and the members desired that the detailed proposal be submitted in next HR Committee Meeting.
- ii) As per the direction of HR Committee, details of the proposal has been worked out and current position is as under:-

S.No.	Grade / Desg	Approved Strength	% with respect to Approved Strength	Remarks
A – Category Employees				
i.	Grade – I	359	53 %	Direct
	Grade – II	293	43%	Direct + promotion
	Grade – III	27	4%	Promotion
	Total	679	100%	

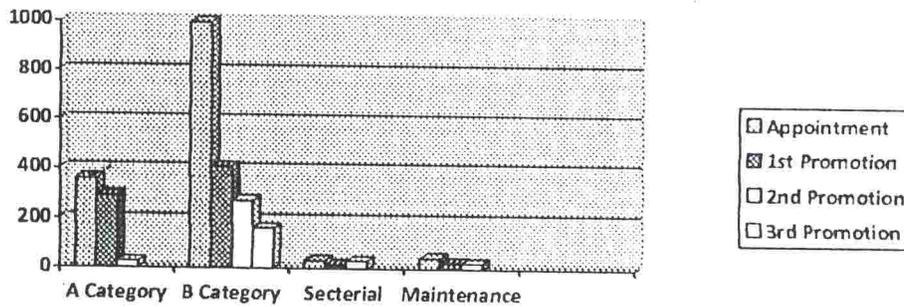
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B - Category Employees				
ii.	Grade - IV	996	54%	Direct + up gradation
	Grade - V	411	22%	Promotion
	Grade - VI	272	15%	Promotion
	Grade - VII	163	9%	Promotion
	Total	1842	100%	
Secretarial Staff				
iii.	SS - I	34	41%	Direct
	SS - II	17	20%	Direct + promotion
	SS - III	32	39%	Promotion
	Total	83	100%	
Maintenance Staff				
iv.	MN - I	46	48%	Direct
	MN - II	26	27%	Promotion
	MN - III	24	25%	Promotion
	Total	96	100%	



iii) Due to above mentioned staff strength position, promotions process among staff is virtually at halt and even in most of zones and most of cadres promotions have not been made since last 10 years and above. In order to improve the promotion scenario, following adjustment in staff strength has been suggested:-

S.No.	Grade / Desg	Approved Strength	Re - Adjusted Strgth	Remarks
A - Category Employees				
i.	Grade - I	359 (53% of Total Strgth)	238 (35% of Total Strgth)	Direct
	Grade - II	293 (43% of Total Strgth)	272 (40% of Total Strgth)	Direct + promotion
	Grade - III	27 (4% of Total Strgth)	169 (25% of Total Strgth)	Promotion
	Total	679	679	
B - Category Employees				
ii.	Grade - IV	996 (54% of Total Strgth)	645 (35% of Total Strgth)	Direct + promotion
	Grade - V	411 (22% of Total Strgth)	553 (30% of Total Strgth)	Promotion
	Grade - VI	272 (15% of Total Strgth)	368 (20% of Total Strgth)	Promotion
	Grade - VII	163 (9% of Total Strgth)	276 (15% of Total Strgth)	Promotion
	Total	1842	1842	

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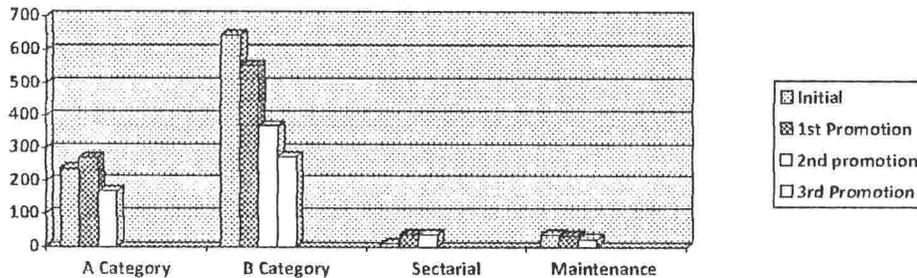
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Secretarial Staff				
iii.	SS - I	34 (41% of Total Strgth)	10 (12% of Total Strgth)	Direct
	SS - II	17 (20% of Total Strgth)	36 (20% of Total Strgth)	Direct promotion
	SS - III	32 (39% of Total Strgth)	37 (44% of Total Strgth)	Promotion
	Total	83	83	
Maintenance Staff				
iv.	MN - I	46 (48% of Total Strgth)	38 (40% of Total Strgth)	Direct
	MN - II	26 (27% of Total Strgth)	34 (35% of Total Strgth)	Promotion
	MN - III	24 (25% of Total Strgth)	24 (25% of Total Strgth)	Promotion
	Total	96	96	

- iv) Following will be the improved scenario after applying re - adjusted staff strength:-



- v) The financial impact of the adjustment has been calculated and is as under:-

S.No.	Category	Expenditure / Month		Difference
		Existing	Adjusted	
i.	A - Category	Rs. 12,356,957/-	Rs. 12,561,662/-	Rs. 204,665/-
ii.	B- Category	Rs. 42,303,395/-	Rs. 45,026,792/-	Rs. 2,723,397/-
iii.	Secretarial	Rs. 2,594,217/-	Rs. 2,756,400/-	Rs. 162,183/-
iv.	Maintenance	Rs. 21,31,606/-	Rs. 21,50,318/-	Rs. 18,712/-
	Total	Rs. 59,386,175/-	Rs. 622,49,51,72/-	Rs. 3,108,957/-

- vi) The matter was placed before HR Committee for approval of following:-

- a) To allow re - adjustment in existing staff strength as per suggestions given in para 43 of HR minutes.
- b) If approved, ED (P&GS) may be allowed to make further rationalization in staff strength in Principal Office / G&P Division /R.E. Division / Regions / Zones keeping in view their existing staff strength and manpower requirement.

RESOLVED:

"that the recommendations of the HR Committee at its 5th meeting i) to allow re-adjustment in existing staff strength as per details given in para-43 of the HR minutes, and para 12(J)vi(a) and 12(J)iii of the above minutes and ii) to allow ED(P&GS) to make further rationalization in staff strength in various grades in Principal Office/G&P Division/RE Division/Regions/Zones keeping in view the adjusted staff strength in each category and manpower requirement, is approved."

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	<p>“that the recommendations of the HR Committee at its 5th meeting that the promotions/adjustments be effected from the next year was approved.”</p> <p>ITEM (3) CONSIDERATION AND APPROVAL OF RECOMMENDATIONS IN MINUTES OF 11TH, 12TH AND 13TH MEETINGS OF REAL ESTATE AND INVESTMENT DIVISION COMMITTEE.</p> <p>13. The minutes of the 11th, 12th and 13th meetings of Real Estate and Investment Division Committee held on 18th May, 2010, 2nd June, 2010 and 19th August, 2010 were presented before the Board of Directors for consideration and approval of its recommendations made by the Committee to the Board. Mr. Mohammad Yahya, ED(RE) was absent at the 11th and 12th meetings of the REIC whereas Mr. Amin Qasim Dada, Director was absent at the 11th meeting of the REIC. Syed Hur Riahi Gardezi, Director pointed out that leave of absence granted to him for not attending the 13th meeting of the REIC be recorded in the minutes of the said meeting.</p> <p>14. The minutes also contained the implementation/compliance report to the decisions taken at the 10th, 11th and 12th meetings of the Real Estate and Investment Division Committee which was noted by the Board.</p> <p>15. GM(RE) informed the Board that two residential properties out of 9 at Lahore have been transferred in the name of State Life Insurance Corporation of Pakistan. The process was stalled since promulgation of LINO in 1972 due to non availability of relevant records and linkage of land title. After hectic efforts of RED, the decade old documents of properties at 24-C and 66-D at Gulberg, Lahore were located and presented in LDA. After pro active pursuance by RED, LDA finally transferred these two properties. There is still one more property not transferred due to non availability of records with SLIC. Efforts are in hand to trace the record and get the land transfer in State Life name on the basis of PTA and utility connections. Out of the other six properties at Lahore, Building No.2 and 4 document records have been traced by RED from old records of EDO Settlement Division and both the properties are at advance stage of transfer to State Life. Records of Building No. 6 and 7 have been traced. Building No.1 is under litigation. Therefore with efforts of RED atleast seven properties out of nine are most likely to be transferred/mutated in the name of State Life.</p> <p>16. The Board appreciated the concerted efforts of Lt. Col. Mohsin Ali Shah, GM(RE) in getting two SLIC properties at Lahore, Gulberg mutated in the name of State Life Insurance Corporation of Pakistan in addition to redressal of illegal occupation of approach road by Army Welfare Trust between two valuable plots of State Life at Abbasi Shaheed Road, Karachi.</p> <p>17. GM(RE) was also directed to take up the matter of encroached property with the relevant authorities and discuss with them the possibility of getting an alternate property in exchange for the encroached property.</p> <p>18. GM(RE) informed the REIC at its 9th meeting that the Chairman State Life has already written a letter to the Chief Secretary, Punjab for assistance in settlement of transfer/mutation of State Life properties at Lahore to which the Chief Secretary, Punjab has responded positively.</p>		<p>CHAIRMAN'S INITIALS</p> 

Action:
ED(RE)
DH(RE)

Action:
ED(RE)
DH(RE)

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ED(RE)
DH(RE)

MINUTES OF 214TH MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME	
AGENDA BOOK	KARACHI	7 TH SEPTEMBER, 2010		
<p>Action: ED(RE) DH(RE)</p> <p>Action: ED(RE) DH(RE)</p> <p>Action: ED(RE) DH(RE)</p> <p>Action: ED(RE) DH(RE)</p>	<p>19. The REIC was also informed that the Chairman State Life has approved an amount of Rs.10,000 to be paid to the members of the DDWP for attending the meeting of DDWP.</p> <p>20. GM(RE) also informed the REIC that IEE issues raised by EPA for Islamabad Tower has been addressed and a report is being prepared by the Consultant for onward submission to EPA, Islamabad.</p> <p>21. The REIC was also informed that the renovation work on Larkana Building was slow and that a final notice shall be served to M/s. Al Hasan for recovery of liquidated damages followed by cancellation of contract under risk and cost to the contractor as per agreement.</p> <p>22. GM(RE) also apprised the REIC that M/s. Moinsons, the contractor for Islamabad Tower is under mobilization to commence the work and M/s. NESPAK are being assigned the task of Project Manager in light of their past agreement for entire project without any additional financial impact.</p> <p>23. GM(RE) further apprised REIC that Mr. Rizwan Rizvi, CEO M/s. Red Bridge after his presentation to REIC and meeting with RED has not contacted again.</p> <p>24. The Board noted the progress mentioned in the minutes of the ongoing projects/works in respect of the following:-</p> <p>a. The PCIs of Islamabad and Gujranwala Projects have now been finally approved in the DWP Meeting therefore all efforts should now be made to expedite pace of construction and timely completion of Gujranwala project by 31 Oct 2010.</p> <p>b. The Chairman apprised REIC that in the recent (3rd) DWP Meeting, SLIC has been tasked to constitute a 'Projects Monitoring Unit' (PMU) to monitor progress of all ongoing/forthcoming projects. Accordingly, PCI is under preparation for approval in the next DWP Meeting.</p> <p>c. Sequel to approval by DWP Meeting, REIC resolved that tenders may be called for Rahimyar Khan and Sialkot Projects. The height issue raised by Sargodha authorities should be addressed by DH (RED) through coordination with PAF authorities, Secretary Local Bodies Punjab and TMO Sargodha.</p> <p>d. Heavy charges being claimed by Municipal authorities as Non-utilization Fee (NUF) and related entities should be curtailed to the bare minimum. GM (RE) should coordinate the aspect with respective TMOs.</p> <p>25. The Board also noted the contents of the minutes regarding evaluation of progress report of ongoing maintenance and renovation works in respect of the following:-</p>			<p>CHAIRMAN'S INITIALS</p> 

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DIRECTORS	HELD AT	ON	TIME	
MINUTE BOOK	KARACHI	7 TH SEPTEMBER, 2010		
	<p>a. Pace of ongoing works at Larkana is extremely slow and far behind the scheduled completion time. Real Estate Division should expedite the progress.</p> <p>b. Optics of building SLB Nos. 1 and 2 at Karachi should be improved.</p> <p>c. External painting and upkeep of building No. 9 (PO Office) should be commenced. GM (F&A) was specially invited in the REIC Meeting who advised to carry out the works from head of accounts of capital expenditure.</p> <p>d. Real Estate Division should find out the status of Illaco House building for portion included in the list of Heritage buildings. Its upkeep and external renovation works should be done in coordination with Sindh Heritage Authorities. Additionally, sewerage, drainage, electrical and plumbing works of the building should also be addressed.</p> <p>e. GM (RE) should inspect ongoing works of SLIC huts at Sandspit and Paradise Point for timely completion.</p> <p>26. The Board also agreed to the decision of the REIC instructing GM(RE) to present the proposal on restructuring of RED and rationalization of personnel for short time and long term objectives in the next meeting of the Real Estate and Investment Division Committee prior to its formal submission to the Board.</p> <p>27. After deliberating on the minutes of the 11th, 12th and 13th meetings respectively of the Real Estate and Investment Division Committee, the Board resolved as under:-</p> <p>RESOLVED: "that the minutes of 11th, 12th and 13th meetings of Real Estate and Investment Division Committee held on 18th May, 2010, 2nd June, 2010 and 19th August, 2010 together with following recommendations are approved."</p> <p>i) <u>Application of widow of Late Mohammad Amjad requesting for extension of SLIC accommodation and waiver of all arrears.</u></p> <p>"that the recommendation of the Real Estate and Investment Division Committee that one year extension of SLIC accommodation to the widow of Late Mohammad Amjad on prevailing house rent subject to clearance of all outstanding dues by the widow was approved."</p> <p>ii) <u>Lease of Army land at Bahawalpur</u></p> <p>"that the recommendation of REIC that DH(RE) should coordinate the matter with MEO, Bahawalpur for lease of Army land on official rates of Ministry of Defence was approved."</p>			<p>CHAIRMAN'S INITIALS</p> 

Action:
ED(RE)
DH(RE)

MINUTES OF 214TH MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME	
AGENDA BOOK	KARACHI	7 TH SEPTEMBER, 2010		
	<p>iii) Formation of Sub Committee to evaluate the EOI's received from various sponsors in response to State Life advertisement in the Press.</p> <p>“that the decision of REIC to constitute a Sub Committee consisting of GM(Investment), GM(RE) and DH(Legal Affairs) to evaluate the EOI's received from various sponsors in response to State Life advertisement in the Press was approved.</p> <p>iv) Report of the Sub Committee on Evaluation of EOI's received from various parties in response to State Life advertisement in the Press.</p> <p>(1) <u>M/s. Hi-Tech Shopping Mall.</u> “that the recommendation of REIC to drop the case of M/s. MMS as they did not respond to SLIC letter to give presentation on their offer and provide additional details is approved.”</p> <p>(2) <u>M/s. Emmar.</u> “that the recommendation of REIC to issue reminder to M/s. Emmar seeking further details about their properties at DHA, Karachi is approved.”</p> <p>(3) <u>Stock Exchange Twin Tower at Islamabad.</u> “that the recommendation of REIC to seek further details on the above proposal is approved.”</p> <p>(4) <u>Centre Point Project.</u> The case has already been closed. A letter dated 9th June, 2010 has been received from Mr. Ali Jameel of A&A Associates with regard to Centre Point Project informing State Life that M/s. A&A Associates were no longer interested in pursuing this joint venture with State Life. The letter was put up at the 213th meeting of the Board of Directors on 22nd July, 2010 which decided that no further action was required on the project and it be treated as closed. All decisions taken on the project may be considered as null and void.</p> <p>(5) <u>M/s. KASB Developers.</u> “that the recommendation of REIC that further details be sought from the developer about Beachfront project is approved.”</p> <p>(6) <u>M/s. Tricon Developers Ltd. (Lahore).</u> “that the recommendation of REIC that since RED have got transferred some of State Life properties at Lahore with few more in the offing, therefore the proposal may be dropped, more so, when it does not meet our requirements published in Expression of Interest is approved.”</p> <p>(7) <u>M/s. Naseem Enterprises.</u> “that the recommendation of REIC that since SLIC already has a building at Faisalabad and there is no immediate requirement of land at Faisalabad therefore the case may be kept pending is approved.”</p>			<p>CHAIRMAN'S INITIALS</p> 

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MINUTE BOOK	KARACHI	7 TH SEPTEMBER, 2010		
	<p>(8) <u>M/s. Khwaja Bashir Ahmed Group.</u> "that the recommendation of REIC that since the property is closely located to our existing building at Multan which is insufficient to meet growing accommodation needs of Multan Region and prevailing shortage of parking spaces, therefore, additional details be sought from the Sponsor regarding title of land, litigation, commercialization status and lien etc and that additionally, Real Estate Division should also coordinate with MEO Multan for possibility of lease of Army land analogous to Bahawalpur, if available is approved."</p> <p>(9) Outright sale of 200,000 sq.ft. constructed space out of Ground + 15 storey (under construction) commercial building at Abdullah Haroon Road, Karachi.</p> <p>GM(RE) submitted that a proposal has been received from M/s. Parthenon (Pvt) Ltd, offering out right sale of 200,000 sq.ft. constructed space out of their G + 15 Storey (under construction) commercial building at Abdullah Haroon Road, adjacent to State Life Building No.11, as per details given below. The case was put up to the Sub Committee which recommended that the case be put up to REIC and Board:-</p> <ol style="list-style-type: none"> Commercial/offices use building with covered area of 4 lac sq.ft. co-located to SLIC Building No.11 (under KESE use), G + 4 Storey planned for commercial use by Developer himself. Next 3 storey meant for parking of 12,000 cars @ 400 cars for each storey. SLIC can purchase any are measuring 200,000 sq.ft. out of 3 parking storey and office spaces from 8th - 15th floors. Building to have modern and state of the art facilities. Present progress is 65%. Land title, NOCs and related formalities are clear. <p>"that the recommendation by GM(RE) and Sub Committee of REIC, that detailed evaluation of the proposal be carried out and final recommendation be submitted for consideration of the Board through REIC is approved."</p> <p>v) <u>Discussion on legal issues assigned to M/s. Hajvary Law Group</u></p> <p>"that the recommendation of REIC to hold an exclusive meeting of REIC at Lahore to discuss legal issues assigned to M/s. Hajvary Law Group was approved."</p> <p>vi) <u>Construction of building at Kashmir Road, Rawalpindi.</u></p> <p>"that the recommendation of REIC that State Life Insurance Corporation of Pakistan should utilize its valuable plot measuring 200 sq.yds. at Kashmir Road, Rawalpindi presently rented for storage accommodation at Rs.24,000 per month was approved."</p>			<p>CHAIRMAN'S INITIALS</p> 

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“that RE Division should get a conceptual/architectural plan prepared of ground plus four floors commercial building for office use as per bye laws of Rawalpindi Cantt on the above plot is approved.”

vii) Commercialization of two residential properties located at Gulberg, Lahore

“that the recommendation of REIC for processing the case for commercialization of two residential properties located at Gulberg, Lahore recently transferred to SLIC by LDA is approved.”

viii) Hiring of services of Brokerage Consultants for renting of vacant spaces in all SLIC Buildings.

“that the recommendation of REIC at its 9th meeting for hiring of services of Brokerage Consultants for renting of vacant spaces in all SLIC Buildings through advertisement in the press on the basis of brokerage/fee equivalent to 15 days rental to the Consultant is approved in principle, however a position paper be submitted to the Board giving therein details of procedure for approval of brokerage consultant.”

ITEM (4) APPROVAL OF DONATION TO FLOOD RELIEF FUNDS.

28. Acting Executive Director(F&A) presented before the Board, a Memorandum regarding Donations to Flood Relief Funds.

29. The Board was informed that the Management of State Life, realizing its social responsibilities, quickly responded for immediate help of affected people and has made contribution to following flood relief funds, subject to post facto approval of the Board of Directors:

i)	Prime Minister's Flood Relief Fund	Rs. 2 million
ii)	Utilities Stores Corporation Flood Relief Fund	Rs. 1 million
iii)	Speaker's Relief Fund	<u>Rs. 1 million</u>
	Total	<u>Rs. 4 million</u>

30. The members of Board of Directors were requested to accord post facto approval of payment of Rs. 4 million to the above flood relief funds.

31. Accordingly, the Board resolved as under:-

RESOLVED:

“that the proposal of Acting Executive Director(F&A) for post facto approval of payment of Rs. 4 million to the following Flood Relief Funds is accorded:

i)	Prime Minister's Flood Relief Fund	Rs. 2 million
ii)	Utilities Stores Corporation Flood Relief Fund	Rs. 1 million
iii)	Speaker's Relief Fund	<u>Rs. 1 million</u>
	Total	<u>Rs. 4 million</u>

Action:
DH(F&A)
DH(P&GS)

CHAIRMAN'S
INITIALS

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ITEM (5) STATE LIFE'S LIFE INSURANCE BUSINESS IN SAUDI ARABIA.

32. Executive Director(Marketing/Group & Pension) presented before the Board, a Memorandum on the current status of State Life's Life Insurance Business in Saudi Arabia.

33. The Board was informed that State Life Insurance Corporation of Pakistan started its operation of life insurance business in the Kingdom of Saudi Arabia w.e.f. June 1, 1994 and has since been carrying out on its insurance business through sponsor under contract.

34. State Life had last entered into an agreement with M/s. New Home Establishment, Riyadh, Kingdom of Saudi Arabia as sponsor on 28-05-2001 for a period of three years effective from 01-07-2001 for performance of the services. After the expiry of the agreement on 30-06-2004, the sponsorship agreement was renewed with M/s. New Home Establishment, Riyadh Kingdom of Saudi Arabia represented by its Director General Dr. Abdul Hamed Abdul Aziz Khan for a further period of three years.

35. Subsequent to the expiry of the forecasted agreement on 30-06-2007, it was agreed to renew the agreement on the existing terms and conditions for another period of three years. This agreement is currently on and the instalments are regularly being paid to Dr. Abdul Hamed Abdul Aziz Khan, Director General, M/s. New Home Establishment, Riyadh, Kingdom of Saudi Arabia. It is pertinent to point out that the agreement executed in the years, 2001 and 2004 were duly signed by the representatives of the State Life and Dr. Abdul Hameed Abdul Aziz Khan, Director General, M/s. New Home Establishment, Riyadh, Kingdom of Saudi Arabia. Whereas the agreement effective from 01-07-2007 between the State Life and Dr. Abdul Hameed Abdul Aziz Khan could not be executed and signed mainly on account of the fact that Saudi Arabian Monetary Agency (SAMA), a regulatory body for financial and non banking financial institutions including insurance companies has enforced very strict and a comprehensive legal regime for insurance business in the Kingdom. Hence under Saudi law and SAMA regulations, the arrangements between State Life and Dr. Abdul Hameed Abdul Aziz Khan became void in the eyes of law, or in plain words State Life is no longer in a position to do its insurance business legally in the Kingdom of Saudi Arabia.

36. According to survey, out of the total Saudi population of 28 million, over 07 million are expatriates, of which 1.7 million are Pakistanis. Saudi contribution in the Gulf operation of SLIC is substantial. Out of 11,000 plus policies, over 5,500 policies are from Saudi Arabia denominated in US Dollars.

37. With the introduction of Cooperative Insurance Company Law in the Kingdom of Saudi Arabia, it is mandatory for the companies undertaking insurance business in the Kingdom to have a paid up capital of Saudi Arabian Riyal (SAR) 100 million. Out of 100 million SAR; foreign company is restricted to only 30%, Saudi investor compulsorily to be engaged with 30% and remaining 40% is IPO (Initial Public Offering).

CHAIRMAN'S INITIALS



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<p>38. Ever since Saudi Government introduced regulatory frame work to regulate insurance business, State Life has been endeavoring to find a partner to go into Saudi market, for SLIC simply cannot walk away from lucrative Saudi part of Gulf operation leaving over 5,500 policyholders in lurch.</p> <p>39. The Warba Insurance Company, our sponsor in Kuwait, in partnership with Ritaj Takaful Insurance has decided to establish a new Insurance Company (Albayraq Cooperative Insurance Company) with a share capital of SAR 200 million. They have agreed to offer 10% of paid up capital to State Life Insurance Company of Pakistan.</p> <p>40. State Life has also talked to Khalid Jufail of Saudi Arabia, who offered only 01% of paid up capital in the new company.</p> <p>41. ED(Marketing) informed the Board that while exploring other possibilities with the Banks and investment companies, United Bank Limited, our Banker in Pakistan and in the UAE as well, arranged our meeting with their Saudi Arabian partner M/s. Jedwah. The company has capital market authority licenses for brokerage, asset management, custody and arranging and advising. M/s. Jedwah offered to contribute 30% paid up capital of the new company as Saudi investor. In addition they also offered management control of the company.</p> <p>42. SAMA regulations allow life insurers to do general insurance business as well. Keeping provision in view, State Life also explored possibilities to find a partner in general insurance companies. National Insurance Company (NIC) was approached by State Life, which regretted owing to paucity of funds. Subsequently, Askari Insurance and Pak Kuwait Takaful Company were contacted. They did not show interest.</p> <p>43. IGI General Insurance has agreed and number of meetings has been held so far; the last one was also attended by the President of UBL. IGI has agreed in principle to go along with the State Life and will contribute 15% of the paid up capital in the new company. UBL will act as Financial Advisor and interalia will identify well established financial institutions beside Jedwah, and do all documentation as are necessary for obtaining regulatory approval. In addition, underwriting of the IPO and fulfillment of listing requirements etc. will be done by UBL.</p> <p>44. UBL has demanded a fee of Pak Rupee 08 million. The payment will be made in phases and shared between the State Life and IGI as 50:50. Copy of the letter from UBL was placed at Annexure-B to the Memorandum.</p> <p>45. The position is placed before the Board to consider establishing a company in the Kingdom of Saudi Arabia with IGI and appoint UBL as Financial Advisor as deemed appropriate.</p> <p>46. Accordingly, it was resolved as under:</p>			

CHAIRMAN'S INITIALS

MINUTES OF 214TH MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME	
MINUTE BOOK	KARACHI	7 TH SEPTEMBER, 2010		
Action: ED(Mkt) DH(Mkt)	<p>RESOLVED: "that Chairman State Life is hereby authorized to negotiate with M/s. Warba Insurance Company, State Life Insurance Corporation's sponsor in Kuwait for taking up 10% shareholding in Albayraq Cooperative Insurance Company, set up by M/s. Warba Insurance Company in partnership with Ritaj Takaful Insurance with a share capital of Saudi Riyal 200 million. The investment would be made by State Life out of Overseas Life Fund."</p> <p>ITEM (6) HEALTH INSURANCE FOR THE RECIPIENTS OF BENAZIR INCOME SUPPORT PROGRAMME (BISP) WASEELA-E-SEHET.</p> <p>47. Executive Director(Marketing/Group & Pension) presented before the Board, a Memorandum for Health Insurance for the Recipients of Benazir Income Support Programme (BISP) Waseela-e-Sehet.</p> <p>48. The Board was informed that the competent authority in State Life Insurance Corporation of Pakistan vide circular No.G&P/PO/PHS/CIR-01/2001 dated June 06, 2001 placed at Annexure-A to the Memorandum, had decided not to carry on with health insurance business, notwithstanding that State Life prior to promulgation of the Insurance Ordinance, 2000, had been writing small amount of health insurance business. The Ordinance ibid has made it obligatory upon life insurers to establish a separate statutory fund for selling health insurance products.</p> <p>49. State Life's Board of Directors in its 202nd meeting held on June 30, 2009 had deliberated upon the health insurance business in its entirety and in the context of State Life's corporate social responsibility in particular and had resolved that the Government be requested to contribute Rs. 250 million for setting up Health and Accident Insurance Statutory Fund for health insurance business. G&P Division was directed to take all necessary steps for developing a proper infrastructure for this business. The Board had also directed that the writing of Group Health Insurance Business be commenced after completion of necessary formalities and informing SECP about it.</p> <p>50. The Board was informed that State Life Insurance Corporation of Pakistan vide letter No.Act//X-12/2009 dated July 8, 2009 addressed to the Commerce Secretary has requested the Government of Pakistan to make a capital contribution of Rs.250 million from Shareholders Fund of State Life to the new Health and Accident Insurance Statutory Fund adjustable to the Shareholders Fund from the Government's share of surplus for the year ending on December 31, 2009.(Copy of letter was placed at Annexure-C to the Memorandum).</p> <p>51. Finance Division, Government of Pakistan vide Memorandum F.No.2(2) CF111/2010-734 dated August 10, 2010 has accorded concurrence to the proposed Health and Accident Insurance Statutory Fund and advised to seek the budget for the Fund as referred to above from Finance Division rather than adjusting the amount at source from the shareholders fund of the Government of Pakistan(Copy of letter placed at Annexure-D to the Memorandum).</p>			CHAIRMAN'S INITIALS 

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52. Accordingly State Life vide letter dated August 16, 2010 has requested the Finance Division, Government of Pakistan for sanction of an amount of Rs. 350 million for State Life to establish Health and Accident Insurance Statutory Fund (Copy of letter placed at Annexure-E to the Memorandum).

53. The Secretary/Managing Director, Benazir Income Support Programme (BISP) contacted State Life Insurance Corporation of Pakistan under directive from Government of Pakistan to initiate health insurance coverage scheme for the recipients of Benazir Income Support Programme. Under the BISP scheme, each family will be insured for Rs.25,000/- for expenses relating to hospitalization and medical treatment. BISP is pressing hard to sign a Memorandum of Understanding (MOU) with State Life(Annexure-F to the Memorandum). MOU defines the role of SLIC and its partners. It gives SLIC complete freedom to form consortium of other life insurers for provision of health service. BISP has selected initially four Districts, one in each Province as model District for pilot projects for health insurance coverage for the recipients of BISP.

54. The above Memorandum was placed before the Board for perusal, information and further resolve with regard to the signing of MOU with the BISP.

55. The Chairman informed the Board that he had discussed the above scheme with New Jubilee Insurance Company and EFU for taking them on board and requesting them that each insurance company should take up one District in each Province as model district as part of the pilot project

56. Accordingly, it was resolved as under:

RESOLVED:

“that ED(G&P) be and was hereby authorized to do all such acts as are necessary for implementing of Health Insurance for the Recipients of Benazir Income Support Programme(BISP) Waseela-e-Sehet including signing of the Memorandum of Understanding with the Managing Director/Secretary Benazir Income Support Programme duly vetted by Legal Affairs Division.”

“that a separate Shareholders Fund for Health and Accident Insurance Statutory Fund with a capital contribution of Rs. 350 million or such amount as provided by the Government of Pakistan be created by State Life Insurance Corporation of Pakistan for the above purpose.”

ITEM (7) PLACEMENT OF RS.500 MILLION IN THE PRIVATELY PLACED TERM FINANCE CERTIFICATES OF PNSC.

57. Divisional Head(Investment) presented before the Board, a Memorandum for placement of Rs.500 million in the privately placed Term Finance Certificates of Pakistan National Shipping Corporation(PNSC). The details of the proposal was given in the Memorandum.

Action:
ED(G&P)
L & P

CHAIRMAN'S INITIALS

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58. The Investment Division recommended that in view of strong financial of the issuer, i.e. Pakistan National Shipping Corporation, and strong credit rating by PACRA i.e. AA-, which suggests very strong capacity for timely payment of financial commitments, State Life may consider investing Rs. 500 million, which is lower than 10% of issue size, in proposed PPTFC. However, disbursement of fund would be subject to meeting conditions precedents by the issuer.

59. The Board after deliberating on the above proposal decided that it did not consider the proposal at current time to be feasible in view of the paucity of enough information of future business prospects of PNSC in the context of policy decisions pending with the Government. The Board therefore did not agree with the recommendation of DH(Investment) for placement of State Life Funds in the privately placed TFCs of PNSC.

ITEM (8) APPROVAL OF WRITE OFF OF EXCESS COST OF AREA MANAGERS DURING THE PERIOD 1993 TO 1996.

60. ED(Marketing) informed the Secretary Board verbally that the above Memorandum be treated as withdrawn, as such it was not presented before the Board.

ITEM (9) POSITION PAPER ON LAST THREE YEARS REINSURANCE EXPENSES.

61. Due to paucity of time, the above item was deferred to the next meeting of the Board.

ITEM (10) UNIT LINKED INSURANCE STATUTORY FUND

62. Due to paucity of time, the above item was deferred to the next meeting of the Board.

ITEM (11) ANY OTHER ITEM WITH THE PERMISSION OF THE CHAIR.

(a) POWER OF ATTORNEYS TO MR. ANJUM RASHID, AGM(RE-LAHORE) AND MR. KHALID MEHMOOD, ZONAL ACCOUNTANT (RE-LAHORE).

63. Executive Director(Real Estate) presented before the Board, a Memorandum for power of attorneys to Mr. Anjum Rashid, AGM, Real Estate, Lahore and Mr. Khalid Mehmood, Zonal Accountant, Real Estate, Lahore.

64. In terms of approval accorded by the Chairman, two General Power of Attorney in favour of two officers of Real Estate posted at Lahore have been allowed. The name of the officers are as under:-

- a) Mr. Anjum Rashid S/o Adul Rashid, CNIC No.34603-214173-7, AGM(RE), Lahore.
- b) Mr. Khalid Mehmood S/o Mehmood Asghar, CNIC No.35202-8522677-5, Zonal Accountant(RE), Lahore.

Action:
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ED(Mkt)
DH(Mkt)

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CHAIRMAN'S INITIALS


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65. To facilitate the smooth and harmonious running of affairs of Real Estate at Lahore will become possible by grant of these two power of attorneys to the above named officers, as per draft placed at Annexure-A to the Memorandum.

66. It is, therefore, requested to the Board that approval may please be accorded for issuance of General Power of Attorneys to Mr. Anjum Rashid, AGM(Real Estate), Lahore and Mr. Khalid Mehmood, Zonal Accountant(Real Estate), Lahore as per Annexure-A alongwith its registration and signing by Chairman and one Director of the Board alongwith fixation of common seal of the Corporation.

67. Accordingly, it was resolved as under:-

RESOLVED:

“that as proposed by ED(RE), issuance of the general power of attorneys as per Annexure-A to the Minutes, in favour of Mr. Anjum Rashid, AGM(RE), Lahore and Mr. Khalid Mehmood, Zonal Accountant(RE), Lahore alongwith fixation of common seal of the Corporation thereon and its registration is approved. The Chairman State Life Mr. Shahid Aziz Siddiqi and Mr. Amin Qasim Dada, Director, State Life/Mr. Rasheed Y. Chinoy, Director State Life are authorized to execute the same.”

“that the revocation of general power of attorney approved earlier by the Board at its 204th meeting held on 4th November, 2009 and issued in favour of Mr. Muhammad Akhlaq, AGM(REM/Legal) be revoked after issuance of general power of attorneys in favour of Mr. Anjum Rashid, AGM(RE), Lahore and Mr. Khalid Mehmood, Zonal Accountant(RE), Lahore.”

“that the power of attorney issued to Mr. Anjum Rashid, AGM(RE), Lahore and Mr. Khalid Mehmood, Zonal Accountant(RE), Lahore shall stand revoked and cancelled on the event of termination of incumbency of service of the above officers in the post mentioned against their names.”

“that Divisional Head, Legal Affairs Division is hereby authorized to do all such acts as are necessary for execution/revocation of the above general power of attorneys.”

(b) ISSUE OF INDEMNITY TO NON EXECUTIVE DIRECTORS

68. The Board of Directors at its 205th meeting held on 22nd December, 2009 had deliberated on the issue and had decided that an indemnity insurance cover be taken by State Life Insurance Corporation of Pakistan from Alpha Insurance Company Limited to cover financial penalty/liability that may be imposed on the Directors for decision/action taken by them in good faith in the interest of the Corporation.

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

CHAIRMAN'S
INITIALS



MINUTES OF 214TH MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	7 TH SEPTEMBER, 2010	

69. The Board further deliberated on the above issue and resolved as under:-

RESOLVED:

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

“that a consolidated Director Liability Insurance Policy be taken by State Life Insurance Corporation of Pakistan from Alpha Insurance Company Limited to indemnify the Directors upto a maximum amount of Rs. 10 million per Director for any liability that may be imposed on the Directors for decision/action taken by them in good faith in the interest of the Corporation, unless the nature of the liability does not permit it to be indemnified under Section-194 of the Companies Ordinance, 1984.”

“that the indemnifiable loss will not include taxes, fines and penalties, uninsurable events under the local law, any restitutionary payments, environmental damage claims against the Directors, claims against the Directors due to bodily injuries sustained by third party, prior and pending litigations, willful misconduct/fraud by Directors, war, strike, riot, civil commotion, terrorism and related acts.”

“that DH(P&GS) is hereby authorized to do all such acts as are necessary for issue of the above insurance policy.”

(C) CERTIFICATES OF INVESTMENT OF RS.100 MILLION INVESTED WITH FIRST DAWOOD INVESTMENT BANK LTD – OVER DUE SINCE JANUARY 13, 2009 AND DOUBTFUL OF RECOVERY.

Action:
DH(Inv)

70. The Board directed GM(Investment) to present a position paper with regard to the current status of properties/securities offered by First Dawood Investment Bank Ltd to State Life for adjustment of their dues at the next meeting of the Board.

71. The meeting ended with vote of thanks to the chair.

Sarwat Ali
(CHAIRMAN)

CHAIRMAN'S
INITIALS



MINUTES OF 214TH MEETING OF THE BOARD OF DIRECTORS

MEMBERS	HELD AT	ON	TIME
MEMORANDUM	KARACHI	7 TH SEPTEMBER, 2010	

Annexure-A

GENERAL POWER OF ATTORNEY

KNOW ALL by these presents, that the STATE LIFE INSURANCE CORPORATION OF PAKISTAN, a juristic entity, established under the provisions of Article 11 of the Life Insurance (Nationalization) Order, 1972 (President's Order No.10 of 1972 commonly referred as LINO) and the Gazette Notification there under vide SRO No.991 (1)/72 dated 11-10-1972 having its principal office at State Life Building No.9, Dr. Ziauddin Ahmed Road, Karachi-75530 (hereinafter referred to as SLIC/Principal duly represented by its Chairman and Director duly authorized in this behalf in _____ Board of Directors meeting held at _____ on _____, do hereby appoint, constitute, nominate and ordain Mr. _____ son of _____ having CNIC No. _____, working as _____, (Real Estate Management) presently posted at Lahore (hereinafter referred to as the Attorney) to be the true and lawful attorney of the State Life Insurance Corporation of Pakistan, for and on its behalf, to do or cause to be done the following acts and things on the terms and conditions mentioned hereunder:-

1. That all the assets and liabilities appertaining to the life insurance business in Pakistan of all insurance companies exciting on October 11, 1972 stood transferred and vested in State Life Insurance Corporation by virtue of Article 15 of LINO but as of today, some of the properties transferred to SLIC by virtue of LINO still exists in the name of demised companies in the relevant revenue, excise & taxation, Lahore Development Authority and settlement department records. The above name attorney is to represent SLIC for mutation and placement of documents regarding all such properties to reflect the name of SLIC as lawful owner of all the properties transferred to SLIC by operation of law, in all the relevant department records including but not limited to revenue, LDA, Excise & Taxation and Settlement Department.
2. To take measures to complete mutation of all the properties in the name of SLIC which have been transferred to SLIC from demised insurance companies through LINO, at the cost and expenses of the Principal, by signing / executing the necessary documents in this behalf, in favour of the Principal / SLIC.
3. To appear before any 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 in favour of the Corporation.
4. To appear and act in all 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 or investigation. Applications, Suits, Appeals or Proceedings in which the Corporation, may otherwise be interested or concerned 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.
5. To appear before Municipal, Revenue, Development authorities and Urban Immovable 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 and registration of lease in favour of the Corporation.
6. To apply for placement of relevant title documents to complete the chain of title documents in the LDA record regarding all the properties which fall within the preview of LDA for transfer / mutation of such properties in the name of SLIC.
7. To apply for any PTD (permanent transfer Deed) and its verification by the respective committee for mutation of evacuee properties in the name of SLIC.
8. To apply for mutation of all / any property transferred from the demised insurance companies, with any department or authority, for and on behalf of State Life Insurance Corporation.

CHAIRMAN'S
INITIALS



MINUTES OF 214TH MEETING OF THE BOARD OF DIRECTORS

ORS BOOK	HELD AT KARACHI	ON 7TH SEPTEMBER, 2010	TIME
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9. To appear before any Registrar or Sub-Registrar, Rent Tribunal, Settlement Commissioner and present for registration / execution all or any document/deed, in any manner, to cause transfer of property in the name of SLIC through execution of any title documents or to cause registration of any lease agreement.

10. To take possession of any property owned by SLIC from any tenant or illegal occupant, voluntarily or through process of court on such terms and conditions as the Attorney deems fit and proper.

11. To execute any lease agreement or title deed or sign any other document/s (except selling of property) which may be required or expedient and to do any other acts, matter or thing which the Attorney shall consider necessary and expedient for carrying out or doing any of the purposes, acts and as effectively in all respects as the Principal could have done.

12. To retain pleaders, advocates, attorneys, counsel and other legal practitioners as our said attorney shall think fit and execute all retainers, Vakalatnama, Warrants, Plaints, Written statements, petitions, and all other papers and documents as may be necessary to be signed and as our said attorney shall think fit and also shall verify the same when occasion shall arise.

13. That this power of attorney shall automatically stand revoked and cancelled on the event of termination of incumbency of service of Mr. _____ in this post.

14. We hereby agree that all acts, deeds and things lawfully done by our said attorney shall be construed as acts, deeds and things done by us and we undertake to ratify and confirm all any whatsoever that our said attorney shall lawfully do and cause to be done for us by virtue of the power hereby given.

In witnesses whereof the principal has signed this deed on this ___ day of _____, 2010.

CHAIRMAN, SLIC

Director, SLIC

For and on behalf of PRINCIPAL / SLIC
(Common Seal of the Corporation and respective officers affixed)

(_____-RED)
ATTORNEY

Witnesses:

1. _____ 2. _____

CHAIRMAN'S
INITIALS