MINUTES OF 224TH MEETING OF THE BOARD OF DIRECTORS

HELD AT	ON	TIME
KARACHI	10TH APRIL, 2012	

CONFIDENTIAL AND RESTRICTED

The 224th Meeting of the Board of Directors of State Life Insurance Corporation of Pakistan was held on Tuesday, 10th April, 2012 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. Kamran Ali Qureshi	Director
3.	Mr. Husain Lawai	Director
4.	Mr. Farooq Hadi	Director
5	Mr. Wazir Ali Khoja	Director
6.	Mr. Nihal Anwar	Director
7.	Mr. Furqan A. Shaikh	Director
	Mr. Akbarali Hussain	Secretary Board

LEAVE OF ABSENCE:

1.	Mr. Tufail Shaikh	Director

2. The meeting started with recitation of verses from the Holy Quran by Mr. Husain Lawai, Director.

ITEM (1) CONFIRMATION OF MINUTES OF 223RD MEETING OF THE BOARD OF DIRECTORS.

3. The minutes of the 223rd meeting of the Board of Directors held on 14th March, 2012 were placed before the Board.

4. Mr. Husain Lawai, Director circulated to the Members of the Board his comments on the draft minutes of 223rd meeting of the Board held on 14th March, 2012 which has been placed at Annexure --A and be read as part of the minutes.

5. The Chairman informed the Board that a letter has been received from the Ministry of Commerce allowing adjustment of dividend to be paid to the Government of Pakistan in respect of the accounting years 2011, 2012 and 2013 as its share of profit against the payment towards paid up capital. The Ministry suggested that the UAE Government be requested by State Life to allow two years time for increase in paid up capital.

6. The Board of Directors reviewed the comments of Mr. Husain Lawai, Director and agreed to make the following corrections in the minutes of 223rd Board Meeting:-

Page No. 3540 of minutes of 223rd Board Meeting Item No. 2 para 32
Restoration of Old Pension Scheme for officers of SLIC in accordance with Supreme Court Orders.

The following resolution be incorporated as para 32 (e)

CHAIRMAN'S INITIALS

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Action: F&A/LAD/ P&GS Divisions

RESOLVED.
"that an enquiry be carried out to examine the role of Finance and Accounts Division, Legal Affairs Division and other Divisions and fix responsibility of the executives and staff responsible for not making any provision of pension liability in the accounts of State Life resulting from the judgment of the Lahore High Court upheld by the Supreme Court and provide reasons for the lapse."

Page No. 3535 of minutes of 223rd Board Meeting Item No. 2 para 13 (e).
Group Health Insurance Business under (BISP) Project – creation of Health and Accidental Insurance Division.

The resolution at para 13 (e) be reworded as follows:

Action: P&GS/ G&P/H.Ins Divisions

RESOLVED:
"That the recommendation of HR Committee for post facto approval for establishment of a separate Division as already notified vide order No. P&GS/PO/303/2011 dated 25-10-2011 for conducting Health Accidental Insurance Business based on the provision in the Insurance Ordinance 2000 as confirmed by Divisional Head (Actuarial) that Life Insurance Companies are allowed to carry out Health Insurance Business was approved. The functions of Health Insurance Division shall be as follows:-

i. Marketing of Health Insurance Products
ii. Policy Administration
iii. Claims Administration
iv. Provide Network Management

"That a project document for Group Health Insurance Business under BISP project be prepared by Health and Accidental Insurance Division and presented to the Board at its next meeting for its review."

Page No. 3535 of minutes of 223rd Board Meeting Item No. 2 para 13 (f).
Establishment of Special Project Office in State Life Regional Office (North) Islamabad under Benazir Income Support Program (BISP).

The resolution at para 13 (f) be reworded as follows:-

Action. P&GS/ G&P/H.Ins Divisions

RESOLVED:
"that recommendation of the Human Resources Committee for post facto approval of establishment of special project office in State Life Regional office (North) Islamabad to work under the G&P Division, Principal Office for administering Health Insurance Scheme of BISP and payment of all expenses of the special project office from the allocated BISP project funds as announced through order No. P&GS/PO/111/2011 dated 4th August, 2011 is hereby approved."

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Page No. 3551 of minutes of 223rd Board Meeting Item No. 8 para 67(b & c).
Donation of various items to Flood affected people.

The resolution at para 67 (b & c) be reworded as follows:-

RESOLVED:

Action: F&A Division

b). "That F&A Division should submit chart and guidelines of delegation of financial powers for the Chairman, Directors, Executive Directors, General Managers and other officers to the Board for approval at its next meeting."

Action: P&GS Division

c). "That P&GS Division should review the existing manual of administrative powers of the Chairman, Directors, Executive Directors, General Managers and other officers and submit a revised manual of administrative powers with suggested amendments to the Board for approval at its next meeting."

The following resolution be incorporated as para 67 (d) in the minutes:-

RESOLVED:

Action: P&GS/F&A IA&C/LAD Divisions

d). "that the Board should consider framing matters relating to strategies, policies, systems to improve financial position, revenue management, cost control, marketing and sales, new and innovative insurance products, risk management, underwriting, investment, IT, Internal Audit, compliance to Board Polices, etc rather than on increment, promotion, extension of contracts, etc. and if any change is required in LINO, the Management may approach Ministry of Commerce/Finance for suitable amendments in rules of the business of SLIC."

7. Mr. Farooq Hadi, Director proposed and Mr. Wazir Ali Khoja, Director seconded that the minutes of 223rd meeting of the Board of Directors be confirmed.

8. Accordingly, it was resolved as under:-

Action: Secretary (Board)

RESOLVED:
"that the Minutes of 223rd meeting of Board of Directors held on 14th March, 2012 are confirmed."

ITEM (2) IMPLEMENTATION REPORTS ON DECISIONS TAKEN IN 223RD MEETING OF BOARD HELD ON 14TH MARCH, 2012.

9. Implementation report of 223rd meeting held on 14th March, 2012 of the Board of Directors were placed before the Board which were noted. The Board expressed its concern on the noting "Noted for compliance" in the implementation report and directed that in future such noting be discontinued and the action taken be noted in the implementation report.

Club Membership for Officers:

Action: P&GS/ F&A Divisions

10. The Chairman explained that a list of clubs were examined by him and he has asked the concerned to propose the criteria of selection of the Clubs and the methodology of selection of officers and their number and grade. The Board agreed to the line of action being pursued.

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Group Life Insurance under BISP:

Action: G&P/ H.Ins Divisions

11. The Chairman informed the Board that 4.1 million lives would be insured under the above scheme for which a life cover of Rs.100,000 has been given. An administrative cost of Rs.30 is being allowed to State Life in addition to cost of certificate of Rs.50 and a premium of Rs.150 per life insured. An amount of Rs.1.7 billion has already been received from the BISP towards full payment for the year 2012 and 75% advance for the year 2013 and 2014.

Restoration of Old Pension Scheme for officers of SLIC in accordance with Supreme Court Orders.

Action: P&GS/ F&A/ LAD Divisions

12. The Board resolved that since no provision of pension liability was made in the accounts of State Life for the last six years after the judgment of the Lahore High Court and the Supreme Court on the pretax that SLIC would file an appeal in the Supreme Court of Pakistan against the judgment of Lahore High Court. This was considered to be a serious lapse on the part of the Finance & Accounts and Legal Department for ignoring such an important legal case and implication that it can have over the operations of the Corporation. It was therefore suggested that an inquiry be carried out to fix responsibility of the Executives and staff responsible for the above lapse.

Action: P&GS/ F&A/ LAD Divisions

13. No plausible or credible explanation was given to the Board as to why administrative notification for change in the pension rules was issued by the then Management SLIC in February, 2001 in the absence of approval from the Ministry of Commerce/Finance. The Board of Directors of SLIC is not empowered by LINO to amend pay scales and benefits of SLIC employees. It can only recommend to Government of Pakistan to approve the changes in terms and conditions, pay scales and benefits including retirement benefits.

Review of all the existing cases of State Life in the court of law and to work out any significant liability that may arise from decisions in such cases and necessary provision be made in the books of accounts or the same be recorded as contingent liability subject to finalization of the case.

Action: P&GS/ LAD Divisions

14. The Board reviewed the comments of the Legal Affairs Division pointed out having significant liability and requested that a position paper giving therein full details of the case and the liability of any adverse decision specially in case of VRSS cases be submitted to the Board at its next meeting.

RESOLVED:
"that a position paper giving therein full details of the case and the liability of any adverse decision specially in case of VRSS cases be submitted to the Board at its next meeting."

CHAIRMAN'S INITIALS

ITEM (3) CONSIDERATION AND APPROVAL OF MINUTES TOGETHER WITH RECOMMENDATIONS OF 18TH, 19TH, 20TH AND 21ST MEETINGS OF REAL ESTATE AND INVESTMENT COMMITTEE.

15. The minutes of the 18th, 19th, 20th and 21st meeting of Real Estate and Investment Committee held on 27-05-2011, 06-07-2011, 26-12-2011 and 13-03-2012 were presented before the Board of Directors duly signed by the

Chairman who presided over the above meetings for consideration and approval of decisions/recommendations made by the Committee. Regulation 3(9) of the State Life Insurance Corporation (General) Regulations, 1972 regarding meetings of the Board, states that the minutes of the meeting when signed by the person presiding over that meeting or by the person presiding over the next succeeding meeting shall be prima facie evidence of the matters stated therein. The minutes of the 18th, 19th and 20th meetings were treated as confirmed on the basis of the signature of the Chairman who presided over the above meetings and continues to be the Chairman and the signature of the Divisional Head (RE), Secretary of the Committee who attended the above meetings certifying the minutes so recorded. The minutes of the 21st meeting of the REIC which was attended by the newly appointed Directors – Members of the Committee was also confirmed.

Action: Secretary (REIC)

16. The Board directed that a summary of approvals required from the Board in respect of decisions taken at the 18th to 21st meetings of the REIC be submitted to the Board at its next meeting for review and approval.

17. A copy of the minutes duly signed by the Chairman, State Life who presided over the 18th, 19th and 20th meetings and who continuous to be the Chairman of the Committee and signed by the Secretary of the Real Estate and Investment Committee certifying the minutes so recorded is placed at Annexure-B1 to B3 to the Minutes. Copy of the 21st meeting of the REIC duly signed by the Chairman is placed at Annexure-B-4.

18. Accordingly, the Board resolved as under:

Action: Secretary (REIC)

RESOLVED:
"that the minutes of the 18th, 19th and 20th meetings held on 27th May, 2011, 6th July, 2011, 26th December, 2011 were treated as confirmed on the basis of the signature of the Chairman who presided over the above meetings and continues to be the Chairman and the signature of the Divisional Head (RE), Secretary of the Committee who attended the above meetings certifying the minutes so recorded."

"that the Minutes of 21st meeting of Real Estate and Investment Committee held on 13th March, 2012 was approved."

"that a summary of approvals required from the Board in respect of decisions taken at the 18th to 21st meetings of the REIC be submitted by DH(RE) to the Board at its next meeting for review and approval."

ITEM (4) PRESENTATION OF BUSINESS REVIEW OF MARKETING, GROUP & PENSION AND INVESTMENT DIVISIONS FOR THE PERIOD ENDED 29TH FEBRUARY, 2012.

Action: Mkt/G&P/ Inv. Divisions

19. Due to paucity of time, the presentation of business review of Marketing, G&P and Investment Divisions for the period ended 29th February, 2012 was deferred.

CHAIRMAN'S INITIALS

ITEM (5) APPROVAL OF AUTHORIZED SIGNATORIES OF OPERATION OF CDC ACCOUNT.

20. Divisional Head(Investment) presented before the Board, a Memorandum dated March 29, 2012 regarding change in authorized signatories of operation of CDC Account.

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21. DH(Investment) submitted in his Memorandum that the settlement of shares of the companies eligible for CDC is carried out through Central Depository System. This requires signatories empowered by the Corporation for settlements through CDC.

22. The Board at its 212th meeting held on 18th May 2010 had authorized Mr. Muhammad Izqar Khan, DH (F&A), and Mr. Mohammad Rashid DGM (F&A) to act as a signatory with existing authorized signatures Mr. Ansar Hussain Divisional Head (Investment) and Mr. Waseem Khan Manager (Inv) jointly (any two) to represent the State Life to CDC on all matters.

23. DH(Investment) proposed that since Mr. Ansar Hussain Divisional Head (Investment) has retired from the services of Corporation on 09-03-2012 and Mr. Attaullah Abdul Rasheed assumed the charge of Divisional Head Investment, therefore the name of Mr. Ansar Hussain be deleted and the name of Mr. Attaullah Abdul Rasheed be added as authorized signatories for Corporation Participant Account maintained with the Central Depository Company of Pakistan Limited.

24. The Board was requested to approve the following resolution so that CDC operations of the Corporation may continue uninterrupted.

A. "Resolved that name of Mr. Ansar Hussain be deleted and name of Mr. Attaullah Abdul Rasheed, Divisional Head(Investment) be added as authorized signatories for company's Participant Account maintained with the Central Depository Company of Pakistan Limited."

B. 'That Mr. Attaullah Abdul Rasheed, Divisional Head (Investment)) be and are hereby authorized and empowered jointly with the existing authorized signatories M/s. Muhammad Izqar Khan, Divisional Head (Marketing), Muhammad Rashid Divisional Head (F&A) and Waseem Khan Rao Manager (Inv) to represent the Corporation to CDC on all matters pertaining to the implementation and performance of the Participant Agreement, to deal ,liaise and correspond with CDC and to fulfill all responsibilities and obligations of the Corporation under the Central Depositories Act, 1997 and the Central Depository Company of Pakistan Limited Regulations from time to time, and to do all other incidental and ancillary acts, things and deeds, is approved."

25. Accordingly, the Board resolved as under:

RESOLVED:

Action: Inv/Mkt/ F&A Divisions

"Resolved that name of Mr. Ansar Hussain be deleted and name of Mr. Attaullah Abdul Rasheed, Divisional Head(Investment) be added as authorized signatories for company's Participant Account maintained with the Central Depository Company of Pakistan Limited."

Action: Inv/Mkt/ F&A Divisions

"that Mr. Attaullah Abdul Rasheed, Divisional Head (Investment)) be and is hereby authorized and empowered jointly with the existing authorized signatories M/s. Muhammad Izqar Khan, Divisional Head (Marketing), Muhammad Rashid Divisional Head (F&A) and Waseem Khan Rao Manager (Inv) to represent the Corporation to CDC on all matters pertaining to the implementation and performance of the Participant Agreement, to deal, liaise and correspond with CDC and to fulfill all responsibilities and obligations of the Corporation under the Central Depositories Act, 1997 and the Central Depository Company of Pakistan Limited Regulations from time to time, and to do all other incidental and ancillary acts, things and deeds, is approved."

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ITEM (6) PERFORMANCE BASED BONUS SCHEME FOR OFFICERS OF STATE LIFE FOR THE YEAR 2011.

26 Executive Director (P&GS) presented before the Board, a Memorandum dated 3rd April, 20012 regarding Performance Based Bonus Scheme for officers of State Life for the year 2011.

27. Performance Based Bonus Scheme for officers of State Life was introduced in the year 2001 with the approval of the Board of Directors of State Life. This Scheme is continued with some changes to improve the business performance of the Corporation. The aim of the Scheme is to develop "competitive go" among the officers so that they could do their best in the respective areas of action. The Scheme also helps to develop team spirit amongst the officers working in the offices as well as in the field. All officers will have direct interest in promotion of the business of the Corporation and they will work as a team and motivate their colleagues for better and enhanced performance.

28. The matter was submitted before the Board for consideration and approval of the performance based bonus scheme-2011 (Annex A to D), in order to determine the actual quantum of bonus achieved by each officer for adjustment/recovery, if any, against current month basic salary 2011 paid in advance under this head on two Eid occasions vide Order No.P&GS/PO/227/2011 dt.09.08.2011 and Order No.P&GS/PO/293/2011 dated 14.10.2011 respectively.

29. After deliberation, the Board resolved as under:

RESOLVED:

Action: P&GS/ F&A/ IA&C Divisions

"that the proposal of ED(P&GS) in his Memorandum that the performance based bonus scheme for the year 2011 as given in Annexure-C1 to C4 of the Minutes be continued on the same line as the existing scheme for the officers of Individual Life, Gulf Zone, Investment Division and Real Estate Division for the year 2010 which was approved by the Board in its 219th meeting held on 22-04-2011 and notified by P&GS Division's Circular No.PL-24(104)/PBB-10 dated 20-05-2011 was approved. The actual quantum of the bonus achieved by each officer for the year 2011 be adjusted/recovered for two month's basic pay paid in advance under this head on the occasions of two Eids vide Order No.P&GS/PO/227/2011 dated 09-08-2011 and P&GS/PO/293/2011 dated 14-10-2011 respectively."

ITEM (7) RATIFICATION OF CBA AGREEMENT FOR THE YEARS 2011-12.

30. Executive Director (P&GS) presented before the Board, a Memorandum dated 4th April, 2012 regarding ratification of CBA agreement for the years 2011-12 and signed on 27th March, 2012.Copy of signed agreement was attached to the Memorandum and submitted to the Board for their review.

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31. ED(P&GS) informed the Board that after detailed and exhaustive negotiations, keeping in view the un-controlled inflation, following fair and competitive increase was mutually agreed having the following financial impact:

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(Rs. In Million)

- Basic Salary and Related Allowances (45%) (Rs.196 million as 50% Adhoc Allowance paid w.e.f. 01-07-2010 is inclusive of 45% increase) — Rs. 231.50
- Conveyance Allowances — Rs. 10.08
- Utilities — Rs. 4.32
- Cost of Medicines — Rs. 7.20
- Pension Contribution — Rs. 23.38
- Hajj — Rs. 3.60
- Leave Encashment — Rs. 17.58

32. The breakdown of estimated financial impact of CBA agreement is given as under:

ESTIMATED FINANCIAL IMPACT CBA AGREEMENT 2011-2012

S.NO	Description	Rs. In Million
1	Hajj (per head Rs. 300,000/ 12 staff will perform)	3.60
2	Basic pay increased (actual 2010 - 259,825,439/-) 45% increased	116.92
3	Annual Bonus 3.5 times of increased basic	34.10
4	Employees not promoted within 15 years	3.43
5	One Time Qualification Allowance increased Rs. 500 estimated 10 emp	0.01
6	House Rent 80% on increased basic pay	93.54
7	Conveyance Allowance increased Rs. 350/- pm/employee	10.08
8	Education Allowance Rs. 100 increased per child estimated 3 child p/employee	8.64
9	Cash handling allowance	0.63
10	Out door duty allowance	0.03
11	Fixed Honorarium	0.09
12	Record Room	0.04
13	Utility Expense increased Rs. 150/- pm/employee	4.32
14	Entertainment Allowance increased Rs. 165/- pm/employee	4.75
15	House Maintenance Subsidy 18% on increased basic	21.05
16	Professional Qualification Allowance (LLB 600*18)	0.13
17	Medical Allowance increased Rs. 250/- pm/employee	7.20
18	Consultation/Emergency Limit	0.66
19	Long Service Award from Rs. 20,000/ to Rs. 25,000/ estimated 10 emp	0.05
20	Group Insurance (limit increase Rs. 200,000/ per person 480/000	2.30
21	Scholarship (increased Rs. 3,000, and Rs. 6,000) estimated 2 emp each case	0.02
22	Scholarship increased Rs 60,000/- and Rs. 90,000) estimated 2 emp each case	0.30
23	Funeral charges Rs. 10000/- to 15,000/- estimated 10 employees	0.05
24	Leave Encashment on increased pay and allowances	17.82
25	Pension contribution 20% on increased basic	23.38
	TOTAL FINANCIAL IMPACT	353.12

CHAIRMAN'S INITIALS

33. The Members of the Board were requested to ratify the agreement, as mutually agreed upon and finalized and executed by the CBA and the Management.

34. After deliberation, the Board resolved as under:

Action: P&GS/ F&A Divisions

RESOLVED:
"that agreement signed between the Management of State Life and CBA on March 27, 2012 for the years 2011-2012 allowing 45% increase in existing basic pay of unionized employees alongwith other terms and conditions agreed in the agreement was approved."

"Further resolved that 50% Adhoc Relief allowed as pre-payment in 214th meeting of the Board of Directors held on 7th September, 2010 should be adjusted before allowing increase in gross salary in terms of the agreement."

"The total financial impact of the agreement signed with CBA will be about Rs.353.12 million for the first year."

ITEM (8) REVISION IN CRITERIA FOR PROMOTION OF SALES MANAGERS AS AREA MANAGERS.

35. General Manager (Marketing) presented before the Board, a Memorandum dated 27th March, 2012 regarding revision in criteria for promotion of Sales Managers as Area Managers.

36. The promotion of eligible Sales Manager to Area Manager is one of the regular business features in the Corporation carried out by Marketing Division which affects positively overall business performance in (Individual Life) Zones. It is one of the most important business promotional assignments of Marketing Division. The promotion exercise of energetic and suitable Sales Managers for their promotion and appointment as Area Managers is carried out in a year, on the basis of completion of business criteria by the candidates as at 31st December of preceding year.

37. The existing criteria approved by the Board of Directors in its 271st meeting held on 04th October 2003 was made effective 01-01-2004 onwards. The terms of existing criteria with regard to completion of First Year Premium mainly depend upon given volume, whereas the FYP quota of Sales Managers and Area Managers has been made so dynamic that it is automatically increased by 25% after every three years. Since the existing criteria required immediate revision in harmony with the current trend of business, Marketing Division has circulated the same on 4th October 2011 under concurrence of the Chairman, subject to post-facto approval by the Board. By virtue of dynamism of the FYP quota, the given/fixed volume of First Year Premium has been replaced by ratio of FYP requirement in relation with the quota. After changes in few other significant parameters in the interest of business, the revised criteria, already circulated for implementation in 2012 onwards, on the business performance as at 31-12-2011 onwards.

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38. After deliberation, the Board resolved as under:

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Action: Mkt/ F&A/ P&GS Divisions

RESOLVED:

"that as recommended by GM(Marketing) in his Memorandum dated 27th March, 2012, post facto approval of the following revised criteria for promotion of Sales Managers to Area Managers effective 2012 based on the business performance as at 31-12-2011 onwards as already circulated by the Marketing Division on 4th October, 2011 with concurrence of the Chairman is hereby given and that a province and city wise list of SR, SO, SM and Area Manager be submitted to the Board at its next meeting:-

1- *MINIMUM REQUIREMENTS:*

a) *Period of Association:*
Minimum association of three (03) complete years as Sales Managers as at 31st December of preceding year.

b) *First Year Premium:*
i) Completion of 75% FYP quota of 'A' Category in preceding year.
ii) Completion of 65% Average FYP quota of 'A' Category during last three (03) years.

FYP Requirements for 2012 only.
Completion of at least75% FYP Quota of 'A' Category in 2011.
Completion of Rs.20.00 Lac average FYP in Years 2009 & 2010.
FYP Requirements for 2013 only.
Completion of at least 75% FYP Quota of 'A' Category in 2012.
Completion of at least 65% FYP Quota of 'A' Category in 2011.
Completion of Rs.20.00 Lac F YP in 2010.

c) *No. of Policies:* *Minimum 325 new policies in preceding year on different lives.*

d) *Renewal Premium:* *Minimum Rs.40.00 Lac in preceding year.*

e) *2nd Year Persistency (%):Must have achieved minimum 80% Second Year Persistency in preceding year and 75% in year before preceding year.*

f) *Renewal Persistency (%):* *Must have achieved minimum 90% Renewal Persistency in preceding year.*

g) *Field Strength*

i) Minimum three or more Sales Officers of the qualifying Sales Manager should fully qualify for promotion as Sales Manager to be attached with the newly appointed Area Manager.

ii) Detachment of these Sales Managers will not be allowed before completion of minimum three years onwards.

iii) The Sales Officers attached with the qualifying SM during last six months of preceding year will not be considered as qualifying Sales Officers for this purpose. It will be relaxed for 3 initial quarters of 2011 only.

iv) Minimum Twenty Five Sales Representatives must have completed First Year Premium Quota each in preceding year. (No. of Policies required as part of SR's FYP Quota will be relaxed only for this purpose)

CHAIRMAN'S INITIALS

2. ALLOCATION OF MARKS

a) First Year Premium – Maximum 35 Marks: For every 2 Lac average FYP of last three (03) years – 1 Mark

Note: 20% relief in criteria only in First Year Premium, Renewal Premium and in Number of Sales Representatives will be given to eligible Sales Managers belonging to tribal/less developed areas, such as Kashmir, Thar (Sind), Northern Areas (including Swat), Chitral, D.I. Khan and Balochistan.

b) 2nd Year Persistency – Maximum 05 Marks: For every 2% over 80% Persistency of preceding year – 1 Mark (on the basis of nearest round figure of excess over 80%)

c) Renewal Year Persistency – Maximum 05 Marks: For every 2% over 90% Renewal Persistency of preceding year – 1 Mark (on the basis of nearest round figure of excess over 90%).

d) Seniority – Maximum 10 Marks: For every 1 year of association as EOAs (Employer Of Agents) – 1 Mark

e) Qualification – Maximum 5 Marks

Matric	0 Marks
Intermediate, F.A. / Com. or equivalent	2 Marks
B.A., B.Sc., B.Com., BBA or equivalent	4 Marks
M.A., M.Sc., M.Com., LLM, LLB or equivalent	5 Marks

f) Field Strength – Maximum 15 Marks

i) For every (additional) Sales Officer (above 3 Sales Officers) who qualifies for promotion as SM in preceding year. The qualifying (additional) Sales Officer must have been recruited by the candidate - 2 Marks.

ii) For each Sales Representative above 25 SRs who complete First Year Premium Quota in preceding year - 1 Mark.

iii) For each SO promoted as SM from his organization during the entire tenure before preceding year - 1 Mark.

g) General Conduct – Maximum 05 Marks

h) Renewal Premium – Maximum 10 Marks

For every Rs 5.00 Lac over Rs 40.00 Lac Renewal Premium in preceding year - 1 Mark.

i) Suitability – Maximum 10 Marks

To be determined by the following Selection Committee after interview of the Candidate:

Executive Director (P&GS)	Convener
Executive Director (Marketing)	Member
Divisional Head (Marketing)	Member
Concerned Regional Chief	Member

3. ELIGIBILITY:

i) The selection and appointment of Area Managers will be the sole discretion of Selection Committee/Management. However, grant of relaxation/relief on any account of the revised criteria will be at the sole discretion of the Chairman, State Life

ii) Those Sales Managers who have not passed Matriculation Examination (from a recognized Board/University) and FC, MOSC, MMS shall not be considered for appointment as Area Manager

CHAIRMAN'S INITIALS

iii) *Those Sales Managers who secure less than 50% of aggregate marks will not be eligible. Those Sales Managers who secure less than 50% marks in interview shall be declared disqualified.*

iv) *The perks/facilities of newly promoted Area Managers will be fixed in first year of appointment according to the initial slab of Area Managers.*

v) *The genuineness of the appointee Area Manager will be certified by the concerned Regional Chief/Zonal Head.*

vi) *The Sales Manager whose Renewal Premium (including SYP) is less than Rs.40.00 Lac in the preceding year will not be considered. The volume of required Renewal Premium is inclusive of Renewal Premium collected by the concerned Sales Manager in his/her previous cadre, i.e. Sales Officer.*

vii) *The appointment from Sales Manager to Area Manager shall be subject to availability of vacancies"*

ITEM (9) SEASONAL CHART OF FYP – 2007 TO 2011 ALONGWITH BRIEF SUMMARY.

39. The Board of Directors at its 222nd meeting held on 23rd February, 2012 desired that Seasonal Charts for sale of life insurance policies be prepared and submitted to the Board for its review.

40. DH(Marketing) submitted before the Board as desired a month-wise Seasonal Charts of First Year Premium for the years 2007 to 2011 linking it with the crops grown during the period.

Action: Marketing Division

41. The Board noted the same.

ITEM (10) RULES/POLICY FOR MONETIZATION OF TRANSPORT FACILITY.

42. Executive Director (P&GS) presented before the Board, a Memorandum dated 3rd April, 2012 regarding rules/policy for Monetization of Transport Facility.

43. The Federal Government has recently approved the "Compulsory Monetization of Transport Facility for Civil Servants in BS-20 to BS-22" to be implemented from 1st January, 2012.

44. The basic objective of this transport monetization policy is in line with the observance of the austerity measures and to eliminate any possibility of misuse of official vehicles, as well as, to restrict the maintenance expenditure of the vehicles to the bare minimum, which shall be used as protocol/operational duty purposes.

45. ED(P&GS) submitted that In line with the policy of Federal Government, which is applicable for the Executive Directors of BS -20 & BS-21, it was proposed for expanding the range of this policy for the General Managers and Divisional Heads posted in the Principal Office, Karachi.

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46. There are five posts of Executive Directors and 12 posts of General Managers and Divisional Heads, who are entitled for the staff cars. As per Federal Government policy, BS -20 officers are entitled for Rs.65,960/- and BS-21 Rs. 77,430/- per month. On the same analogy, Executive Directors of BS-20 posted in

State Life and General Managers and Divisional Head will be paid Rs.65,960/- per month and Rs.77,430/- to the Executive Directors of BS-21 posted in State Life. If they obtain a State Life's employed Driver, then an amount of Rs.10,000/- will be deducted from their transport allowance.

47. Officers of BS-19 of Federal Government on deputation to State Life and General Managers on contract will not be entitled for monetized Transport Policy.

48. The vehicles allocated to the Executive Directors and General Managers/Divisional Heads will be given to the officers at 15% depreciation cost subject to minimum of Rs.250,000/ for 1300 cc cars. The recovery will be at least Rs. 25,000/- per month.

49. If monetization of Transport Policy is adopted, there will be a saving of Rs.170,953/-per vehicle per annum and in future no vehicle will be purchased for the Executive Directors, General Managers and Divisional Head and relief from hassles of repair and maintenance and insurance of cars.

50. The matter was placed before the Board for consideration and approval, please

51. After deliberation, the Board resolved as under:

RESOLVED:

Action: P&GS/ F&A/ LAD Divisions

"that legal advice be obtained from a reputable Corporate Lawyer and State Life's Auditors as to whether the vehicle to be given to the Executive Directors, General Managers and Divisional Heads at Principal Office which are a part of the life fund can be alienated or not. The matter is deferred and will be considered by the Board after receipt of legal advice from the Corporate Lawyer and advice from the Auditors."

ITEM (11) ENHANCEMENT OF COMPULSORY GROUP INSURANCE COVERAGE TO AREA MANAGERS.

52. Executive Director (P&GS) presented before the Board, a Memorandum 2nd April, 2012 regarding enhancement of Compulsory Group Insurance Coverage to Area Managers which was inadvertently not included in the Memorandum submitted to the Board at its 198th meeting held on 4th December, 2008 which approved enhancement in limit of compulsory group insurance coverage from Executive Officers to Chairman and which was notified vide Office Order No.P&GS/PO/315/2008 dated 17th December, 2008.

53. All employees of the Corporation including Area Managers are governed under State Life Employees' (Service) Regulations, 1973 and in accordance with the Regulation No.69, the Corporation provides free group insurance cover to its employees on such scale and on such terms and conditions as may be approved by the Board from time to time, (Anex-I to the Memorandum)

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54 The Management of the Corporation had earlier enhanced limits of *Compulsory Group Insurance Coverage* and *Additional Group Insurance*

Coverage to the Officers of the Corporation including Area Managers with effect from 1st January 2003 vide Circular No.P&GS/PO/07/2003 of 19th February 2003, (Anex-II to the Memorandum)

55. The matter was taken up by Marketing Division and after due deliberations, it has been decided that the Area Managers should also be included retrospectively in the ambit of enhanced limit under Compulsory Group Insurance Coverage. Existing coverage (before enhancement) to the Area Managers (being equivalent to Deputy Managers) is Rs 250,000/- for A & B Category, and Rs 200,000/- for C Category Area Managers (being equivalent to Assistant Managers). Therefore, in relation with the table of coverage enhanced in 2008 (Anex-III to the Memorandum), the revised limit for Area Managers inclusive of all categories comes out to Rs 1500,000/-. The financial impact as worked out jointly by F&A, Marketing and G&P Divisions is Rs.12,685,640/- (Rupees Twelve Million Six Hundred Eighty Five Thousand Six Hundred Forty Only) being difference of premium on the enhanced coverage to all Area Managers, retrospectively.

56. The Board of Directors are requested to kindly approve inclusion of Area Managers in the ambit of enhanced limit of Compulsory Group Insurance Coverage to the tune of Rs.1,500,000/- (irrespective of category) as announced vide Office Order No.P&GS/PO/315/2008 dated 17th December 2008, by allowing P&GS Division to issue amendment, accordingly.

57. After deliberation, the Board resolved as under:

RESOLVED:

Action: P&GS/ G&P Divisions

"that as recommended by ED(P&GS), enhancement in limit under compulsory group insurance coverage of Area Managers to Rs.1.5 million irrespective of category as announced for other officers including Deputy Managers and Assistant Managers vide Office Order No.P&GS/PO/315/2008 dated 17th December, 2008 as approved earlier by the Board in its 198th meeting held on 4th December, 2008 is approved. P&GS Division to issue amendment as approved above accordingly."

ITEM (12) RENAL TRANSPLANTATION OF MR. M. ZULFIQAR ALI, SOA(PHS), FAISALABAD ZONE.

58. Executive Director (P&GS) presented before the Board, a Memorandum dated 2nd April, 2012 regarding Renal Transplantation of Mr. M. Zulfiqar Ali, SOA (PHS), Faisalabad Zone and payment of total cost inclusive of medicines by State Life which is otherwise not allowed under the State Life Medical Regulations.

59. Mr. M. Zulfiqar Ali, SOA (PHS), Faisalabad Zone, is 41 year old and known case of chronic renal failure for last 2 years. He has remained on hemodialysis twice a week and admitted in various approved hospitals of State Life. Now he has reached the phase of End-stage renal disease, and going through dialysis at district headquarters hospital (DHQ) Faisalabad under care of Dr. Tufail Muhammad, Consultant Nephrologist at same hospital. He has been advised for kidney transplantation as early as possible and the employee concerned also requested for same and in this respect submitted an estimate obtained from National Hospital, Lahore, which shows total cost Rs. 6,30,850/- for patient only

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(excluding the cost of pre-transplant test and tissue matching). (Annexure 'A' to the Memorandum.)

60. The patient requiring kidney transplant as per attending Consultant report is placed at (Annexure 'B' to the Memorandum). It has also been confirmed that the donor is the real brother of employee. (Annexure 'B-1' to the Memorandum).

61. As per Gazette of Pakistan 1973, Organ Transplantation is not allowed as per clause 8 (ix)(f) (Annexure 'C' to the Memorandum), however, as per clause 14, the Chairman may, whenever consider necessary, issue appropriate instructions, not inconsistent with these regulations regarding arrangement for medical attendance and treatment. (Annexure 'D' to the Memorandum).

62. Previously permissions were granted for renal transplant to Mr. Shahabuddin, JOA (KSZ) in the year 1995 and Mr. Muhammad Imran S/o Mr. Shafqat, Supdt., Lahore Zone in the year 1996 through Executive Committee.

63. The Board of Directors in the year 1998 decided not to allow any special approvals/recommendation for incurring expenses beyond the Medical Rules which was circulated through G.M(P&GS) circular dated 12.03.1998. (Annexure 'E' to the Memorandum)

64. However, the Board of Directors in its 168th meeting held on 24.08.2002, had accepted the request of Mr. Benjamin Nathaniel, Naib Quasid, G&P Lahore Zone for Renal Transplantation including post operation medical cost on humanitarian grounds at an estimated cost of Rs.300,000/- after due approval of Board of Directors. (Annexure 'F' to the Memorandum)

65. Considering the intricacy of the said treatment, second opinion was requested from Sharif Medical City, Lahore, (which is again an unapproved panel hospital) but doing kidney transplantation successfully. Their estimated expense is as follows:-.

> The estimated expense of Shareef Medical City, Lahore, is Rs.5,00,000/- excluding medicines which may come upto Rs.50,000/- to Rs.100,000/- showing the total expenses as Rs.5,50,000 to Rs.6,00,000/-. which is definitely less than the cost of National Hospital. (Annexure 'G' to the Memorandum)
>
> It is pertinent to mention that both the expenses shown does not include the cost of donor treatment.

66. Although State Life Medical Regulations do not allow transplant treatment, however, keeping in view the young age of the employee and his bright chances of recovery because of young age, it is submitted to the Board of Directors for consideration of the request of Mr. Zulfiqar Ali, SOA, Faisalabad Zone, for kidney transplantation at Shareef Medical City, Lahore, with the total cost of Rs.5,75,000/- including medicines is placed before the Board of Directors for consideration and approval.

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67. After deliberation, the Board resolved as under:

Action: P&GS/ F&A/ Medical Divisions

RESOLVED:
"that as recommended by ED(P&GS) in his Memorandum dated 2nd April, 2012 the request of Mr. Zulfiqar Ali, SOA(PHS), Faisalabad Zone for kidney transplantation at Shareef Medical City, Lahore with the total cost of Rs.575,000/- inclusive of medicines is approved on humanitarian ground keeping in view of the young age of the employee and bright chance of recovery."

ITEM (13) RATIFICATION OF THE APPROVAL GIVEN THROUGH CIRCULATION ON 04-04-2012 REGARDING BIDS FOR THE ESTABLISHMENT OF DATA CENTRE.

68. The Board of Directors at its 223rd meeting held on 14th March, 2012 had resolved that since there were certain observations as to cost involved, the financial bid in respect of various components of the Data Centre tendered by State Life be examined by an Independent IT Expert subsequent to which the Memorandum of bid for the establishment of the Data Centre be got approved by the Board through circulation since the Central Procurement Committee had opened the technical bid on 4-10-2011 and accordingly the contract had to be awarded by 4th April, 2012.

69. The tender document (RFP - containing scope of work and evaluation criteria) and extracts of technical & financial bids containing bill of quantity and financial quotes of various components for Data Centre were provided to Mr. Furqan A. Shaikh and Mr. Husain Lawai, Directors, State Life for examination by their IT experts. In this connection IT Division team had in detail session with IT experts' team at Summit Bank. The IT experts thoroughly examined the case and concluded that overall process of preparation of RFP Document, selection of vendor i.e. M/s Interactive Convergence, etc. seems to be satisfactory with two observations (copy of comments placed at flag 'D' to the Memorandum). Compliance of these observations will be ensured in the letter of award to the successful bidder.

70. The Data Centre comprising of following components is to be established:

a. Site Preparation including Civil works at Principal Office Building.
b. Power Management System
c. Thermal Management System
d. Environment Monitoring and Control System
e. Detection and Suppression System
f. Mounting of Racks, Accessories and System Integration in Data Centre
g. Preparation of Network Operation Centre (NOC) in the Data Centre including Access Control System.

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71. The technical evaluation was completed by IT Division on 04.11.2011. Four (4) firms qualified the technical evaluation. Subsequently financial bids of these

firms were opened by CPC in the presence of potential bidders already invited on the same day. A comparative statement containing technical & financial scores on weighted average formula basis is stated below:-

	Name of Bidding Firm	Technical Score (Max.60)	Financial Bid (PKRS)	Financial Score (Max. 40)	Total Score (Out of 100)
1	M/s Innovative (Pvt.) Ltd	60.00	51,136,658	19.74	79.74
2	M/s New Horizon Computers	40.00	33,941,750	40.00	80.00
3	M/s Interactive Convergence (Pvt.) Ltd.	57.42	38,925,000	34.13	91.55
4	M/s CNS Engineering	58.71	43,817,006	28.36	87.07

72. The Board of Directors was requested to consider and approve the following resolution through circulation (which will be confirmed in the ensuing Board meeting) by putting their signatures against the respective names:-

"Resolved that bid of M/s Interactive Convergence (Pvt.) Ltd. at the cost of Rs.38.925 million (Rupees thirty eight million nine hundred twenty five thousand only) for establishment of Data Centre is hereby approved. In this connection, Mr. Saleem Khaliq, Divisional Head (IT) is hereby authorized to do all such acts as necessary for execution of the agreement".

73. The Chairman informed the Board that the technical and financial bids are opened in the presence of the bidders who can if they desired file objections. However, no negotiations are allowed with the lowest bidder as per PPRA Rules before award of the contract.

74. After deliberation, the Board resolved as under:

RESOLVED:

Action: IT/F&A/ P&GS Divisions

"that as per Regulation 3(11) of State Life Insurance Corporation of Pakistan (General) Regulations, 1972, the resolution passed by way of circulation that bid of M/s Interactive Convergence (Pvt.) Ltd. at the cost of Rs.38.925 million (Rupees thirty eight million nine hundred twenty five thousand only) for establishment of Data Centre is hereby approved. The observations of the Directors while signing the resolution be incorporated in the letter of award of contract to the successful bidder."

"that Mr. Saleem Khaliq, Divisional Head (IT) is hereby authorized to do all such acts as are necessary for execution of the agreement."

"that Mr. Farooq Hadi and Mr. Furqan A. Shaikh, Directors of the newly reconstituted Board would be the new Members of the IT Steering Committee for automation of State Life in place of Mr. Aslam Faruque and Syed A. Wahab Mehdi, Directors who have since retired. The Members of the Board on the IT Steering Committee would be paid fees equivalent to that of attending the Board meeting for the IT Steering Committee meetings which would meet at venue and time mutually decided by the Steering Committee to review the progress of the Project."

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ITEM (14) APPROVAL OF WRITE-OFF OF EMBEZZLED CASH OF RS.556,675/- BY THE NAIB QASID OF EX-VEHARI ZONE.

75. Executive Director (P&GS) presented before the Board, a Memorandum dated 3rd April, 2012 regarding write off of embezzled cash of Rs.556,675/- by the Naib Quasid of Ex-Vehari Zone.

76. The Board was informed that cash collected at Cash Counter amounting to Rs 631,675/- was handed over to Mr.Nazir Ahmed, Naib Qasid working on daily wages at Vehari to deposit in the UBL Ghallla Mandi Branch, Vehari. The Naib Quasid disappeared on 27.12.1993 with the cash. The matter was reported to PO and FIR was registered in Police Station, Danewal, Vehari on 28th December, 1993 for the recovery of Rs.631,675/-

77. During the course of investigation, Rs.75000/- was recovered from Mr. Nazir Ahmed and his co-accused namely, Mr. Ejaz Hussain by police. The local police completed its investigation and submitted challan on 26.03.1997 before Judical Magistrate, Vehari. The Honorable Judge announced decision on 30th October, 2004 acquitting Mr. Ejaz Hussain from the charges whereas, Mr. Nazir Ahmed accused was awarded the punishment of one year under section 406 P.P.C. and one year under section 411 P.P.C. to run concurrently.

78. State Life filed an appeal/revision petition before Session Judge, Vehari regarding the enhancement of the imprisonment of Mr.Nazir Ahmed and appealed against the acquittal of Mr. Ejaz Hussain but the same was dismissed by the Session Court, Vehari. State Life filed revision petition before Lahore High Court Multan Bench Multan which was also dismissed on 08.02.2005.

79. The Recovery Suit was filed against Mr. Nazir Ahmed which was decreed on 11.02.2009. For filing of execution of Decree, list of property of accused employee is required to be attached with execution of decree. The accused Mr. Nazir Ahmed is permanent resident of Burewala and inspite of best efforts of the officials to locate his property, so far no property is found in his ownership, thus execution Recovery Suit could not be filed so far.

80. Departmental enquiry was conducted against the responsible officers, and whosoever was found negligent and responsible were awarded punishments.

81. Commercial Auditors made Audit para for the outstanding amount of Rs.556,675/- in 1996-97 which was discussed in the Departmental Accounts Committee meeting held on 04.07.2011 and it was recommended that the audit para would be considered settled subject to verification of Court Order and approval by Board Of Directors to write off the embezzled amount.

82. ED(P&GS) requested the Members of the Board of Directors to write off Rs.556,675/- for the settlement of the Audit Para because there are no prospects of recovery, and further litigation may not bring any fruitful result.

83. After deliberation, the Board resolved as under:

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Action: LAD/ P&GS Divisions

RESOLVED:
"that as recommended by ED(P&GS) the write off of balance of embezzled amount by Mr. Nazir Ahmed, Naib Quasid, Ex-Vehari Zone of Rs.556,675/- is hereby approved subject to verification of Court order by ED(LAD/P&GS) and Legal Affairs Division and a certificate to that effect be appended with the concerned documents."

ITEM (15) ANY OTHER ITEM WITH THE PERMISSION OF THE CHAIR.

(A) RECOMMENDATION FOR EXTENSION IN TENURE OF MR. SHAHID AZIZ SIDDIQI AS CHAIRMAN, STATE LIFE.

84 Mr. Wazir Ali Khoja, Director, State Life presented before the Board, a proposal seeking to recommend to the Government of Pakistan through Ministry of Commerce extension in tenure of Mr. Shahid Aziz Siddiqi, by two years the present Chairman State Life Insurance Corporation of Pakistan.

85. The objective of State Life Insurance Corporation of Pakistan is to run life insurance business on sound lines and provide efficient services to its policyholders and maximize return to them by economizing expenses and increasing the yield on investment.

86. State Life is currently operating in Pakistan through its 26 Individual Life Zones and 3 Group Life Zones and for International Life Zones, the Corporation is operating in UAE, Kuwait and Kingdom of Saudi Arabia.

87. Mr. Shahid Aziz Siddiqi assumed the charge of the Chairman, State Life in June 2008 and to date through his dynamic leadership, administrative capacities and relentless efforts State Life has made the following achievements:-

a) Increase in First Year Premium for Pakistan Business from Rs.3.698 billion in 2007 to Rs.11.642 billion in 2011.
b) Increase in Second Year Premium for Pakistan Business from Rs.2.737 billion in 2007 to Rs.8.011 billion in 2011.
c) Increase in Renewal Premium for Pakistan Business from Rs.8.845 billion in 2007 to Rs.19.258 billion in 2011.
d) Increase in First Year Premium for Overseas Business from Rs.155.12 million in 2007 to Rs.348.101 million in 2011.
e) Increase in Second Year Premium for Overseas Business from Rs.114.737 million in 2007 to Rs.237.270 million in 2011.
f) Increase in Renewal Premium for Overseas Business from Rs.370.924 million in 2007 to Rs.734.850 million in 2011.
g) Increase in Group Life Premium from Rs.2.796 billion in 2007 to Rs.4.772 billion in 2011.
h) Increase in Investment Income from Rs.17.104 billion in 2007 to Rs.30.665 billion in 2011.
i) Increase in Life Fund from Rs.156.737 billion in 2007 to Rs.270.070 billion in 2011.
j) Increase in Bonus to Policyholders from Rs.9.94 billion in 2007 to Rs.19.505 billion in 2010.
k) Increase in Number of Policies from 2,348,791 in 2007 to 37,74,325 (Estimated) in 2011.

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I) Increase in Number of lives insured under Group Life Insurance from 4,061,865 in 2007 to 8,112,644 as on 31-03-2012.

88. A summary of financial highlights was placed at Annexure-A to the Memorandum.

89. Besides the achievements mentioned above, State Life has been assigned "AAA" Credit Rating by PACRA. State Life is currently in the process of implementation of Pre-packaged Software Solution (core insurance and ERP) which will lead to automation of various functions of State Life and result in bringing online all operating centres of the Corporation and prompt and quality service to the policyholders. Cordial and effective relationship with employees has been the main stay of administration through resolution of various pending issues like promotions and revision in pay packages. Steps have been initiated and completed to bring about improvement and up-gradation in the existing properties of State Life and repairs and renovations pending for years have been carried out and back up power support have been provided through installation of mega generators.

90. The objectives of State Life are to widen the area of operation of life insurance and making it available to as large section of the population as possible, extending it from the comparatively more affluent sections of society to the common man in towns and villages. To achieve the above objective, life insurance cover has been extended to the beneficiaries of the Benazir Income Support Programme (BISP) – a plan developed by the Government to bring about economic upliftment of the poor segment of the society and to create awareness of life insurance of the breadwinners. Furthermore State Life has launched Health Insurance Coverage to the families of the beneficiaries covered under BISP Programme for which a shareholders fund has been established with the approval of Ministry of Finance and SECP. The pilot project is being launched in Faisalabad District on successful finalization of which the Health Insurance Scheme would be launched by State Life in the other Districts of all Provinces.

91. State Life has also initiated launching of Banc Assurance during his tenure.

92. In view of the above, it is suggested that for continuation of the existing policies and successful implementation of plans for the future, a two years extension be given to Mr. Shahid Aziz Siddiqi, Chairman, State Life for which recommendation be made by the Members of the Board to the Government of Pakistan through Ministry of Commerce. A brief profile of Mr. Shahid Aziz Siddiqi, Chairman, State Life is placed at Annexure-B to the Memorandum.

93. After deliberation, the Board resolved as under:

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<u>RESOLVED:</u>

Action: P&GS Division

"that in view of the continuous growth being achieved by State Life each year under the able and dynamic leadership of the present Chairman, Mr. Shahid Aziz Siddiqi, it is unanimously decided to recommend to the Government of Pakistan through the Ministry of Commerce, to extend the services of Mr. Shahid Aziz Siddiqi as Chairman, State Life for a further period of two years so as to ensure continuity in the policy of the

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Corporation leading to its continuous growth and achievement of its future plans such as i) ongoing automation of State Life, ii) widen the area of operation of life insurance and making it available to as large section of the population as possible, extending it from the comparatively more affluent sections of society to the common man in towns and villages through Benazir Income Support Programme – a plan developed by the Government to bring about economic upliftment of the poor segment of the society by creating awareness of life insurance, iii) successful implementation of launching of Health Insurance Scheme, iv) growth of Banc Assurance which is currently in the launching stage, v) improvement and upgradation of existing properties of State Life and completion of ongoing projects and vi) maintenance of harmony and good working relationship with officers, staff and field workers leading to growth of the Corporation, increase in its life fund and employment in the country. The Board expressed its appreciation and admiration for the outstanding services and leadership qualities provided by the incumbent Chairman Mr. Shahid Aziz Siddiqi to State Life Insurance Corporation of Pakistan. A summary of financial highlights is placed at Annexure-D to the Minutes."

(B) CONSIDERATION AND APPROVAL OF MINUTES TOGETHER WITH RECOMMENDATIONS OF 9TH MEETING OF SOCIAL RESPONSIBILITY COMMITTEE HELD ON 4TH APRIL, 2012.

94. The minutes of the 9th meeting of Social Responsibility Committee held on 4th April, 2012 were presented before the Board of Directors for consideration and approval of decisions/recommendations made by the Committee for which respective Memorandums were placed before the Board. A copy of the minutes duly signed by the Chairman, State Life is placed at Annexure-E to the Minutes.

95. Accordingly, the Board resolved as under:

Action: P&GS/ F&A/GS Divisions

RESOLVED:
"that the minutes of 9th meeting of Social Responsibility Committee held on 4th April, 2012 together with observations/recommendations are approved:

"that a donation of Rs.500,000 to Indus Valley Schools of Art & Architecture, Karachi, as State Life's contribution to the financial assistance scheme to help the school to support poor and needy students is hereby approved."

"that a donation of Rs.500,000/- per annum for five years to Ziauddin University, Karachi being cost of financial support to one medical student is hereby approved."

"that a donation of Rs.1,000,000/- (Rupees One Million) to Forman Christian College, Lahore, as State Life's contribution to the scholarship fund to help the College to support poor and needy students is hereby approved."

"that a donation of Rs.500,000- (Rupees five hundred thousand) by State Life to Education Trust Nasra Schools to meet the tuition fee of students under financial assistance scheme to support poor and needy students and to meet the training cost of senior teachers of the school for early childhood

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education system from Aga Khan University Institute for Educational Development is hereby approved."

"that a letter be written by DGM(GS) to Indus Valley School of Art & Architecture Karachi, Ziauddin University Karachi, Forman Christian College, Lahore and Education Trust Nasra Schools requesting them to provide information regarding name, academic details and progress of the students and teachers who would be availing the benefits under the financial assistance scheme. Such students and teachers would be named as State Life Scholars. The information as and when received by DGM(GS) from the Indus Valley School of Art & Architecture Karachi, Ziauddin University Karachi, Forman Christian College, Lahore and Education Trust Nasra Schools be submitted to the Members of the Social Responsibility Committee periodically."

"that a yearly Award of a Gold Medal and Cash Prize of Rs.50,000 by State Life to Institute of Business Management for the best Actuarial Science and Risk Management graduating student at IoBM's Convocations, w.e.f. 2011 onwards is hereby approved."

"that a letter be written by DGM(GS) to Institute of Business Management requesting them to provide information regarding name, academic details and progress of the students who would be awarded a Gold Medal and cash prize of Rs.50,000 as the best Actuarial Science and Risk Management graduating students at IoBM's Convocation. Such students would be named as State Life Scholars. The information as and when received by DGM(GS) from Institute of Business Management be submitted to the Members of the Social Responsibility Committee periodically."

"that post facto approval for payment of Rs.2,00,000/- approved by the Chairman as donation to Al Mustafa Trust, Rawalpindi Cantt for purchase of medical equipment or medicines for patients is hereby approved."

"that DH(F&A) is hereby authorized to allocate budget for the above donations to and take all steps for making payment of the same."

(C) APPROVAL FOR WRITE OFF OF LONG OUTSTANDING COMMISSION PAYABLE TO AGENTS.

96. DH(Marketing) presented before the Board, a Memorandum dated 6th April, 2012 regarding write off of long outstanding commission payable to agents.

97. The statutory auditors have been citing serious observations on debit balances lying outstanding against field workers. During course of statutory audit in 2010, huge balances outstanding for more than three years were observed as under:

a) Outstanding commission payable to agents (Approximately): Rs.150 million
b) Outstanding commission receivable from such agents on Account of loans advanced to them: Rs. 8 million

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DH(Marketing) presented before the Board, the relevant observation of statutory auditors which is as under:

"3.5 Write back of long outstanding commission payable to agents.

We noted, on a test basis, that "Commission payable to agents", includes balances amounting to Rs.150.00 million (approximately), outstanding for more than 3 years. Further, an amount of Rs.8.00 million is receivable from such agents on account of loans advanced to them. These balances mostly pertain to those agents who have left the Corporation in previous years. We noted that there is no formalized policy to write back or write off such long standing balances.

We recommend that besides formalizing such a policy, the management should also look into the reasons for these long outstanding balances and take corrective measures to avoid such accumulation of balances".

98. Marketing Division is, therefore, of the view that a following system and procedure may be allowed to be introduced whereby accumulation of such balances either debit or credit could be avoided:-

After three years accumulated balances lying on debit/credit side may be written off/written back as the case may be. However, the Zonal Management may be advised to make sure that no debit balances are accumulated.

99. Presently in hand a significant amount of Rs.150 million is available on account of unpaid commission to insurance agents, against a meager amount of Rs 8 million receivable from agents on account of loan balances.

100. The Board was requested to kindly approve the policy of accumulated balances for write back/write off after three years as mentioned above.

101. After deliberation, the Board resolved as under:

RESOLVED:

Action: Mkt/ F&A Divisions

"that as recommended by DH(Marketing) the write off/write back after three years of accumulated balances lying on debit/credit side as the case may be is approved and Zonal Management be advised to make sure that no debit balances are accumulated. Presently a significant amount of Rs. 150 million is available on account of unpaid commission to insurance agents against a meager amount of Rs. 8 million receivable from agents on account of loan balances."

"That DH(Marketing) submit for approval of the Board, a comprehensive policy in respect of write back/write off of long outstanding commission payable to agents and loan to be recovered from agents."

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

(CHAIRMAN)

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ANNEXURE – A.

COMMENTS OF MR. HUSAIN LAWAI, DIRECTOR ON DRAFT MINUTES OF 223RD MEETING OF BOARD OF DIRECTORS HELD ON 14TH MARCH, 2012.

Pension Liability:

HR Committee of Board of Directors recommended for payment of Pension liability in compliance to the order of Lahore High Court dated 15-04-2009. Estimated Pension Liability on the account is estimated to be Rs. One Billion and that amount has to be provided in annual accounts for the years 2011. This is a serious matter and requires attention of the Board to determine the responsibility of executives and staff responsible for such blunders and take appropriate disciplinary action against them.

My comments on the minutes of that meeting are as follows:

a. Board of Directors of SLIC is not empowered by LINO to amend pay scales and benefits of SLIC employees. According to LINO, the Board has the power to recommend to Government at Pakistan, to approve the changes in terms and conditions, pay scales and benefits including retirement benefits. The fact was overlooked by the Board in its meeting No. 156th, held on 7th October 2000, and approved the changes in Pension Rules 1986, as amended in 1988.

b. Realizing the mistake of approving the changes in the Pension Regulations 1986, as amended in 1988, in its 157th Meeting, the Board of Directors in its 159th meeting held on 26th January 2001 decided to seek post facto approval from Ministry of Commerce/Finance instead of seeking approval for changes in the pension Rules.

c. Instead of seeking appropriate guidance and instructions on amending the Pension Rules of the company in the light of board resolution of 26th January 2001, the management of SLIC issued detailed instructions on 26th February 2001, amending the Pension Rules 1986, as amended in 1988 applicable to employees. No plausible or credible explanation was given to the Board when asked to explain as why such notification was issued by the then management of SLIC in February 2001, in the absence of post facto approval from Ministry of Commerce/Finance.

d. In 2006, Lahore High Court upheld petition filed by some employees of SLIC for payment of Pension in terms of Pension Rules 1986, as amended 1988 with a clear direction to SLIC to pay pensionary benefits to the employees, within two months of the judgment. LHC quoted the LINO and declared that Board can't amend the terms of employment without the approval of Ministry of Commerce/Finance. Even at that time, the management did not provide any amount for the liability of payment of pension for the last six years and thereafter, on the pretext that SLIC would file an appeal in Supreme Court of Pakistan against the judgment

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of Lahore High Court.

e. Supreme Court of Pakistan dismissed the appeal of SLIC against the judgment of Lahore High Court in Feb 2011. Even after that, no provision for the pension liability was booked in the financial accounts of 2010 of SLIC.

f. Ministry of Commerce vide its letter dated 19th April 2011, declined to give retrospective approval for changes in the Pension Rules 1986 as amended in 1988. Even then, no remedial measures were initiated by the management.

g. There was no satisfactory response to the query, that why no provision for pension liability was done during the last year i.e. 2010.

h. Audit Committee will examine the role of External Auditors for not providing, for pension liability in the accounts for the year 2005, after the judgment of Lahore High Court.

i. It is recommended the Board HR Committee may examine the role of Finance and Accounts and Legal Department for ignoring such an important legal case and implications that it can have over the operations of the company.

j. It was suggested that Finance and Accounts Division with the assistance of Legal Division may review all the pending legal cases and seek appropriate legal opinion on them about any financial implication that they may have financial implications on the company.

Establishment of Special Project office of BISP:

1. In my opinion, Board can not approve constitution of Project Office (BISP), as it was already established by order No. P&GS/PO/222/2011, dated 4th August 2011, stating that post facto approval from Board will be obtained.

2. To put the matter correct, the right wording in the minutes should be that Board accorded its post facto approval for the establishment of Project Office as presented in the meeting.

3. The post facto approval of the project was given by the Board in the absence of any feasibility study of project.

CHAIRMAN'S INITIALS

Matters to be considered by Board of Directors:

1. I suggested that Board should consider framing matters relating to strategies, policies, systems to improve financial position, revenue

management, cost control, marketing and sales, new and innovative insurance products, risk management, underwriting, investment, IT, Internal Audit, compliance to Board Policies, etc. Rather than on increment, promotion, extension of contracts, etc. If any change is required in LINO, the Board may approach Ministry of Commerce/Finance for suitable amendments in rules of the business of SLIC.

2. The management may suggest appropriate delegation of authorities for the Chairman of SLIC, its Directors, and General Managers and other layers of management for smooth and seamless working of the corporation.

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Annexure-B-1

Minutes of 18th REIC Meeting

1. 18th REIC Meeting was held on 27th May 2011 at PO, SLIC Karachi, attended by the following:-

a	Mr. Shahid Aziz Siddiqi.	Chairman
b	Mr. Rasheed Y. Chinoy.	Director
d	Mr. Mohammad Yahya	Executive Director/Member (away on duty)
e	Mr. Ansar Hussain.	Sr. GM (Investment) / Member
f	Lt. Col. (R) Mohsin Ali Shah.	DH (RED) / Secretary / Member

2. After recitation of the Holy Quran, the Chairman welcomed the participants and commenced the proceedings.

Discussion on Quorum

3. The aspect of quorum was discussed. After advice of Law Division (in the light of Regulation-5 of SLIC Regulations of 1972) it was clarified that REIC quorum was complete. Thereafter, the proceedings of REIC were commenced.

Discussion on Agenda Points

Agenda Points # 1.
Implementation Report of 17th Meeting of REIC dated: 18th March 2011.

4. REIC was satisfied with compliance report on the Minutes of 17th Meeting.

Agenda Points # 2
Confirmation of Minutes of 16th Meeting of REIC

5. Mr. Rasheed .Y. Chinoy proposed confirmation of Minutes of 16th Meeting of REIC and Mr. Ansar Hussain seconded the proposal.

Agenda Point # 3
Progress of Ongoing Works.

6.

a. Renovation of State Life Building Larkana.
7 out of 10 wings are ready. Zone is process of shifting.

b. Construction of State Life Building Gujranwala.
Substantially completed. Electrical connection from WAPDA in pursuance.

c. Construction of State Life Building Rahimyar Khan.
Post qualification of contractors for Civil Electric and Plumbing work in process.

d. Lifts to be replaced in Building # 3, 4, & 5. 70% work completed.

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Resolved

7. REIC was satisfied with the progress of ongoing works and resolved that:-

Renovation of complete building to be done by mid July 2011. Building to be rented out ASAP.
Electric connection to be expedited from GESCO Gujranwala.
After approval of the board, tenders be opened. Otherwise, be scrapped.
Lifts works at Buildings # 3 & 4 to be completed ASAP.

Agenda Point # 4

Strategic Plan RED – Upcoming Projects

8. M/s. NESPAK and M/s. International Design Group presented before the REIC, the plans of Gujranwala, Sargodha, Sialkot and Rahimyar Khan Building projects giving detailed justifications of building plan, area usage and approved plans by Board of Directors in 2008.

9. M/s. IDG presented area usage plans of Gujranwala building with future extension proposals.

Resolved

10. REIC resolved that:-

a. All data to be worked out in details with possibility of future expansions.
b. Requirement of Marketing Division be incorporated for respective Buildings for their use at respective cities.
c. After modifications, the proposals be presented before next REIC meeting.

Agenda Point # 5

Strategic Plan – (RED)

Backdrop

11. Strategic Plan of RED has already been presented/discussed in Board in 216th and 217th Meetings of the Board respectively; encompassing the following :-

a. Business Plan (attached)
- Premise
- Vacant Spaces.
- Gray Areas of RED
- Revenue enhancement Plan.
- Short Term measures (1-2) years.
- Mid Term Measures (3-5) years.
- Long Term Measures (6-10) years.
- Summary of Income and spaces
- Restructuring of RED.

b. Financial Impact (attached)
- Short Term (1-2) years.
- Mid Term (3-5) years.
- Long Term (6-10) years.

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12. Sequel to presentations vide para 1 above, BOD desired that RED should compile Business Plan for all individual buildings of SLIC. Accordingly, the plan is being evaluated in proceeding paras.

Real Estate Assets

13. SLIC owns the following assets :-

a.	Commercial Buildings	-	52
b.	Plots	-	18
c.	Residential Units	-	17

14. 52 Commercial buildings, are being evaluated with following status:-

a.	Inherited as per LINO	-	30	Comparatively in good to average condition.
b.	Constructed by SLIC	-	13	In good condition.
c.	Purchased	-	09	
	Total:	-	52	

Tenancy

15. Based upon the rental data of Islamabad, Peshawar, Lahore, Interior Sindh and Karachi, the rented/vacant areas are summarized as follows :-

Vacant Spaces		Rented	Vacant	(%)
a.	Islamabad	343,979	60,487	18%
b.	Peshawar	168,423	38,414	23%
c.	Lahore	450,218	34,913	08%
d.	Interior Sindh	209,808	90,093	43%
e.	Karachi	1,507,674	310,988	21%
	Total:	2,680,102	534,895	20%

Identification of vacant spaces

16. Building-wise Status is as follows:-

a.	Islamabad				
(1)	State Life Building #1	35,202	-	0%	
(2)	State Life Building #2	1,516	-	0%	
(3)	State Life Building #5	104,636	3,754	3%	
(4)	State Life Building #6	20,732	511	2%	
(5)	State Life Building #7	41,356	-	0%	
(6)	State Life Building #8	22,615	-	0%	
(7)	State Life Building #9	29,747	1,166	4%	
(8)	G-8 Markaz-PMF Complex	13,000	-	0%	
	Total:	268,804	5,431	2%	Satisfactory
(9)	Gujrat Building	75,175	55,056	73%	Critical Building
	Grand Total:	343,979	60,487	18%	Inflated due to Gujrat Building

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b. Peshawar

(1) SLB # 1 (Peshawar)	145,423	26,565	18%	Law & Order
(2) D. I. Khan	23,000	11,849	52%	critical
Total:	168,423	38,414	23%	

c. Lahore

		Rented	Vacant	(%)	
(1) State Life Building #1	58,078	11,160	19%	Disputed	
(2) State Life Building #2	160,991	13,003	8%	Mutated	
(3) State Life Building #4	1,650	-	0%	Disputed	
(4) State Life Building #5	4,656	692	15%	Disputed	
(5) State Life Building #6	13,259	908	7%	Mutated	
(6) State Life Building #7	9,624	350	4%	Mutated	
(7) State Life Building #9	4,625	1,146	25%		
(8) State Life Building #10	4,492	-	0%		
(9) State Life Building #11	69,859	4,070	6%		
(10) SLB # 2 (Faisalabad)	93,978	3,534	4%		
(11) SLB # 1 (Multan)	29,006	50	0%		
Total:	450,218	34,913	8%		

d. Interior Sindh

(1) SLB # 2 (Gul Centre)	22,889	2,751	12%	
(2) SLB # 3 (Phase-I & II)	109,329	48,126	44%	
(3) SLB (Mirpurkhas)	35,815	27,996	78%	critical
(4) SLB (Sukkur)	19,415	-	0%	
(5) SLB (Larkana)	22,360	11,220	50%	[illegible]
Total:	209,808	90,093	43%	

e. Karachi

(1) SLB #1 & Annexe.	214,694	54,069	25%	Market
(2) SLB # 1A, 1B & 1C	97,911	15,650	16%	dynamics
(3) SLB # 2, 2A & 2B	274,950	39,214	14%	
(4) State Life Building #3	100,493	8,309	8%	
(5) State Life Building #4	73,017	15,477	21%	
(6) State Life Building # 5 & 5A	124,560	22	0%	Negotiated
(7) State Life Building #5B	17,24	-	0%	Sale rates
(8) State Life Building #5C	6,740	-	0%	
(9) SLB # 6, 6A & 6B	100,555	16,723	17%	[illegible]
(10) State Life Building #7	78,286	2,340	3%	
(11) State Life Building #8	11,23	-	0%	
(12) State Life Building #9	97,480	-	0%	
(13) State Life Building #11	149,190	9,058	6%	
(14) Jason Trade Centre	11,200	-	0%	
Total:	1,357,548	160,862	12%	
(15) State Life Building #10 A. Haroon Properties	34,080	34,080	100%	
(16) State Life Building #12	116,046	116,046	100%	Critical
Total:	1,150,574	310,988	27%	

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Note: Building # 10 is owned by Abdullah Haroon Properties.

17. Inflows and outflows (Details at Annexure "A")

	Inflows (in Rs.)	Expenditure (In Rs.)
a. Rawalpindi	8,933,050.00	6,034,393.00
b. Peshawar	3,220,720.00	3,013,939.00
c. Lahore	6,849,309.00	4,937,745.00
d. Interior Sindh	4,049,953.00	2,581,076.00
e. Karachi	36,199,786.00	13,536,506.00
Total:	59,252,818.00	30,103,659.00

18. Rental Summary As per Annexure "B"

19. Renting Data of Buildings

All relevant data of buildings including rentals, legal cases and related information is tabulated at Annexture "C".

Grey Areas

20. As following :-

a. Zone occupation including Alpha -	586,976 sft
b. Government Occupied. -	329,292 sft
c. Critical Buildings.	
(1) Mirpur Khas	27,996 sft
(2) Larkana	11,220 sft
(3) Gujrat Building	55,056 sft
(4) D. I. Khan.	11,849 sft
(5) Building #10 (Abdullah Haroon Rd)	34,080 sft
(6) Building # 12 (Hashoo Centre)	116,046 sft
(7) Building # 6	16,723 sft
Total:-	272,970 sft

(11% of overall area)

d. Legal cases in all the zones need to be settled out of court / expedited.
e. O&M by SLIC is un-economical. It should be outsourced. To start with, Gujranwala Building at completion stage should be out sourced for O&M.
f. Establishment charges are higher which need to be reviewed through restructuring of RED.
g. Lack of experienced professionals (AGMs).

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21. Major Conclusions and Recommendations

a. At present our vacant space is 21%. However, overall rented status of SLIC Buildings less problematic buildings is 10%.
b. Rentals yield is being effected due to spaces occupied by Zones, government departments, Alpha Insurance and inherited tenants.
c. Zones, Alpha and government department are occupying 6,28,723 sft area with an estimated rent loss of Rs.225 million per annum (excluding their present rentals).
d. Increase in labour wages upto Rs.7,000/- is most likely to inflate our expenditure on security, janitorial, electricity, Standby generators, Water supply and O&M Services.
e. Increases in taxation and utilities charges would increase our annual expenditures.
f. Rentals are required to be rationalized as per market dynamics in order to guard against vacations.
g. Maximum limit of rentals for old tenants whose rentals tend to cross over prevailing rentals in surrounding buildings should be capped.
h. There is a need to create **Model Zone** by squeezing inflated spaces occupied by zones. This would be economical to zone and add to rentals.
i. Through Model Zone concept, we would not only save nearly 40% of the area occupied by zone (nearly) **2,50,000 sft** area but also give corporate out look to zones. It would also curtail electricity, water, standby generator and services experience.
j. Buildings purely occupied by zones need to be reviewed, squeezed and rationalized in sharing of O&M expenses with RED.
k. Qualified engineers to be deputed as Building Incharges instead of present unqualified lot.
l. Service of Tenancy Consultants and Field Force to be utilized for renting of spaces (already in hand).
m. Present buildings need to be reviewed in following perspectives:-

(1) General improvement and maintenance.
(2) Expansion of spaces where allowed by FAR.
(3) Disposal of problematic buildings; to be identified by Board of officers.
(4) Construction of new buildings at vacant plots for value addition, accommodate zones for SLIC business and guard against encroachments.
(5) Curtail unnecessary regal cases.
(6) Purchase of properties in posh localities at Lahore, Karachi and Islamabad (i.e. Defence, Clifton and liberty) due to market dynamics.

Resolved

22. REIC resolved to incorporate the observations as discussed and present in the next meeting.

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Agenda Point # 6
Rehabilitation of Gujrat Building

23. Due to design limitations, Gujrat Building has fixed glass windows. Owing to prevailing electricity crisis, the fixed glass building becomes unbearable. Local

consultants were approached to give solution of cross-ventilation of the building. Most of the solutions were costly due to replacement of glass for (G+5) 77' feet hight building, entailing scaffolding arrangements and risk factor. Finally, RED approached original architect who agreed to give free of cost solution (less his visit charges to the site). Both the architect and ALCOP (original manufacturer) have given the cheapest / easiest technical solution.

a. Replacement work to be done from interior of buildings (without expenditure of scaffolding).
b. Double frame sliding frames to be used.
c. There are chances that present glass (10 glasses / floor) are most likely to be damaged.
d. New glass/window frame and labour shall cost nearly Rs.1.5 million.
e. Due to new arrangement all the floors shall have cross ventilation.
f. Work to be completed in two months.
g. Work to be done by M/s. ALCOP on Turn-key arrangements being the original manufacturer.
h. Façade and optics of the building would not be affected.

Resolved

26. REIC resolved to proceed with the proposal towards timely completion.

Agenda Point # 7
Valuation of properties

25. As resolved in 216th Meeting of BOD, valuation of Multan and Abdullah Haroon Road, properties has been got completed in response to EOIs received from the parties. The valuation report complied by Mr. Iqbal Nanji has been evaluated in technical perspective as per TOR. It is recommended that the Report be reviewed for value engineering by M/s. NESPAK to proceed further.

Resolved

26. REIC resolved to get technical evaluation from NESPAK.

Agenda Point # 8
Status of Mutation of Lahore Properties

27. Mutation status of 9 properties as Lahore is as follow:-

a. 4x properties have been mutated (2 at LDA, 1x at Lytton Road and Moti Mansion).
b. Title of Building # 7 is also mutated to SLIC duly endorsed by Chief Settlement Commissioner.
c. So far 5 properties have been mutated.
d. Buildings # 4 and 5 are being proactively persued with Settlement Commissioner Lahore for hearing / endorsement.
e. All documents and related formalities have been completed to take up

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the case with LDA for mutation of Gulberg Property (133-J).

f. Davis Road plot is under pursuance.

Resolved

28. REIC appreciated the progress and directed to complete left over buildings.

Agenda Point # 9
Review of Real Estate Portfolio of the Corporation as at 31/03/2011

29. As follows:-

a. **Gross Income** of Real Estate Portfolio as at March 31, 2011 of **Rs.186 million** as against **Rs.152 million** for the same period of the previous year, which shows **increase of 22%.**

b. **Expenses** upto March 31, 2011 are **Rs.68 million** as against **Rs.72 million** for the same period of previous year. It shows a decrease of **6%.**

c. **Net Income** upto March 31, 2011 is **Rs.118 million** as against **Rs.80 million** for the same period of previous year. It shows a raise of **48%.**

d. **Expense / Income ratio** upto march 31, 2011 is **37%** as compared to **47%** for the same period of preceding year.

e. As on March 31, 2011 statement Financial progress is at (annexure"A").

	31-Mar-10 (Actual)	Budget (Target)	31-Mar-11 (Actual)	% Change (2010/2011)
Investment-At Cost	3,860		4,143	
Acc depreciation	1,330		1,416	
Investment-WDV	2,530	-	2,727	
Gross Income	152	210	186	22%
Expenses	72	141	68	-6%
Net Income	80	69	118	48%
Expenses/Income ratio	47%	67%	37%	

Resolved

REIC was satisfied with the progress.

29. On conclusion of the meeting all the members thanked the Chair.

Secretary REIC Sd/- Chairman Sd/-

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Annexure-B-2

Minutes of 19th REIC Meeting

1. 19th REIC Meeting was held on 6th July 2011 at PO, SLIC Karachi, attended by the following:-

a. Mr. Shahid Aziz Siddiqi. - Chairman

b. Mr. Rasheed Y. Chinoy. - Director

d. Mr. Mohammad Yahya. - Executive Director/Member (away on duty)

e. Mr. Ansar Hussain - Sr. GM (Investment) / Member

f. Lt. Col. (R) Mohsin Ali Shah, TI (M). - DH (RED) / Secretary / Member

Attendance

g. Syed Arshad Ali - ED (Marketing (on special invitation)

2. After recitation of the Holy Quran, the Chairman welcomed the participants and commenced the proceedings.

Discussion on Agenda Points

Agenda Points # 1.
Implementation Report of 18th Meeting of REIC dated: 27th May 2011.

3. REIC was satisfied with compliance report on the Minutes of 18th Meeting.

Agenda Points # 2
Confirmation of Minutes of 18th Meeting of REIC

4. Mr. Rasheed .Y. Chindy proposed confirmation of Minutes of 18th Meeting of REIC and Mr. Ansar Hussain seconded the proposal.

Agenda Point # 3
Progress of Ongoing Works.

5. Progress all ongoing works was discussed.

Resolved

6. REIC resolved the following:-

a. REIC was satisfied with the progress of ongoing works.

b. Pending formalities of Gujranwala building should be expedited and completed ASAP.

c. Proposal of Mr. Muhammad Yahya, E.D. (RE) for renting out ground and upper floors @ Rs.60 – 65 sft and Rs. 30 – 35 sft respectively was agreed by REIC with the advice to negotiate for further increase, if possible.

d. Installation of 400 KVA transformer at Gujranwala be expedited.

e. Zone to be shifted at Ist and 4th / 5th floor.

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f. ED (RE) and ED (Marketing) should mutually work out the rental rate for the zone in a way that overall income / expense ratio should not be effected.

g. Mitigation measures for cross ventilation of all floors of Gujrat building must be expedited.

h. Tenancy Consultant(s) should be put in place ASAP.

i. Condition of lifts for left over SLIC Buildings should be reviewed towards their refurbishment / replacement.

j. MOUs should be signed with potential tenants of Rahimyar Khan, Sargodha and Sialkot building to facilitate their timely renting in case the construction of building is approved by BOD.

k. Left over vacant buildings i.e. Hashoo Centre Building No.10 (Karachi), Larkana, Mirpurkhas and D.I. Khan Building should be rented alongwith other buildings out by 31/12/2011.

Agenda Point # 4

Presentation by M/s. NESPAK & IDG

7. M/s. IDG and M/s. NESPAK gave detailed presentations on design, land usage, architectural renderings and payback schedules of Sialkot, Sargodha and Rahimyar Khan Projects further expansion up Gujranwala Building to utilize left over (front) space was also presented to REIC.

Resolved

8. REIC Resolved that:-

a. Working paper should be submitted to the BOD giving status of these projects.

b. DWP meeting to be convened to discuss further on PC-1s of these buildings and permission already granted to SLIC to tender the works.

c. Requirement of Marketing Division for requirement of buildings at Rahimyar Khan, Sargodha and Sialkot be incorporated in the presentation to BOD.

Agenda Point # 5

Strategic Plan – (RED)

9. Business Plan submitted by RED was discussed in details by REIC.

Resolved

10. Separate position paper be submitted to B.O.D. encompassing all requirements in a way that left over buildings should be rented out by at least / all time tenancy of 90%.

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Secretary REIC Sd/- Chairman Sd/-

Annexure-B-3

Minutes of 20th REIC Meeting

1. 20th Meeting of the REIC was held on 26th December, 2011 at PO, SLIC Karachi; attended by the following:-

a. Mr. Shahid Aziz Siddiqi - Chairman
b. Mr. Rasheed Y. Chinoy - Director
c. Mr. Shoaib Mir Memon - Executive Director/Member
d. Lt.Col.(R) Mohsin Ali Shah, TI(M) - DH (RED)/Secretary/Member

Attendance

a. Mrs. Yasmeen Saud - Executive Director (F&A)
b. Mr. Muhammad Yahya - Executive Director (Law)
c. Mr. Nabil Ghafoorzada - DGM-I (Projects)
d. Mr. Rashid Qureshi - AGM (E&M)

2 After recitation from the Holy Quran, the Chairman welcomed the participants and commenced the proceedings.

Discussion on Agenda Points

Agenda Points # 1.
Implementation Report of 19th Meeting of REIC dated:
6th July, 2011.

3. REIC was satisfied with compliance report on Minutes of 19th REIC Meeting.

Agenda Point # 2
Brief on State Life Tower.

4. DH (RED) apprized REIC on progress / present status of Islamabad Tower, completion schedule of grey structure, incorporation of Lifts, proposals on HVAC, financial progress and related aspects and discussed in details.

Resolved

5. After deliberation, REIC resolved to discuss all issues after scheduled presentation of the Consultant i.e. M/s. Suhail and Pasha; included in agenda Point # 4.

Agenda Point # 3
Presentation by M/s. Suhail & Pasha

6. M/s. Suhail and Pasha, the Consultants presented before the REIC progress of the project and present status as follows:-

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a. Progress. Presently, grey structure has attained Ground + 16. Inspite of all odds, Ground + 18 / entire grey structure would be completed by March 2012 (i.e. 3 months earlier than schedule in June 2012).

b. Finished Items. The REIC was apprised that other related works i.e. finishes and tiles etc. should now be commenced. Consultant displayed certain granite and porciline, (Malaysian made) tile samples with the colour schemes for approval of the Employer. The REIC was assured by the consultant that incorporation of tiles would not have any significant cost impact on project cost except for porciline tiles in wash rooms (having maximum / overall cost increase upto 2 lacs only).

c. Lifts. Tenders for lifts are ready which shall be floated by 2nd week of January, 2012.

d. Meeting Room. In order to utilize the empty space at 8th floor terrace, the Consultant proposed Meeting Room and open air kitchen. This would help SLIC earn the revenue.

e. HVAC. The following options were discussed:-

(1) SLIC should proceed with centrally air-conditioned system for entire building. This option, is however, costly with related implications.

(2) Building be declared as Non-air-conditioned. Split ACs to be used.

(3) Few upper floors be declared as "Non-air-conditioned" while the lower ones as air-conditioned so that both types of tenants could be accommodated.

f. Environment Studies. With pro-active pursuance of SLIC, Initial Environmental Examination (IEE) studies have been approved; which was a difficult task. Now, the Environmental Mitigation in order Plans (EMPs) will have to be followed up as per IEE to meet requirements of the government as per approved.

The house discussed the following options:-

a. Consultants suggested to maintain original plans for central air conditioning of entire building.

b. ED (RE) and DH (RED) opined that due to prevailing shortage of gas, electricity and certain renting implications for Government Departments, central air-condition of the building would be expansive for SLIC. Additionally, a lot of high-rise buildings in surrounding area are not centrally air condition including 4x SLIC Building.

c. ED (F&A), ED (Law) and DGM-I (RE) Mr. Nabil Ghafoorzada supported the idea of partial (central) air conditioning i.e. upto (Ground + 8) floors to provide diversity and accommodate various clients.

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Resolved

8. The REIC resolved the following:-

a. Sample Malaysian make Tiles and colour schemes were approved with the conditions that entire onus of architectural renderings and financial implications would rest upon M/s. Suhail & Pasha.

b. Tenders of Lifts must be floated by mid January 2012.

c. RED and Consultants should find out from all service providers about availability of gas and electric load for disposal of HVAC options.

d. The buildings in adjacent / surrounding areas should be studied if those are centrally air conditioned or otherwise.

e. Consultant to ensure availability of space for AC splits outer units.

f. Financial impact and business plan be studied for provision of kitchen / meeting room at floor # 8 as proposed by the Consultant.

g. REIC meeting to be convened again in 2 /3 weeks time frame for disposal of above proposals.

Agenda Point # 5
Strategic Plan – (RED)

9. DH (RED) updated REIC about progress on transfer of Lahore properties, wherein title of building No.7 has also been transferred in favour of SLIC; making total transferred buildings as (5). All efforts are being made to pursue Revenue Department Punjab, Lahore for incorporation of change of title in favour of SLIC. Transfer of leftover (3) buildings is also under active pursuance.

Resolved

10. REIC appreciated relentless efforts of DH (RED) for transfer of long outstanding / pending properties at Lahore in favour of SLIC and directed to follow-up the left over formalities for remaining buildings.

11. On conclusion of the meeting all the members thanked the Chair.

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Secretary REIC Sd/- Chairman Sd/-

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Annexure-B-4

Minutes of 21st REIC Meeting

1. 21st Meeting of the REIC was held on 13th March, 2012 at PO, SLIC Karachi; attended by the following:-

a. Mr. Shahid Aziz Siddiqi - Chairman
b. Mr. Hussain Lawai - Director
c. Mr. Wazir Ali Khoja - Director
d. Mr. Attaullah A. Rasheed - DH (Investment)/Member
e. Lt.Col. ® Mohsin Ali Shah, TI(M) - DH (RED)/Member/Secretary

Attendance

a. Mr. Ansar Hussain - Ex-DGM (Investment) SLIC

2. After recitation from the Holy Quran, the Chairman welcomed the participants and commenced the proceedings.

Discussion on Agenda Points

Agenda Points # 1.
Implementation Report of 20th Meeting of REIC dated: 26th December, 2011.

3. REIC was satisfied with Compliance Report on Minutes of 20th REIC Meeting.

Agenda Point # 2
Confirmation of Minutes of 20th Meeting of REIC

4. Mr. Wazir Ali Khoja proposed confirmation of minutes of 20th meeting of REIC; seconded by Mr. Hussain Lawai.

Agenda Point # 3
Presentation of Real Estate Division

5. Chairman apprised REIC regarding directives of Standing Committee(s) of Senate and National Assembly on Commerce regarding need for construction on vacant plots and status of upcoming SLIC project.

6. DH (RED) gave a detailed presentation on SLIC properties encompassing related issues. DH (RED) updated REIC about status of 52 commercial and 17 Residential buildings and 18 Plots. Out of 26,80,102 sft constructed spaces; 4,76,094 sft is vacant. Total vacancy is 17.76%. Due to 6 critical buildings in various cities 8.6% of vacancy can be addressed. Chairman apprised REIC that since last two years the vacancy has been curtailed from 21% to 17.76% which is a visible improvement. It is being strived to curtail it upto a minimum 10% or

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lesser. Due to old buildings, mostly inherited in LINO, past tenants and litigation cases, overall annual income is Rs. 750 Million. All efforts are in hand to address related issues of Real Estate and enhance the income.

Resolved

7. REIC resolved the followed:-

   a. The Consultants M/s. Suhail and Pasha should make detailed presentation to REIC on Islamabad Tower Project.
   b. Presentation should also be given to REIC on past project, partially executed at Karachi plots.
   c. RED should apprise REIC on plot sizes and buildings held by SLIC alongwith their present market value.
   d. Spaces occupied by SLIC Zones should be squeezed. Additionally, rentals of spaces occupied by SLIC Zones to be reviewed (enhanced) where possible in order to increase overall rentals income.
   e. All efforts be made to curtail unnecessary expenditures.
   f. Buildings should be planned and constructed on vacant plots for value addition and guard against encroachment.
   g. Legal cases on plots encroached at Malir should be expedited.
   h. Existing plot at building # 7 be reviewed towards its productive utilization.
   i. Contingency plans be made to make present buildings rentable by creating more parking spaces and utilize available options as per site conditions.
   j. Futurist study should be done to prioritize disposal of old / uneconomical buildings, whenever required.

8. On conclusion of the meeting all the members thanked the Chair.

Secretary REIC: Sd/- Chairman Sd/-

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Annexure-C-1

PERFORMANCE BASED BONUS SCHEME FOR THE YEAR 2011

Zonal Officers' Team of INDIVIDUAL LIFE ZONES
(With extensions to Regional Offices and Principal Office)

1. *Zonal Officers will be a Team :*

All Zonal Officers including Sector Heads & Underwriter would constitute a Team. Zones will be responsible for major elements affecting operational profitable growth.

The Performance Bonus Plan will Inshallah encourage balanced performance, and help to breakdown departmental and functional barriers. Marketing people will have a direct interest in quality and profitability aspects like persistency, renewal expenses ratio and early death claims. Underwriting, New Business, Accounts and other functional people will have a direct interest in the growth of FYP. Reduction of suspense will be taken into account.

Half of the Zone's Performance Bonus will be based on the points earned by the Zone.

The remaining half will be based on the points earned by State Life as a whole for the Pakistan Individual Life Business. In this way, both Zonal performance will be encouraged, and a corporate spirit will also be encouraged. Also, even the weakest Zones will benefit from the performance of State Life as a whole, and it will stabilize the system.

2. *Area Managers have their own System :*

Area Managers have their own incentive system, therefore, this Bonus Plan will not applicable to them.

3. *Minimum Qualifying FYP Growth and Second Year Persistency :*

The Minimum Qualifying Real FYP growth in any calendar year over the previous year must be at least equal to inflation. If a Zone fails to achieve this growth rate, then no points will be earned by the Zone for its own performance.

But, for Zones whose FYP in previous year was less than a "floor" of Rs 30 million, a higher Minimum Qualifying real FYP growth rate net of inflation, upto a maximum of 10% will be required, on a case to case basis.

The Minimum Qualifying 2nd Policy Year Persistency must be at least 65% in the current year. If a Zone fails to achieve this, then no points will be earned by the Zone performance.

4. *Point System – Summary :*

To ensure balanced performance, 9 items will be measured under a point system. There will be maximum of 80 points, allocated as follows :

Group-A : *New Business, Field Development and Regularity of Business :*

1	% growth in FYP, net of inflation	:	25 Points
2	Ratio of SRs who are active professionals.	:	05 Points
3	Ratio of FYP through newly recruited active SRs	:	05 Points

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4	Regularity of New Business through out the year	05 Points
	Sub-Total Group-A :	40 Points
Group-B :	Persistency :	
5	Second Year Persistency	10 Points
6	Third and later years Persistency	10 Points
	Sub-Total Group-B :	*20 Points*
Group-C :	Expenses :	
7A	Reduction in Renewal Expense Ratio	10 Points
	OR	
7B	Level of Renewal Expense Ratio	10 Points
	Sub-Total Group-C :	10 Points

NOTE: 7A and 7B are alternatives. The Zone will get the benefit of whichever yields the higher points.

Group-D :	Mortality :	
8	Mortality under Early Death Claims within Actuarial Expectation	05 Points
	Sub-Total Group-D :	05 Points
Group-E:	Suspense :	
9	Year end Suspense as % of year's 2nd and later years premiums	05 Points
	Sub-Total Group-E :	05 Points
	Total of Maximum Points. :	80 Points

5. Points System – Details :

Items	Minimum Qualifying Standard	Points, provided Qualifying Standard attained
1. FYP : Real % increase in FYP over previous calendar year calculated to nearer whole 1% "Real" means net of inflation – See Note (I)	At least some real increase. For Zones, Sub-Zones and Sectors whose FYP in the previous years was less than a "floor" to be specified from time to time, a higher Minimum Qualifying FYP growth rate will be required, on a case to case basis.	For each 0.5% Real increase – 01 Point *Maximum 25 Points*
2 Ratio of SRs, who are active Professionals: For definition of active SR – See Note (II).		Less than 33% of SRs are active professionals. 0 Point For each 1% over 33%. 01 Point Maximum 05 Points
3 Ratio of FYP through newly recruited active SRs: For this purpose, those SRs will count who were		If FYP through newly recruited active SRs is less than 20% of the Zone's FYP in the current year. 0 Point

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recruited in the previous year and who did at least Rs 20,000 FYP in the current year.		For every 1% over 20%. **Maximum 05 Points**	01 Point
4 *Regularity of New Business* Depends on number of 'Productive Quarters'. For definition of 'Productive Quarter' See Note (III).		No. of Productive *Quarters* 04 03 02 01	05 Points 03 " 01 " 00 "
5 *Second Year Persistency :* Calculated to nearer whole 1% Note. Single premium policies sold in the previous year will be excluded while calculating 2nd year persistency.	65% **Note:** The minimum qualifying standard is lower than the level over which points are earned (See next column).	For each 1% 2nd Year Persistency over 70%. ***Maximum 10 Points***	01 Point
6 *Third and Later Policy Year's Persistency :* Calculated to the nearer whole %.		For each 1% 3rd year and later policy year's persistency over 85%. ***Maximum 10 Points*** **Note:** If 3rd and later year's persistency is 85% or less, there will be no points.	01 Point

Items	Minimum Qualifying Standard	Points, Provided Qualifying Standard Attained	
7 A *Reduction in Renewal Expense Ratio:* The Renewal Expense Ratio will be calculated by the statutory method, to two decimal places.		Points will depend on the reduction of the Renewal Expense Ratio compared with previous year in brackets of ½% of the Renewal Premium. For this purpose, the Renewal Premium will include second year and later policy year's premium. For each ½% reduction. Maximum 10 Points. *mples:* Reduction less than	01 Point 0 Point

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		½%.	
		Reduction at least ½% but less than 1%.	01 Point
		Reduction at least 4 ½% but less than 5%.	09 Points
		Reduction 5% or more.	10 Points
7 *Renewal Expense Ratio :* B Calculated by the statutory method, to nearer whole 1%. Note: 7A and 7B are alternatives. The Zone will get the benefit of whichever yields the higher points.		For Renewal Expense Ratio 13% or less.	10 Points earned.
		For each 1% in excess of 13%.	01 Point will be deducted.
		For Renewal Expense Ratio 23% or more.	0 Point
8 *Early Death Claim :* Early death claims mean death claims in the first two policy years. % - above actuarial expectation will be calculated to the nearer even %. The excess % will be calculated by number, and by sum insured. For the present purpose, the Arithmetic Mean of these two percentages will be used.		For early death claims within actuarial expecta-tion.	05 Points earned
		For every 2% above actuarial expectation.	01 Point deducted
		Example : If early death claims are 6% above actuarial expectation, deduct 03 Points from 05; thus resultant score is:	02 Points

Items	Minimum Qualifying Standard	Points, Provided Qualifying Standard Attained	
9 *Year-end Suspense as % of Year's 2nd and Later Year's Premiums :* Taken to the nearer whole %		Year-end Suspense as % of Year's 2nd & later Year's Premiums %age	Points
		1% or less	05
		2%	04
		3%	03
		4%	02
		5%	01
		6% or more	00

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Notes:

(i) Real Growth in FYP: This means growth in excess of inflation. For this purpose, inflation will be deduced from the official Consumer Price Index (CPI) for the 12 months ended 30th June last year. Premium figures will be taken from the computerized BPR. Single Premiums will be counted @ 6% of the Single Premium

(ii) Definition of Active SR: For the purpose of Item-2 of the point chart. Active SR is one who is a genuine professional who completed at least Rs 50,000 FTP in the last year under at least 12 policies on different lives, and had 2nd Year Persistency of at least 75% in the current year

(iii) Definition of Productive Quarter: A Productive Quarter is one in which the FYP is at least 20% of the total of the Zonal Area Manager's Annual FYP Quotas for that year. If there are any Sales Managers working directly and not through Area Managers, then 20% of their Annual FYP quotas for that year will also be added for this purpose.

Illustration: Zone Area Manager's total FYP for the full year Rs 100 Million.
20% of this is Rs 20 Million.

Therefore a Quarter in which the FYP was at least Rs 20 Million will be A Productive Quarter.

(iv) Extraordinary Performance: In respect of those Zones whose increase in FYP is such that they qualify for more than 25 points, the Corporation may at its discretion decide to award such outstanding performance outside the Performance Based Bonus Scheme.

(v) Each policy must be for at least the minimum premium prescribed by the Corporation for the relevant year

(vi) No 2nd year persistency requirement for new SRs recruited in the current year.

6. ***Extension to Regional Officer's Team:***

Regional Chiefs and Officers in the Region will constitute a Regional Officer's Team, and will get Performance Based Bonuses based on the above calculation for their Region as a whole.

7. ***Extension to Principal Office:***

Principal Office's Individual Life point score will be based on the above calculation for the Corporation's entire Pakistan Individual Life Business. Exception: In 7B, 10 Points will be allowed if the Renewal Expense Ration for the entire Corporation's Pakistan Business is 15% or less, instead of 13% or less for the Zones. 1 point will be deducted for each 1% in excess of 15% and PO will get Zero Points under 7B, if the Renewal Expense Ratio is 25% or more.

The share of bonuses of the following Principal Office Divisions will depend on Individual Life Business point score as per following:

- Marketing 90%
- Policy Holder Services 90%
- P&GS 85%
- F&A -do-
- Internal Audit -do-
- Computer -do-
- Actuarial -do-
- Law -do-
- Research & Analysis -do-

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8 *Conversion of Points Earned into Bonus:*

Bonuses will be percentage of the Officer's basic monthly salary as at the end of the relevant calendar year. As stated earlier, to build a Corporate Spirit, and also to ensure that even the worst Zone's Officers share in the overall progress of State Life, Regional and Zonal Officer's bonuses will depend half on their Region's or Zone's own performance, and half on the performance of State Life as a whole in Pakistan. Details are given below:-

For Regions and Zones :

A percentage equal to 05 times of (Half the Zone's score + half the PO's Individual Life score)

Illustration: A Zone earned 60 points for its performance in the current year, having completed the Minimum Qualifying FYP growth and 2nd Year Persistency requirements

Principal Office earned 50 points for its performance in the current year, having completed the Minimum Qualifying FYP growth and 2nd Year Persistency requirements.

The Zonal Head and Zonal Officers will get 05 times (½ x 60 + ½ x 50) = 275% of their December current year's basic monthly salaries (See Para-6 above for special treatment of Sub-Zonal/Sector Heads and Underwriters).

For Principal Office :

The multiplier of 5 will be applied to the whole of State Life's Individual Life Performance in Pakistan.

See para-8 above for treatment of certain Divisions whose bonuses depend partly on Individual Life and partly on Group.

9. *Date of Declaration of Officers' Bonuses:*

Officers' Bonuses will be announced as soon as the figures are available. Figures must be submitted by the Zones after the close of the year business so that they can be provided for in the Revenue Account for the current year.

10 *Pro-rated for Service during Part of a Year:*

If a participant in the Performance Bonus System worked for less than the full calendar year in the Team concerned, his bonus will be pro-rated according to the period served in the Team.

11 *General Conditions:*

- If new Zones are created, the system will be modified for them. If Zones are merged, the performance in the previous year of the merged Zones will form the base.
- In case of any doubt, if any, decision of Principal Office will be final and binding on all concerned.
- The Scheme may be withdrawn or amended by Principal Office at any time.

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Annexure-C-2

PERFORMANCE BASED BONUS PLAN FOR THE YEAR 2011

For Officers' Team of GULF ZONE

(With extensions to Principal Office)

1. *Zonal Officers will be a Team :*

All Zonal Officers would constitute a Team. Zones will be responsible for major elements affecting operational profitable growth.

The Performance Bonus Plan will Inshallah encourage balanced performance, and help to breakdown departmental and functional barriers. Marketing people will have a direct interest in quality and profitability aspects like persistency, renewal expenses ratio and early death claims. Underwriting, New Business, Accounts and other functional people will have a direct interest in the growth of FYP. Reduction of suspense will be taken into account.

2. *Area Managers have their own System :*

Area Managers have their own incentive system, and will not get the bonuses allocated to others.

3. *Minimum Qualifying FYP Growth and Second Year Persistency :*

There must be some growth in FYP in the current year over previous year. If a Sector or Zone fails to achieve growth, then there will be no bonus for the Sector Head/Zonal Officers Team/Principal Office International Team.

The Minimum Qualifying 2nd Policy Year Persistency must be at least 65% in the current year. If a Sector or Zone fails to achieve this, then no points will be earned by the Sector Head/Zonal Officers Team/Principal Office International Team.

4. *Point System – Summary :*

To ensure balanced performance, 7 items will be measured under a point system. There will be maximum of 80 points, allocated as follows :

Group-A :	*New Business and Regularity of Business :*	
1	% growth in FYP, net of inflation	30 Points
2	Regularity of New Business through out the year	05 Points
	Sub-Total Group-A :	35 Points
Group-B :	*Persistency :*	
3.	Second Year Persistency	15 Points
4	Third and later years Persistency	10 Points
	Sub-Total Group-B :	*25 Points*
Group-C :	*Expenses :*	
5A	Reduction in Renewal Expense Ratio	10 Points
	OR	
5B.	Level of Renewal Expense Ratio	10 Points
	Sub-Total Group-C :	20 Points

NOTE: 5A and 5B are alternatives. The Zone will get the benefit of whichever yields the higher points.

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Group-D : *Mortality :*

6 Mortality under Early Death Claims within Actuarial Expectation — 05 Points

Group-E: *Suspense :*

7 Year end Suspense as % year's 2nd and later years premiums — 05 Points

Total of Maximum Points. : 80 Points

5 *Points System – Details :*

	Items	Minimum Qualifying Standard	Points, Provided Qualifying Standard Attained	
1	*FYP :* Real % increase in FYP over previous calendar year calculated to nearer whole 1%	At least some real increase over the previous year.	For each ½% Real Increase. *Maximum 30 Points*	01 Point
2	Regularity of New Business Depends on number of 'Productive Quarters' See Note (ii) for definition of 'Productive Quarter'		No. of Productive Quarters: 04, 03, 02, 01	Points: 05, 03, 01, 00
3	*Second Year Persistency :* Calculated to nearer whole 1% Note: Single premium policies sold in the previous year will be excluded while calculating 2nd year persistency.	65% Note: The minimum qualifying standard is lower than the level over which points are earned (See next column).	For each 1% 2nd Year Persistency over 70%. *Maximum 15 Points*	01 Point

	Items	Minimum Qualifying Standard	Points, Provided Qualifying Standard Attained	
4	*Third and Later Policy Year's Persistency :* Calculated to the nearer whole %		For each 1% 3rd year and later policy year's persistency over 85%. *Maximum 10 Points* Note: If 3rd and later year's persistency is 85% or less, there will be no points.	01 Point
5A	*Reduction in Renewal Expense Ratio :* The Renewal Expense Ratio will be calculated by the statutory method, to two		Points will depend on the reduction of the Renewal Expense Ratio compared with previous year in brackets of ½% of	

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	decimal places		the Renewal Premium. For this purpose, the Renewal Premium will include second year and later policy year's premium. For each ½% reduction, 01 Point will be given up to a maximum of 10 Points. *mples :* Reduction less than ½%. — 0 Point Reduction at least ½% but less than 1% — 01 Points Reduction at least 4.5% but less than 5% — 09 Points Reduction 5% or more — 10 Points
5B	*Renewal Expense Ratio :* Calculated by the statutory method, to nearer whole 1%. Note: 5A and 5B are alternatives. The Zone will get the benefit of whichever yields the higher points.		If the Renewal Expense Ratio is 13% or less, 10 Points will be earned. For each 1% in excess 13%, 01 Point will be deducted. If the Renewal Expense Ratio is 23% or more, there will be Zero Points.

	Items	Minimum Qualifying Standard	Points, Provided Qualifying Standard Attained
6	*Early Death Claim :* Early death claims mean death claims in the first two policy years. % above actuarial expectation will be calculated to the nearer even %. The excess % will be calculated by number, and by sum insured. For the present purpose, the Mean of these two percentages will be used.		If early death claims within actuarial expectation, give. — 05 Points For every 2% above actuarial expectation, deduct. — 01 Point *Example :* If early death claims are 6% above actuarial expectation, deduct 03 Points from 05; resultant score is. — 02 Points
7	*Year-end Suspense as % of Year's 2nd and Later Year's Premiums :* Taken to the nearer whole %.		Year-end Suspense as % of Year's 2nd & later Year's Premiums — Points 1% or less — 05 2% — 04 3% — 03 4% — 02 5% — 01

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	6% or more	00

Notes:

(i) Premium figures will be taken from the BPR. In case of Single Premium Policies, 6% of the single premium will be counted towards FYP. All business i.e. US Dollar, UAE Dirham and Pak Rupee would be converted into US Dollars for the purpose of comparison and calculating growth for the year. Conversion rates would be as follows:

- US $ 1 = UAE Dirham 3.67
- US $ 1 = Pak Rupees Equivalent at the end of previous year, at the end of current year and at the end of each Qtr

(ii) Definition of Productive Quarter

A Productive Quarter is one in which the FYP is at least 20% of the total of the Gulf Zone Annual FYP for the year

Illustration

Gulf Zone's total FYP for the full year = US$ 10 Million.
20% of the above = US $ 2 Million.
Therefore, a Quarter in which the FYP was at least US $ 2 Million will be a Productive Quarter.

6. ***Special Treatment of Sector Heads & Underwriters:***

(1) Each Sector Head will earn maximum 60 points based on his own Sector's performance as follows

Group-A (New Business, Field and Regularity of Business)	35 Points
Group - B (Persistency)	25 Points
Total Points	60 Points

For all remaining items (Maximum 20 Points), he will get the points earned by their Zone.

The entire operations in the Gulf Countries would be treated as one Zone and UAE, Kuwait & Kingdom of Saudi Arabia would be treated as Sectors.

(2) For an Underwriter, the points under "Group-A:I % growth in FYP (maximum 30 Points), will be based on the performance of the Corporation as a whole and not the Zone's performance. For all remaining items (maximum 50 points), he will get the points earned by the Zone (Gulf Countries)

7. ***Extension to Principal Office:***

The share of bonuses of the following Principal Office Divisions will depend on Gulf Life Business point score as per following

Marketing	10%
Policy Holder Services	10%
P&GS	5%
F&A	-do-
Internal Audit	-do-
Computer	-do-
Actuarial	-do-
Law	-do-
Research & Analysis	-do-

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8 *Conversion of Points Earned into Bonus:*

Bonuses will be a percentage of the Officer's basic monthly salary as at the end of the relevant calendar year based on the performance of the International Division as a whole. Details are given below :

For Zone (Gulf Countries) :

A percentage equal to 05 times the Zone's score

Illustration The Zone earned 60 points for its performance in the current year, having completed the Minimum Qualifying FYP growth and 2nd Year Persistency requirements.

The Zonal Head, Zonal Officers will get 05 times the points earned by the Zone (5x60), i e 300% of the December current year basic monthly salaries

For Principal Office :

The percentage equal to 05 times the score of State Life's International Business (Gulf Countries) will be applied

9 *Date of Declaration of Officers' Bonuses:*

Officers' Bonuses will be announced as soon as the figures are available Figures must be submitted by the Zones after the close of the year business so that they can be provided for in the Revenue Account for the current year

10 *Pro-rated for Service during Part of a Year:*

If a participant in the Performance Bonus System worked for less than the full calendar year in the Team concerned, his bonus will be pro-rated according to the period served in the Team.

11 *General Conditions:*

- If new Zones are created, the system will be modified for them. If Zones are merged, the performance in the previous year of the merged Zones will form the base
- In case of any doubt, decision of Principal Office will be final and binding on all concerned
- The Scheme may be withdrawn or amended by Principal Office at any time

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Annexure-C-3

PERFORMANCE BASED BONUS PLAN FOR THE YEAR 2011

for Officers' Team of the INVESTMENT DIVISION

1 Measurement of this Division presents some conceptual problems. Therefore, their scheme will have only 40 points, unlike 80 points for individual Life and Group Life. The remaining points will be determined by taking 37 ½ % of PO's points for Pakistan Individual Life Business and 12 ½ % of PO's points for Pakistan Group Life Business. Thus a maximum total of 80 points will be built up as follows:

40 for Investment Division's own performance + 37 ½ % of 80 PO's points for Pakistan Individual Life Business + 12 ½ % of 80 PO's points for Pakistan Group Life Business = 80

2 Investment Division's own 40 points will be as follows:

No.	Item	Description	Max. points
(i)	"Increase or decrease in one-year return on new investments during the calendar year (excluding Equities, TFCs, Real Estate and Policy Loans) compared with average cut off yield on investments during the current year. See **Note** (i) and (ii)	For every 0 1% positive difference: 1 point	25
(ii)	Average for the three calendar years 2008, 2009 and 2010 of the following items: "One year return on State Life Equity Portfolio during the calendar year" minus "One year return on KSE Index during the calendar year" See Note (i)	For every 0.1% positive difference: 1 point	10
(iii)	Average of the following items for the three calendar years, i.e., current and the last two: "One year return on State Life TFC Portfolio during the calendar" minus "Weighted one year average market return on TFC during the calendar year, excluding TFCs issued before 1st January 2006"	For every 0.1% positive difference: 1 point	05
	Total points		40

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i) **'One year return'** will be calculated as follows.

Let A = Market value of portfolio at beginning of calendar year

Let B = Market value of portfolio at the end of calendar year

Let I = Interest and Dividends + realized capital gains – realized capital losses
+ unrealized capital appreciation
- unrealized capital depreciation
- all expenses including Investment Division cost during the calendar year

Then One year return = (2 x I) / (A + B - I), expressed as percentage

ii) **'Cut off yield'** means the last accepted bid of Government Securities on each auction.

Calculation of Points:

- Points will be calculated after closing of the books of accounts. All figures will be taken from the audited annual accounts.
- After adding 37 ½ % of 80 PO's points for Pakistan Individual Life Business + 12 ½ % of 80 PO's points of Pakistan Group Life Business, the total points will be multiplied by 5 to arrive at the bonus as a % of December current year basic salaries of Investment Divisions Officers.
- In case of any doubt or clarification, decision of Principal Office will be final and binding on all concerned.

3. The scheme may be withdrawn or amended by P.O. at any time.

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Annexure-C-4

PERFORMANCE BASED BONUS PLAN FOR THE YEAR 2011

for Officers' Team of the REAL ESTATE DIVISION

1 Measurement of this Division presents some conceptual problems. Therefore, their scheme will have only 40 points unlike 80 points for Individual Life and Group. The remaining points will be determined by taking 37 ½% of PO's points for Pakistan Individual Life Business and 12 ½% of PO's points for Pakistan Group Life Business. Thus a maximum total of 80 points will be built up as follows.

40 for Real Estate's own performance + 37 ½% of 80 PO's points for Pakistan Individual Life Business + 12 ½ % of 80 PO's points for Pakistan Group Life Business = 80 points

2 Real Estate's own 40 points will be as follows.

#	Item	Description	Max Points
(i)	Increase in Gross Rental Income (Minimum increase RS. 5 million)	1.5 points for every Rs.1 million increase in excess of Rs. 5 million.	15
(ii)	Increase in Rented Area (Minimum increase 5,000 sq ft)	1 point for every 1,000 sq ft exceeding 5,000 sq. ft.	10
(iii)	Recoveries of outstanding rent (more than 1 year old)	1 point for reduction of every Rs 0.5 million.	05
(iv)	Yield on investment (Net Income/Book Value excluding vacant plots), measured to nearer ½ % p.a	1 point for every ½ % yield	10
Total Points			40

Calculation of Points:

- Points will be calculated after closing of the books of accounts. All figures will be taken from the audited annual accounts of the Real Estate Division.
- After adding 37 ½ % of 80 PO's points for Pakistan Individual Life Business + 12 ½ % of 80 PO's points for Pakistan Group Life Business, the total points will be multiplied by 5 to arrive at the bonus as a % of December current year basic salaries of Real Estate Officers, irrespective of their place of posting.
- In regard to items 1 and 2, as decided by Principal Office equitable adjustments will be made to allow for any new space available on account of new buildings completed or purchased or space given up by the sale of any building.
- In case of any doubt or clarification, decision of Principal Office will be final and binding on all concerned.

3. The scheme may be withdrawn or amended by PO at any time.

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HELD AT KARACHI ON 10TH APRIL, 2012 TIME

DIRECTORS MINUTE BOOK

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STATE LIFE INSURANCE CORPORATION OF PAKISTAN
STATEMENT OF PREMIUM AND INVESTMENT INCOME

Annexure-D

Rupees in '000'

DESCRIPTION	PERIOD FROM 2007 TO 2011									
	2007	%	2008	%	2009	%	2010	%	2011	%
PREMIUM										
INDIVIDUAL LIFE									PROVISIONAL & UNAUDITED	
PAK AND PENSION FUND										
FIRST YEAR	3,698,391	16.62%	4,959,698	34.10%	6,952,114	40.17%	9,358,288	34.61%	11,641,911	24.40%
SECOND YEAR	2,737,173	24.58%	3,155,767	15.29%	4,310,672	36.60%	6,029,477	39.87%	8,010,929	32.86%
RENEWAL	8,844,632	23.33%	10,219,387	15.54%	12,572,496	23.03%	15,373,801	22.28%	19,257,846	25.26%
SUB TOTAL	15,280,196	21.85%	18,334,852	19.99%	23,835,282	30.00%	30,761,566	29.06%	38,910,686	26.49%
OVERSEAS LIFE FUND										
FIRST YEAR	155,120	0.46%	198,882	28.21%	244,154	22.76%	288,275	18.07%	348,101	20.75%
SECOND YEAR	114,737	-2.97%	149,811	30.57%	164,489	9.80%	197,101	19.83%	237,270	20.38%
RENEWAL	370,924	18.91%	479,513	29.28%	632,194	31.84%	686,593	8.60%	734,850	7.03%
SUB TOTAL	640,781	9.35%	828,206	29.25%	1,040,837	25.67%	1,171,969	12.60%	1,320,221	12.65%
GROUP	2,795,719	-2.46%	3,532,222	26.34%	3,490,787	1.17%	3,705,259	6.14%	4,771,954	28.79%
TOTAL PREMIUM	18,716,696	17.04%	22,695,280	21.26%	28,366,906	24.99%	35,638,794	25.64%	45,002,861	26.27%
INVESTMENT										
INVESTMENT INCOME	17,103,562	16.52%	18,696,912	9.32%	21,163,800	13.19%	26,983,889	27.50%	30,664,870	13.64%
LIFE FUND	156,737,302	13.61%	177,459,130	13.22%	199,445,285	12.39%	230,421,529	15.53%	270,070,312	17.21%
BONUS TO POLICYHOLDERS	9,940,073	17.70%	12,324,565	23.99%	15,533,042	26.03%	19,505,285	25.57%		
NUMBER OF POLICIES	2,348,79[illegible]		2,568,698		2,895,353		3,317,192		3,774,325 (Estimated)	

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Annexure E

MINUTES OF 9TH MEETING OF SOCIAL RESPONSIBILITY COMMITTEE HELD ON 4TH APRIL, 2012 AT KARACHI.

The 9th meeting of the Social Responsibility Committee of State Life Insurance Corporation of Pakistan was held on 4th April, 2012 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. Farooq Hadi — Director
3. Mr. Nihal Anwar — Director
   Mr. Akbarali Hussain — Secretary

LEAVE OF ABSENCE:

1. Mr. Tufail Shaikh — Director

ITEM (01) CONFIRMATION OF MINUTES OF 8TH MEETING OF THE SOCIAL RESPONSIBILITY COMMITTEE TOGETHER WITH IMPLEMENTATION REPORT.

2. The minutes of the 8th meeting of the Social Responsibility Committee of State Life Insurance Corporation of Pakistan held on 11th February, 2010 together with implementation report were placed before the Committee.

3. The minutes of the 8th meeting of the Social Responsibility Committee were duly signed by the Chairman State Life who had also presided over the 8th meeting. Regulation 3(9) of the State Life Insurance Corporation (General) Regulations, 1972, regarding meetings of the Board, states that the minutes of a meeting when signed by the person presiding over that meeting or by the person presiding over the next succeeding meeting shall be prima facie evidence of the matters stated therein. Since the Board of Directors of State Life was reconstituted vide Notification No.2(1)/2009/SLIC/BOD-INS, dated: 22nd February, 2012 of the Ministry of Commerce Government of Pakistan and as all the members accepting the Chairman were attending the meeting for the first time, after their nomination as Board Members, the minutes of the 8th meeting be treated as confirmed on the basis of the signature of the Chairman who presided over the 8th meeting and continues to be the Chairman and the signature of the Secretary Board certifying the minutes so recorded.

4. A implementation report on decisions taken at the 8th meeting of the Social Responsibility Committee was also submitted to the Board which was noted by the Board. .

5. Mr. Nihal Anwar proposed and Mr. Farooq Hadi seconded that the minutes of 8th meeting of the Social Responsibility Committee be confirmed.

6. Accordingly, it was resolved as under:

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RESOLVED:
"that the Minutes of 8th meeting of Social Responsibility Committee held on 11th February, 2010 are hereby confirmed on the basis of the signature of the Chairman who presided over the 8th meeting and continues to be the Chairman and the signature of the Secretary Board certifying the minutes so recorded."

ITEM (02) CONSIDERATION OF REQUEST FOR DONATION TO INDUS VALLEY SCHOOL OF ART & ARCHITECTURE KARACHI FOR SUPPORT/ASSISTANCE TO NEEDY STUDENTS.

7. A letter dated March 27, 2012 written by Ms. Samina Raees Khan, Executive Director, Indus Valley School of Art and Architecture, Karachi was placed before the Committee. The Executive Director requested State Life Insurance Corporation of Pakistan to kindly contribute to the financial assistance scheme and help the school to support poor and needy students for which the school was facing a shortfall of Rs.2.8 million in the year 2012.

8. Accordingly, It was resolved as under:

RESOLVED:
"that a donation of Rs.500,000 to Indus Valley Schools of Art & Architecture, Karachi, as State Life's contribution to the financial assistance scheme to help the school to support poor and needy students is hereby approved."

"that DH(F&A) is hereby authorized to allocate budget for the above donation and take all steps for making payment of the same."

"that a letter be written by DGM(GS) to Indus Valley School of Art & Architecture Karachi requesting them to provide information regarding name, academic details and progress of the students who would be availing the benefits under the financial assistance scheme. Such students would be named as State Life Scholars. The information as and when received by DGM(GS) from Indus Valley School of Art & Architecture Karachi be submitted to the Members of the Committee periodically.

ITEM (03) CONSIDERATION OF REQUEST FOR DONATION OF RS. ONE MILLION TO SARGODHIAN SPIRIT TRUST PUBLIC SCHOOL RASHIDABAD FOR FUND RAISER TO FINANCE 4 SCHOLARSHIP STUDENTS FOR ONE YEAR.

9. A letter dated 28th April, 2010 written by Mr. Amanullah Khan, Principal, Sargodhian Spirit Trust Public School Rashidabad, addressed to the Chairman, State Life was placed before the Committee, requesting for donation of Rs. One million apart from the Rs.200,000 that State Life had contributed in buying a table at the Fund Raiser. The donation of Rs. One million asked for was to finance 4 scholarship students for one year. The school exists entirely due to the inspired vision and commitment of a group of Old Boys of the PAF Public School Sargodha who in 1993 took the momentous decision to found a very particular kind of educational institution. The schools' aim would be to re-energise the spirit of PAF

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Public School Sargodha, to instill in their boys a commitment to public service and moral duty carried forward in a fair and resolute manner. The rural locations of the schools would give a socially broader access to a type of education hitherto limited to the urban elite.

10 The Committee considered the above request, however in view of resources constraints, it decided that it would not be possible to accede to the above request.

ITEM (04) CONSIDERATION OF REQUEST FOR DONATION TO ZIAUDDIN UNIVERSITY KARACHI FOR FINANCIAL SUPPORT TO 10 MEDICAL STUDENTS FOR 5 YEARS AMOUNTING TO RS.25 MILLION.

11. A letter dated 18th June, 2010 written by Dr. Asim Hussain, Chancellor, Ziauddin University, Karachi, addressed to the Chairman, State Life was placed before the Committee, requesting for financial support/scholarships to 10 medical students for 5 years amounting to Rs. 25 million (Rs.500,000 per student per annum). The University, which is not-for-profit institution, is currently offering degree programmes in Medicine (MBBS), Dentistry (BDS), Pharmacy (D.Pharm), Medical Technology, Physical Therapy, Nursing and Speech Therapy. The students presently on roll in different programmes have been selected on merit as per the laid down admission criteria. The University is providing financial support to the economically challenged, deserving students. This year the University awarded financial assistance to the tune of Rs.31,38,750 to the students in different programmes from its own sources. The financial assistance is awarded to the students after critical review of their applications for establishing the need and extent of support required.

12. Accordingly, It was resolved as under:

RESOLVED:

"that a donation of Rs.500,000/- per annum for five years to Ziauddin University, Karachi being cost of financial support to one medical student is hereby approved."

"that a letter be written by DGM(GS) to Dr. Ziauddin University, Karachi requesting them to provide information regarding name, academic details and progress of the student who would be availing the benefits under the financial assistance scheme. The student would be named as State Life Scholar. The information as and when received by DGM(GS) from Dr. Ziauddin University be submitted to the Members of the Social Responsibility Committee periodically."

"that DH(F&A) is hereby authorized to allocate budget for the above donation and take all steps for making payment of the same."

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ITEM (5) CONSIDERATION OF REQUEST FOR DONATION OF RS.10 MILLION TO FORMAN CHRISTIAN COLLEGE AWARDED UNIVERSITY STATUS IN 2004 TO SUPPORT THE CAMPAIGN INCLUDING SCHOLARSHIP SUPPORT TO STUDENTS, FULLY EQUIPPING NEW BUILDING AND THE NEW SCIENCE BUILDING AND THE COMPLETION OF THE NEW HOSTEL FOR WOMEN, A NEW CAMPUS CENTRE, EXPANSION AND RENOVATION OF A BUILDING OF CLASS ROOM AND ADMINISTRATION AND FUNDS FOR ENDOWMENT.

13. A letter dated April 08, 2011 addressed to the Chairman was received from Mr. Peter H. Armacost, Rector, Forman Christian College, Lahore requesting State Life for a grant of Rs.10,706,500/- payable by State Life over a three year period of time for scholarship support for 75 students with 45 in BA/B.sc. programmes and 30 in the B.Sc. Business program. and will be pleased to recognize generosity by naming the State Life Executive Lounge.

14. The State Life Scholars will be selected as deserving and needy students who demonstrate potential to be leaders in business and the civil society and good citizens of Pakistan. The State Life Scholars will be asked to sign an undertaking saying that if and when they are established in their career and able to do so, they will provide scholarship support for students at Forman Christian College. The goal of the college include scholarship support for students, fully equipping the new business building and the new science building; the completion of a new hostel for women, a new campus center, expansion and renovation of a building for classrooms and administration and funds for the endowment.

15. Accordingly, it was resolved as under:

RESOLVED:
"that a donation of Rs.1,000,000/- (Rupees One Million) to Forman Christian College, Lahore, as State Life's contribution to the scholarship fund to help the College to support poor and needy students is hereby approved."

"that DH(F&A) is hereby authorized to allocate budget for the above donation and take all steps for making payment of the same."

"that a letter be written by DGM(GS) to Forman Christian College, Lahore requesting them to provide information regarding name, academic details and progress of the students who would be availing the benefits under the financial assistance scheme. Such students would be named as State Life Scholars. The information as and when received by DGM(GS) from Forman Christian College, Lahore be submitted to the Members of the Social Responsibility Committee periodically."

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ITEM (06) CONSIDERATION OF REQUEST FOR AWARD OF A GOLD MEDAL AND CASH PRIZE OF RS.50,000 TO THE BEST ACTUARIAL SCIENCE AND RISK MANAGEMENT GRADUATING STUDENT AT INSTITUTE OF BUSINESS MANAGEMENT'S CONVOCATION WITH EFFECT FROM 2011.

16. A letter dated March 22, 2011 addressed to the Chairman, State Life was received from Mr. Shahjehan S. Karim, President, Institute of Business Management, Karachi, expressing thanks for chairing and inaugurating the session of Institute of Business Management fifth Colloquium on Forecasting: its applications in Business, Computer Science, Economics, Finance and Management and requesting an yearly award of a Gold Medal and Cash Prize of Rs.50,000 to the best Actuarial Science and Risk Management graduating student at IoMB's convocations with effect from 2011.

17. Accordingly, it was resolved as under:

RESOLVED:

"that a yearly Award of a Gold Medal and Cash Prize of Rs.50,000 by State Life to Institute of Business Management for the best Actuarial Science and Risk Management graduating student at IoBM's Convocations, w.e.f. 2011 onwards is hereby approved."

"that DH(F&A) is hereby authorized to allocate budget for the above donation and take all steps for making payment of the same."

"that a letter be written by DGM(GS) to Institute of Business Management requesting them to provide information regarding name, academic details and progress of the students who would be awarded a Gold Medal and cash prize of Rs.50,000 as the best Actuarial Science and Risk Management graduating students at IoBM's Convocation. Such students would be named as State Life Scholars. The information as and when received by DGM(GS) from Institute of Business Management be submitted to the Members of the Social Responsibility Committee periodically."

ITEM (07) POST FACTO APPROVAL FOR ONE TIME DONATION OF RS.200,000 GIVEN TO AL-MUSTAFA TRUST, RAWALPINDI CANTT TO MEET THE EXPENSES TOWARDS PURCHASE OF MEDICAL EQUIPMENTS AND MEDICINES FOR PATIENTS.

18. A letter dated 21st September, 2011addressed to the Chairman, State Life was received from Lt. Gen. Ghulam Muhammad Malik (Retd) of Al Mustafa Trust, Rawalpindi Cantt requesting State Life for donation of Rs.500,000 for purchase of medical equipment or medicines for patients. Lt. Gen. Ghulam Muhammad Malik also visited the officer of the Chairman, State Life on 16th September, 2011 to pursue the case.

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19. Al Mustafa Trust was registered with the Government of Pakistan under Registration Act 1882 on September 5, 1988 with endowment in Pakistan and abroad. The mission of the Trust is to provide primary health care free of cost to

the poor and needy people and at reduced rates to those who can afford to make partial payment. The objectives of Al Mustafa Trust is to establish medical centres for effective primary medical care of poor and needy people, arrangement of free specialists medical consultancy and provision of essential diagnostic and specialized facilities and to launch health awareness programme for prevention and control of diseases.

20. The Social Responsibility Committee had authorized the Chairman, State Life at its 4th meeting held on 8th November, 2007 to approve donation/contribution upto Rs. 2 lacs for each case. All such cases will be placed before the next meeting of Social Responsibility Committee for information.

21. The Chairman State Life had then approved a sum of Rs.200,000 for donation to Al Mustafa Trust, Rawalpindi Cantt for purchase of medical equipment or medicines for patients subject to post facto approval of the Social Responsibility Committee.

22. It was resolved as under

RESOLVED:
"that post facto approval for payment of Rs.2,00,000/- approved by the Chairman as donation to Al Mustafa Trust, Rawalpindi Cantt for purchase of medical equipment or medicines for patients is hereby approved."

ITEM (8) CONSIDERATION OF REQUEST FOR FINANCIAL ASSISTANCE TO EDUCATION TRUST NASRA SCHOOLS FOR TEACHERS TRAINING AND SCHOLARSHIP FOR HIGHER SECONDARY STUDENTS OF 5 CAMPUSES .

23. A letter dated April 3, 2012 addressed to the Chairman, State Life was received from Amir S. Fancy, Managing Trustee, Education Trust Nasra Schools requesting State Life to give scholarship for 20 students to encourage and help them in their further studies and to meet the training cost of their teachers for under taking training from the Aga Khan University Institute for development. The training to the teachers will be delivered through practical approaches and theories will be integrated in the class room discussions.

24. The Education Trust was established in 1949 with the objective to provide education facilities to children of low income families. The Trust is presently running 25 pre primary, primary, secondary and higher secondary schools located in purpose built premises in low income area of Karachi i.e. Soldier Bazar, Malir, Korangi and Super highway and North Karachi which are well equipped and have science and computer laboratories.

25. After deliberation, it was resolved as under:

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RESOLVED:

"that a donation of Rs.500,000- (Rupees five hundred thousand) by State Life to Education Trust Nasra Schools to meet the tuition fee of students under financial assistance scheme to support poor and needy students and

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to meet the training cost of senior teachers of the school for early childhood education system from Aga Khan University Institute for Educational Development is hereby approved."

"that DH(F&A) is hereby authorized to allocate budget for the above donation and take all steps for making payment of the same."

"that a letter be written by DGM(GS) to Education Trust Nasra Schools requesting them to provide information regarding name, academic details and progress of the students and teachers who would be availing the benefits under the financial assistance scheme. Such students and teachers would be named as State Life Scholars. The information as and when received by DGM(GS) from Education Trust Nasra School be submitted to the Members of the Social Responsibility Committee periodically."

26. The meeting ended with a vote of thanks to the chair.

Sd/-
(CHAIRMAN)

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