

MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	30 <sup>TH</sup> APRIL, 2012	

CONFIDENTIAL AND RESTRICTED

The 225<sup>th</sup> Meeting of the Board of Directors of State Life Insurance Corporation of Pakistan was held on Monday, 30<sup>th</sup> 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. Hussain Lawai       | Director        |
| 3. Mr. Farooq Hadi         | Director        |
| 4. Mr. Wazir Ali Khoja     | Director        |
| 5. Mr. Nihal Anwar         | Director        |
| 6. Mr. Tufail Shaikh       | Director        |
| 7. Mr. Furqan A. Shaikh    | Director        |
| Mr. Akbarali Hussain       | Secretary Board |

LEAVE OF ABSENCE:

- |                           |          |
|---------------------------|----------|
| 1. Mr. Kamran Ali Qureshi | Director |
|---------------------------|----------|

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

ITEM (1) CONFIRMATION OF MINUTES OF 224<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS.

3. The minutes of the 224<sup>th</sup> meeting of the Board of Directors held on 10<sup>th</sup> April, 2012 were placed before the Board.

4. Mr. Husain Lawai, Director informed the Board that the total financial impact of the agreement signed with CBA for the years 2011 and 12 would be Rs.353.12 million approximately for the first year as has been mentioned in para-34 of page-3590 of the minutes of 224<sup>th</sup> meeting of the Board of Directors.

5. Mr. Nihal Anwar, Director proposed and Mr. Wazir Ali Khoja, Director seconded that the minutes of 224<sup>th</sup> meeting of the Board of Directors be confirmed.

6. Accordingly, it was resolved as under:-

RESOLVED:

"that the Minutes of 224<sup>th</sup> meeting of Board of Directors held on 10<sup>th</sup> April, 2012 are confirmed."

ITEM (2) IMPLEMENTATION REPORTS ON DECISION TAKEN IN 224<sup>TH</sup> MEETING OF BOARD HELD ON 10<sup>TH</sup> APRIL, 2012.

7. Implementation report of 224<sup>th</sup> meeting held on 10<sup>th</sup> April, 2012 of the Board of Directors were placed before the Board which were noted.

CHAIRMAN'S  
INITIALS

*[Signature]*

Action:  
Secretary  
Board

F&GS  
F&A  
Division

MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	30 <sup>TH</sup> APRIL, 2012	
<p>Action: All EDs All DHs F&amp;A Division</p> <p>Action: P&amp;GS Legal F&amp;A Division</p> <p>Action: P&amp;GS Legal F&amp;A Division</p> <p>Action: P&amp;GS Legal F&amp;A Division</p>	<p>8. The Board while reviewing the implementation report on the decisions taken in the 224<sup>th</sup> meeting of the Board of Directors resolved as under:</p> <p><u>Resolved</u></p> <p>a) "that the delegation of financial powers be reviewed in house by the Executive Directors and concerned Divisional Heads and finalized draft be submitted to the Board of Directors at its next meeting for review and approval."</p> <p>b) "that the matter of giving option to the officers of State Life as to whether they would like to revert back to the old pension scheme or continue with the present scheme, after restoration of old pension scheme in accordance with the judgement of the Lahore High Court upheld by the Supreme Court should be vetted by a well reputed lawyer on service matters."</p> <p>c) "that after review of the legal advice dated 20-04-2012 received from Mohsin Tayabaly &amp; Co. Corporate Legal Consultants in respect of monetization of transport facility, the Board approved that status quo be maintained in respect of vehicles provided to the Executive Directors and General Managers as mentioned in The State Life (Service) Regulations, 1973 The State Life Directors (Remuneration) Rules 1973 as any departure from the above can not be made by the Directors of the Corporation until and unless appropriate amendments are made in the above."</p> <p>d) "that a Position Paper giving therein full details of the existing cases including VRSS together with significant liability that may arise in case of any adverse decision be submitted to the Board at its next meeting."</p> <p>ITEM (3) CONSIDERATION AND APPROVAL OF MINUTES OF 43<sup>RD</sup> MEETING OF BOARD AUDIT COMMITTEE HELD ON 27<sup>TH</sup> APRIL, 2012.</p> <p>9. The minutes of the 43<sup>rd</sup> meeting of Board Audit Committee held on 28<sup>th</sup> April, 2012 were presented before the Board of Directors for consideration and approval of decisions/recommendations made by the Committee. A copy of the minutes duly signed by the Chairman (BAC) was placed at Annexure-A to the Minutes.</p> <p>10. Accordingly, the Board resolved as under:</p> <p><u>RESOLVED:</u></p> <p>a) "that the minutes of 43<sup>rd</sup> meeting of Board Audit Committee held on 28<sup>th</sup> April, 2012 together with the following observations/recommendations are approved:-"</p> <p>b) "that copy of the legal opinion given by the Legal Affairs Division as per which interest is not payable to the Bureau of Emigration and Overseas Employment after notice of termination of Fund Management agreement by the Bureau, be furnished before the Board together with a certificate from F&amp;A Division that they will be no further liability on State Life Insurance Corporation of Pakistan."</p>		


CHAIRMAN'S INITIALS





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DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	30 <sup>TH</sup> APRIL, 2012	
P&GS F&A	c) "that P&GS Division should explain their position in the next Board meeting as to why F&A Division was not informed to make provision in respect of restoration of officers pension scheme 1984 in the final accounts of the Corporation for the year 2010."		
F&A Investment	d) "that the Corporation should frame policy/SOPs for making provision in the annual accounts and approved that 50% provision be made for outstanding amount of First Dawood Investment Bank Ltd in the final accounts for the year 2011."		
IA&C F&A	e) "that Anti Fraud Programme and Controls (including a whistle blowing policy for reporting of frauds and protection of whistle blower) should be implemented in State Life Insurance Corporation of Pakistan."		
PHS F&A IA&C	f) "that DH(PHS) and Statutory Auditors should jointly looked into the matter of unreconciled subsidiary records and submit a report to the Board of Directors in its next meeting."		
P&GS F&A	g) "that P&GS Division should submit report regarding non-maintenance of fixed assets registers as per prescribed formats."		
Legal RE	h) "that the Management should investigate into the matter of lack of coordination in respect of court cases because of which centralized list is not available and inquire into the matter of a State Life property in Faisalabad pending in court and submit a report in the next meeting for Board Audit Committee."		
Legal F&A IA&C	i) "that the Management should frame a comprehensive policy as to procedure for identification and reporting of contingent liability in the financial statement and submit the same in the next meeting of Board Audit Committee."		
F&A IA&C	j) "that as recommended by the Board Audit Committee the final audited accounts of the Corporation for the year 2011 was approved."		
	<b>ITEM (4) APPROVAL OF STATE LIFE'S ANNUAL ACCOUNTS TOGETHER WITH AUDITORS REPORT AND MANAGEMENT LETTER THEREON FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2011.</b>		
	11. Executive Director(F&A) presented before the Board, a Memorandum dated 25 <sup>th</sup> April, 2012 regarding State Life Audited Annual Accounts for the year ended December 31, 2011 together with the auditor's report to the members thereon and the auditor's letter to the Board of Directors containing their observations on the audited accounts.		
	12. Divisional Head(F&A) submitted to the Board, the 39 <sup>th</sup> Annual Report on the operations of State Life Insurance Corporation of Pakistan for the year ended December 31, 2011 comprising of the audited financial statements/regulatory returns: (a) Financial Statements; Balance Sheet, profit & Loss Account, Statement of Changes in Equity, Revenue Account, Statement of Premium, Statement of Claims, Statement of Investment Income, Statement of Expenses, Statements of		

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<p>Cash Flows and (b) Regulatory Returns: Statement of Assets for Solvency, Classified Summary of Assets in Pakistan, Statement of Maximum Management Expenses limits U/S 22(9) and 23(9) of Insurance Ordinance, 2000 prescribed by SECP.</p> <p>13. Chairman, Board Audit Committee informed the Board that the Board Audit Committee in its 43<sup>rd</sup> meeting held on 28<sup>th</sup> April, 2012 had considered the audited accounts in detail. Letter of the Auditors to Board of Directors was also discussed at length. The Board Audit Committee accordingly had made certain observations and recommendations which have been recorded in the Minutes of the Board Audit Committee. The minutes of the Board Audit Committee of the 43<sup>rd</sup> meeting held on 28<sup>th</sup> April, 2012 was submitted to the Board.</p> <p>14. ED(F&amp;A) informed that the accounts of the Corporation for the year ended 31<sup>st</sup> December, 2011 were jointly audited by a panel of statutory auditors namely:</p> <ul style="list-style-type: none"> <li>i) M/s. Riaz Ahmad &amp; Co., Chartered Accountants, Lahore.</li> <li>ii) M/s. Anjum Asim Shahid Rahman, Chartered Accountants, Karachi.</li> </ul> <p>Above panel of auditors were appointed in pursuant to Article 28 of Life Insurance (Nationalization) Order, 1972.</p> <p>15. Accounts of Gulf Zone of the Corporation were audited by M/s. Sajjad Haider &amp; Co., Chartered Accountants, Dubai, UAE.</p> <p>16. Operating results of State Life Insurance Corporation of Pakistan for 2011 in comparison to figures of 2010, details of Investment Portfolio of Pakistan Life Fund, Overseas Life Fund and for the Corporation provisions, adjustments and additions to Investment Portfolio made during 2011 for which specific approval of the Board of Directors is required, maximum management expenses limits for the year 2011, comparative figures of profit and loss account of Shareholders' Fund for 2010 and 2011 were given in Annexure-1 to Annexure-8 of the Memorandum.</p> <p>17. A set of audited Annual Financial Statements/Regulatory Returns for the year 2011 mentioned in above para, duly initialed by the Statutory Auditors, alongwith Notes to accounts and Auditors' Report thereon, was enclosed for consideration. A copy of letter addressed to the Board of Directors received from auditors containing their observations was also attached with the Memorandum for perusal of the Board.</p> <p>18. The Board was requested to consider and approve financial statements/regulatory returns for 2011, mentioned in above, alongwith notes to the accounts and Auditors' Report thereon as well as amount of provisions, adjustments and additions to Investment Portfolio mentioned in Annex-6 of the Memorandum.</p> <p>19. The Board was also requested to nominate two directors to sign alongwith the Chairman and Executive Director (F&amp;A), financial statements/regulatory returns for</p>			

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<p>2011 after the same are considered and approved by the Board of Directors.</p> <p>20. The letter of the Statutory Auditors was discussed and necessary directions were issued to the Management for improvement as suggested by the external auditors. Chairman Board Audit Committee recommended to the Board of Directors that the accounts may kindly be approved.</p> <p>21. To a query by a Member of the Board, the DH(Investment) submitted details of bank deposits with various banks and the period and rate of mark up thereon. DH(Investment) also informed the Board that the yield on foreign fixed income securities, T-Bills and bank deposits was 7.27%, 17.78% and 13.30% respectively for the quarter ended 31<sup>st</sup> March, 2011. The Board was informed that mark up was received on daily product basis from HBL and UBL.</p> <p>22. The Board appreciated the performance of the Chairman and Members of the investment Committee in securing the best possible mark up rates prevalent in the market with respect to placement of funds in bank deposits.</p> <p>23. The Board was informed that the global bench mark for second year persistency was 82% and 88% for third and later year persistency was 82% and 88% respectively whereas State Life achieved 85.4% second year persistency and 89.3% third and later year persistency.</p> <p>24. DH(F&amp;A) informed the Board that State Life share of premium in the market has increased from 66% in 2008 to 68% in 2011.</p> <p>25. The Chairman informed the Board that the Government of Pakistan had agreed to increase the paid up capital to meet the requirements of UAE to be contributed from the dividend entitlement of the Government. A letter has also been written to UAE Insurance Regulator to allow two years moratorium to State Life for increasing paid up capital and it is expected that they would agree to the same. Furthermore, meeting has been held with the Saudi Arabian Monetary Authority (SAMA) in respect of requirement of local insurance laws and efforts are on for entering into an arrangement with the local investors for undertaking insurance business in Saudi Arabia.</p> <p>26. Accordingly, the Board resolved as under:</p> <p><b>RESOLVED:</b></p> <p>a) "that the (a) Financial Statements comprising of Balance Sheet, Profit &amp; Loss Account, Statement of Changes in Equity, Revenue Account, Statement of Premium, Statement of Claims, Statement of Investment Income, Statement of Expenses and Statements of Cash Flows and (b) Regulatory Returns comprising of Statement of Assets for Solvency, Classified Summary of Assets in Pakistan, Statement of Maximum Management Expenses limits U/S 22(9) and 23(9) of Insurance Ordinance, 2000 prescribed by SECP alongwith notes to the Accounts and Auditor report thereon as well as amount of provisions, adjustments and additions to investment portfolio for the year ended 31<sup>st</sup> December, 2011, are approved."</p>			

Action:  
F&A  
Division


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**MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS MINUTE BOOK	HELD AT KARACHI	ON 30 <sup>TH</sup> APRIL, 2012	TIME
Action: F&A Division	b) "that the provisions, adjustments, additions and disposal and transactions incorporated in the financial statements mentioned at Annexure-B to the audited account for the year ended 31 <sup>st</sup> December, 2011 and Annexure-6 to the Memorandum and Annexure-B-1 to Annexure-B-8 to the minutes, are approved."		
Action: F&A Division	c) "that the Chairman, State Life Mr. Shahid Aziz Siddiqi, Mr. Wazir Ali Khoja, Director, Mr. Farooq Hadi, Director and Ms. Yasmin Saud, Executive Director(F&A) are hereby authorized to sign the financial statements and regulatory returns for the year 2011 approved by the Board of Directors at (a) above."		
Action: P&GS Act/Mkt	d) "that the Research and Analysis Division be upgraded to undertake development of new products and plans to be marketed by State Life including Unit Linked Policies."		
Action: P&GS	e) "that a Training Programme be developed for career development of the employees of the Corporation."		
Action: PHS/Mkt	f) "that a scheme be developed whereby lapsed policies could be revived without payment of late fees in the flood affected areas."		
Action: PHS/Mkt	g) "that efforts should be made for sale of annuity policies to the professionals by the Marketing Division."		
	<b>ITEM (5) BUDGET PROPOSALS FOR THE YEAR 2012 AND ACTUAL RESULTS FOR THE YEAR 2011.</b>		
	27. Executive Director (F&A) presented before the Board a Memorandum dated 24 <sup>th</sup> April, 2012 of Budget Proposals for the Corporation containing (i) Actual Results for 2010 (ii) Approved Budget for 2011 (iii) Actual Results for 2011 and (iv) Proposed Budget for 2012.		
	28. ED(F&A)/DH(F&A) explained the salient features of the budget proposals in the presentation on multi media and replied to the different queries raised by the Members of the Board.		
	29. Board of Directors was requested to consider Budget Proposals for 2012 and Actual Results for 2011, as proposed in para 3 and 5 of the Memorandum.		
	30. The Board of Directors was also requested to consider and authorize Executive Director (F&A) to make re-appropriation of budget among different heads for revenue expenses/capital expenditure, in case a need for such re-appropriation arises within the overall total amount of budget approved by the Board.		
	31. To a query of a Member of the Board, DH(F&A) confirmed that the management expenses were within limits prescribed by SECP.		
	32. The Board desired that in future assumptions based on which the budget is prepared be mentioned in the Memorandum to the Board.		
	33. After deliberations, the Board resolved as under:		

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*[Signature]*



MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	30 <sup>TH</sup> APRIL, 2012	
<p>Action: F&amp;A Division</p> <p>Action: F&amp;A Division</p>	<p><b>RESOLVED:</b></p> <p>(a) "that as proposed by ED(F&amp;A), the budget proposals in respect of Income, Outgo, Life Fund, Renewal Expense Ratio and Capital Expenditure for the year 2012 and actuals for 2011 given in para 3, 4 and 5 of the Memorandum dated 24<sup>th</sup> April, 2012 and Annexures-C-1 to C-2 to the Minutes are hereby approved."</p> <p>(b) "that ED(F&amp;A) is authorized to make re-appropriation of budget among different heads of revenue expenses/capital expenditure, in case a need for such re-appropriation arises within the overall total amount of budget approved by the Board."</p> <p><b>ITEM (6) ACTUARIAL VALUATION FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2011 TOGETHER WITH RECOMMENDED BONUS TO POLICYHOLDERS.</b></p> <p>34. Mr. Shujat Siddiqui, Appointed Actuary and Mr. Faisal Mumtaz, Divisional Head(Actuarial) joined the meeting. Divisional Head (Actuarial) gave a presentation on the salient features of Actuarial Valuation for the year 2011.</p> <p>35. Appointed Actuary presented before the Board a Memorandum dated 25<sup>th</sup> April, 2012 containing actuarial valuation report of policyholders liabilities of Pak Rupee and Foreign Currency business of Pakistan Life Fund, Overseas Life Fund and Pension Fund as at 31<sup>st</sup> December, 2011 for consideration and approval.</p> <p>36. The Appointed Actuary pointed out that despite the general reduction in personal savings resulting from high inflation and other factors, the Corporation has depicted a commendable growth in individual as well as group business.</p> <p>37. The Corporation has achieved a growth of about 24.18% in the individual life first year premium. The growth in the Group Life premium was 20.16%. This is commendable and the efforts of the management and the field force need to be appreciated. The increase in the total premium collection was about 25%(24.97%).</p> <p>38. The Appointed Actuary recommended that the bonus to be allocated to the policyholders has risen from Rs.18.595 billion in 2010 to Rs.23.454 billion in 2011 showing an increase of 26.1%. The bonus recommended to policyholders was Rs.9.503 billion in 2007 which rose to Rs.14.574 billion in 2009. On a similar note the share of government in the actuarial surplus has risen from Rs.499.35 million in 2010 to Rs.660 million in 2011 showing an overall increase of 32.18%. Similarly the size of life fund has increased significantly during the year by around 39 billion and it has reached to Rs.269 billion in 2011 as compared to Rs.234 billion in 2010 showing an increase of around 17% which is the highest increase in last four years.</p> <p>39. The Board Members highly appreciated the overall performance of the Corporation during the year 2011 and commended the Chairman Mr. Shahid Aziz Siddiqi under whose able leadership and guidance this impressive growth has been made possible.</p> <p>40. For 2011 the Corporation's expenses were within the prescribed limits. For 2012 also, in view of the relaxation given by SECP, the expenses are expected to</p>		

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DIRECTORS	HELD AT	ON	TIME
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	<p>be within prescribed limits. The Corporation is actively considering various approaches to reduce acquisition costs and management expenses. The introduction of the bancassurance channel is also expected to have a favourable impact on the first year as well as renewal expense ratios.</p> <p>41. The Group premium during 2011 at Rs 4.494 billion, depicts an increase of 20.16% over the 2010 figure showing a significant increase as compared with the preceding year. The Group profitability during 2011 was over 7.4% compared with 5.4% in 2010.</p> <p>42. The Corporation is currently writing conventional business only. To keep pace with the changing times and the needs of the potential policyholders, the Appointed Actuary suggested that the management may consider embarking on investment linked products which are presently in high demand. This line of business will help the Corporation to maintain its market share.</p> <p>43. The Corporation has started Health Insurance Business from 2012. For this purpose a separate Accident and Health Business Statutory Fund has been established with the approval of the SECP. Further, the Corporation has also signed an Agreement with a major bank for Bancassurance business.</p> <p>44. On a solvency and capital adequacy basis, the Corporation has sufficient reserves to support policyholder liabilities.</p> <p>45. The position of Surplus figure for Pakistan Life Fund, Overseas Life Fund and Pension Fund, Growth of Individual Life and Group Premium, Expense Limit prescribed by SECP and statistical summary is placed at Annexure-D-1 to D-2 to the minutes.</p> <p>46. Bonus recommendations for the inter-valuation period are attached as Annexures A, B and C with this memorandum. The Board is requested kindly to approve the above recommendations of bonuses for Pakistan and Overseas businesses.</p> <p>47. The Board appreciated the performance of the Actuarial Division for the completion of the actuarial valuation within the stipulated time and the technical support extended to the Appointed Actuary for carrying out various analysis in the valuation process.</p> <p>48. Accordingly, the Board resolved as under:</p> <p><b>RESOLVED:</b></p> <p>"that the Actuarial Valuation and Bonus recommendations as proposed by Appointed Actuary in Annexures-A to C of his Memorandum dated 25<sup>th</sup> April, 2012 in respect of Pakistan Rupee business, Foreign Currency business and Specified Major Surgical Benefits to Pakistan Rupee business and Foreign Currency policyholders for the year ended December 31, 2011, are approved."</p>		

Action:  
Actuarial/  
PHS  
Division

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INITIALS

*[Signature]*



MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS MINUTE BOOK	HELD AT KARACHI	ON 30 <sup>TH</sup> APRIL, 2012	TIME
<p>ITEM (7) <u>PROJECT DOCUMENT FOR GROUP HEALTH INSURANCE BUSINESS.</u></p> <p>49. Executive Director (Health Insurance) presented before the Board, a Memorandum dated 09-04-2012 regarding Project Document for Group Health Insurance Business.</p> <p>50. The Chairman briefed the Board on the group health insurance business being undertaken by State Life in collaboration with Benazir Income Support Programme. The Chairman informed the Board that the Government of Pakistan has contributed a sum of Rs. 350 million for setting up Health and Accidental Insurance Statutory Fund and necessary approval has been obtained from SECP in this regard. The Health Insurance Scheme would be launched in four Districts i.e. Faisalabad, Nowshera, Badin and Quetta in the province of Punjab, Khyber Paktunkhwa, Sindh and Baluchistan. A pilot project has been launched in Faisalabad after success of which the project will be extended to the other Districts.</p> <p>51. State Life quoted a premium rate of Rs. 2,250/ per family per annum which was accepted by BISP. State Life entered into an agreement with Benazir Income Support Program (BISP) on 2<sup>nd</sup> February 2012 to provide Health Insurance in-patient hospitalization facilities to 319,000 members of 43,763 families enrolled under BISP Waseela-e-Sehat Health Insurance Scheme in Faisalabad District to be launched on 16.04.2012. State Life has received a premium amount of Rs. 98.509 million from BISP.</p> <p>52. State Life shall pay the Hospitalization and Related benefit expenses upto a maximum of Rs 25,000/ (Rupees twenty five thousand) per insured family per annum.</p> <p>(i) Hospitalization &amp; Related benefits All medical and necessary treatment and services provided by or on the order of a physician to the insured person when admitted as a registered in-patient in an Empanelled Hospital. Cover includes Hospital accommodation ( up to the cost of the general ward), nursing care, diagnostic, laboratory or other medically necessary facilities and services, physician's /surgeon's/anesthetist's or physiotherapist's fees, operating theater charges, intensive care unit charges, specialist consultations or visit and all drugs, dressing or medications prescribes by the treating physician for in-hospital use.</p> <p>(ii) Maternity benefit Ante-natal, childbirth and post -natal treatment for eligible Beneficiaries, to the extent of the limit. Complications are also covered.</p> <p>(iii) Day Care Surgeries The cover provided through Hospital &amp; Related (H&amp;R) services benefit extends to include Day Care Surgery.</p> <p>53. A statement of receipt and expenses of the scheme is given below:-</p> <p>A. RECEIPT:</p> <p>1. State Life has received a premium amount of Rs. 98.509 million from BISP to administer health insurance project in Faisalabad district.</p>			

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2. State Life has received seed money of Rs. 350 million from Government of Pakistan for establishing Health and Accident Statutory Fund to commence Health Insurance business, The breakup of which is as under:

(a) Estimated solvency Margin Rs.320 million  
(b) Capital Expenditure

(i) Computer Hardware Rs. 5 million  
(ii) Computer Software Rs.10 million  
(iii) Vehicles Rs.10 million  
(iv) Furniture and Fixtures Rs. 5 million

Total estimated Capital Expenditure Rs. 30 million  
Estimated seed Money Rs. 350 million

**B. EXPENDITURE:**

1. Estimated revenue expenditure Rs. 14.760 million (Annexure I)  
2. Estimated capital expenditure Rs. 4.611 million (Annexure II)

The revenue expenditure of Rs. 14.760 million will be charged to the premium received from BISP and the capital expenditure of Rs. 4.611 million will be charged to the seed money received from Government of Pakistan.

54. The Board was further informed that after advertisement in the newspapers as per PPRA Rules on 22.02.2012, to start with State Life has empanelled 8 hospitals for providing in patient hospitalization to the 319,000 members enrolled under BISP Waseela-e-Sehat Health Insurance Scheme in Faisalabad District. In each hospital one Health Facilitation Officer/ representative of State Life will be posted. The Government of Punjab has also been approached for utilization of their hospitals

55. A Project office at Lahore and sub-project office at Faisalabad have been setup to operate and manage the Health insurance scheme of BISP.

56. The following staff strength is required for Health Insurance:-

**HEALTH INSURANCE DIVISION**

Description	Required	Existing	Short
Officers	7	2	5
Staff	10	0	10
Total	17	2	15

**BISP HEALTH INSURANCE PROJECT**

Description	Required	Existing	Short
Officers	6	3	3
Staff	11	11	0
Health Facilitation Officers	8	6	2
Total	25	20	5
Grand Total	42	22	20

57. The matter was submitted before the Board as directed for approval.

CHAIRMAN'S INITIALS



Signature of Chairman  
Date: 30/04/2012  
Place: Karachi



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<p>Action: Health Ins Division</p> <p>Action: Marketing G&amp;P Investment</p> <p>Action: Real Estate Division</p> <p>Action: Investment</p>	<p>58. Accordingly, the Board resolved as under:</p> <p><u>RESOLVED:</u> "that the project document for Group Health Insurance Business under BISP Project as submitted by ED(Health Insurance) Division as per the directives of the Board at its 224<sup>th</sup> meeting held on 10<sup>th</sup> April, 2012 was approved."</p> <p>ITEM (8) <u>PRESENTATION OF BUSINESS REVIEW OF MARKETING, GROUP &amp; PENSION, INVESTMENT AND REAL ESTATE DIVISIONS FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH, 2012.</u></p> <p>59. Due to paucity of time, business review of Marketing, Gulf, Group &amp; Pension and Investment Divisions for and upto the period ended on 31<sup>st</sup> March, 2012 was deferred to the next meeting of the Board.</p> <p>ITEM (9) <u>SUMMARY OF RECOMMENDATIONS OF MINUTES OF 18<sup>TH</sup>, 19<sup>TH</sup>, 20<sup>TH</sup> AND 21<sup>ST</sup> MEETINGS OF REAL ESTATE AND INVESTMENT COMMITTEE TO THE BOARD FOR APPROVAL.</u></p> <p>60. A summary of recommendations of minutes of 18<sup>th</sup>, 19<sup>th</sup>, 20<sup>th</sup> and 21<sup>st</sup> meetings of Real Estate and Investment Committee was circulated to the Board by the Secretary, Real Estate and Investment Committee, a summary of which was as under:</p> <ul style="list-style-type: none"> <li>a) Cross ventilation works of Gujrat Building (two floors) have been completed. Works for floor # 1 &amp; 2 are in progress.</li> <li>b) Gujranwala Building has now been completed.</li> <li>c) Islamabad Tower (Ground + 18 / grey structure) is nearing completion. Calling of tenders for lifts is in process.</li> <li>d) HVAC is under re-design on electrical power supply system due to prevailing shortage of gas to commercial buildings.</li> <li>e) Consultant i.e. M/s. Suhail and Pasha shall give an appraisal to the BOD/REIC about salient features and present status of under construction Islamabad Tower in the next meeting.</li> <li>f) Business Plan proposed by RED in the previous meetings shall be presented to BOD after its suggested improvements.</li> </ul> <p>ITEM (10) <u>ANY OTHER ITEM WITH THE PERMISSION OF THE CHAIR.</u></p> <p><u>POSITION NOTE ON THE INVESTMENT OF RS.100 MILLION IN COIs WITH FIRST DAWOOD INVESTMENT BANK LTD.</u></p> <p>61. The Chairman, State Life gave a brief review to the Board members on the current status of the above and informed that the matter was currently under mediation of Karachi Centre for Dispute Resolution and a detailed paper would be submitted in the next meeting of the Board by which time, it is expected that formal proposals for settlement can be submitted to the Board.</p>	<p>CHAIRMAN'S INITIALS</p> <p><i>[Signature]</i></p>	

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<p>62. PEP-MENA (Private Enterprise Partnership-Middle East and North African Region) has launched the Pakistan Alternative Dispute Resolution(ADR) project in November, 2005 in cooperation with Government of Pakistan and High Court of Sindh and has established a pilot mediation centre in Karachi with the following objectives:-</p> <ul style="list-style-type: none"> <li>• To activate mediation services in Pakistan</li> <li>• To institutionalize mediation systems to increase efficiency and reduce overwhelming case load in courts</li> <li>• To promote access to justice and avoid costly and time-consuming litigation and</li> <li>• To professionalize mediation by transferring skills and know-how to judges, lawyers and other groups thus promoting mediation practices.</li> </ul> <p>63. The Board of Governors of KCDR comprises of reputable persons including Mr. Justice (Retd) Saiduzzaman Siddiqui, Mr. Anwar Mansoor Khan, Mr. Justice Arif Hussain Khilji, Mr. Moin Fudda, Mr. Salman Burney and others.</p> <p>64. The meeting ended with vote of thanks to the chair.</p> <div style="text-align: right;">             (CHAIRMAN)         </div>			
<div style="text-align: right;"> <b>CHAIRMAN'S INITIALS</b>   </div>			



MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
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Annexure-A

**MINUTES OF THE 43<sup>RD</sup> MEETING OF BOARD AUDIT COMMITTEE**  
**HELD ON SATURDAY, 28<sup>TH</sup> APRIL, 2012.**

The 43rd meeting of the Board Audit Committee of State Life Insurance Corporation of Pakistan held on 28<sup>th</sup> April, 2012 (Saturday) at 11:00 A.M. in the Board Room, 3<sup>rd</sup> Floor, State Life Building No. 9, Dr. Zia-ud-din Ahmed Road, Karachi.

*The following members attended the meeting:*

Mr. Husain Lawai	Member/Chairman
Mr. Farooq Hadi	Member
Mr. Wazir Ali Khoja	Member
Mr. Nihal Anwar	Member
Mr. Altaf Ahmed Shaikh	Secretary

The following officers were invited to attend the meeting:

Mrs. Yasmeen Saud	Executive Director, (F&A)
Mr. Muhammad Rashid	Divisional Head, (F&A)

Following representatives of Statutory Auditors (M/s. Riaz Ahmad & Company and M/s. Anjum Asim Shahid Rahman) attended the meeting on special invitation:

- i) Mr. Shahzada Saleem Chughtai, Partner M/s. Anjum Asim Shahid Rahman Chartered Accountants
- ii) Mr. Mohammad Kamran Nasir, Partner M/s. Riaz Ahmad & Company Chartered Accountants

1. The Board Audit Committee deliberated upon the following items:

Item. 1: To approve minutes of the 42nd BAC meeting and its Compliance Reports:

The minutes of the 42nd B.A.C. meeting held on 12<sup>th</sup> March, 2012 (Monday) were placed before the Committee and same were unanimously approved.

2. Item No.2 Examination of Final Audited Accounts For The Year 2011.

- a) To Discuss The Final Audited Accounts of State Life for the Yea 2011 with Statutory Auditors before submission to the Board.

Statutory Auditors M/s Anjum Asim Shahid Rahman Chartered Accountants and M/s. Riaz Ahmad & Company gave presentation to the Committee in respect of

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annual audited accounts of the Board Audit Corporation and explained about qualifications, observations and notes to the annual accounts of 2011.

3. After detailed discussions, BAC has made following observations on the issues raised by Statutory auditors:

- i) **Fund Management Agreement with Bureau of Emigration & Overseas Employment.**

Executive Director (F&A) & Divisional Head (F&A) informed the Committee that F&A Division was given the understanding that in the light of legal opinion given by the LA Division, interest is not payable to the Bureau after notice of termination of Fund Management Agreement by the Bureau. Hence the liability for payment of interest for nine month i.e. from April to December 2011 have not been incorporated. However, BAC directed that the copy of legal opinion may be furnished before the Board and F&A division should also certify in writing that there will be no further liability on State Life Insurance Corporation of Pakistan.

- ii) **Restoration of Officers Pension Scheme 1984.**

BAC has enquired that when Supreme Court has rejected the appeal of State Life in February 2011, why F&A division not made provisions in final accounts of year 2010 of the Corporation, which were finalized in April/May, 2011. E.D. & D.H. (F&A) intimated that it was the responsibility of P&GS Division to inform the F&A division for making such provision in the accounts. It is therefore decided that P&GS should explain their position in the next Board of Directors meeting.

- iii) **Impairment in other fixed income securities.**

Auditors informed that Corporation has invested Rs.100 million in Certificates of Investment (COIs) of First Dawood Investment Bank Limited (FDIBL), the principal amount alongwith interest could not be recovered on maturity date i.e. 12-01-2009. Despite filing of recovery suit to which three years has already lapsed, but no recovery has so far been made. It was further informed that there exists no policy/SOP in the Corporation for making such provision on such accounts.

BAC, hence, recommended that Corporation must frame policy/SOPs for making provision in the annual account and recommended that 50% provision may be made for outstanding amount of FDIBL final accounts of first-quarter of the ensuing year.

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*[Signature]*



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	<p>iv) <b>Anti-fraud programme &amp; Controls</b> BAC recommends that Anti-fraud programme &amp; Controls ( including a whistle-blowing policy for reporting of frauds and protection of Whistle-blower ) should be implemented in the State Life Ins. Corporation.</p> <p>v) <b>Un-reconciled Subsidiary records.</b> Auditors also informed that there is net difference of Rs.224.76 million between schedules and General Ledgers. However, Divisional Head (PHS) differed and informed that this is the gross difference and the net financial impact will be around Rs. 16 million. Due to difference, BAC has directed that D.H. (PHS) and statutory auditor should jointly look into the matter and report be submitted to BOD in its next meeting scheduled to be held on 30<sup>th</sup> April, 2012.</p> <p>vi) <b>Fixed Assets Register.</b> Statutory Auditors raised the issue that fixed assets register are not being maintained properly as required by Section 230 of the Companies ordinance 1984, read with Technical Release 6 (TR-6). BAC has suggested that P&amp;GS Division should submit report regarding non-maintenance of fixed assets registers as per prescribed formats.</p> <p>v) <b>Lack of co-ordination between departments.</b> Statutory Auditors has intimated that due to lake of co-ordination centralized list of court cases is not available. They further informed that it is come to their knowledge that State Life property in Faisalabad has been sold out by old owner, which requires to be further examined by the management. BAC has therefore, directed that management may investigate into the matter and submit report in its next meeting.</p> <p>vi) <b>Contingencies</b> It has been pointed out that there exist no policies &amp; procedures for identification of contingent liabilities in financial statements. In view of the above, BAC suggested that management may frame comprehensive policy on this subject matter.</p> <p>4. b) <b><u>Examination &amp; Recommendation of Final Audited Accounts for the Year 2011 to the Board.</u></b> The Executive Director (F&amp;A) and Divisional Head (F&amp;A) presented the Final Audited Accounts (year 2011) of the Corporation. The members of the Board Audit Committee examined the</p>		

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DIRECTORS	HELD AT	ON	TIME
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<p>accounts and highly appreciated the role of Chairman State Life for his efforts in effective managing the financial affairs of the Corporation. They also appreciate the increase in the business over last year.</p> <p>After detailed deliberations, Board Audit Committee unanimously recommended for approval of final Audited Accounts of the Corporation for the year, 2011.</p> <p>5. The bellow mentioned agenda items were deferred till next meeting.</p> <p>3. To review the progress on the matters discussed in previous B.A.C. meetings.</p> <p>4. To Review the Audit Reports of IA&amp;C Division for the 2<sup>nd</sup>, 3<sup>rd</sup> &amp; 4<sup>th</sup> Quarters, 2011.</p> <p>5. To Review compliance of previous audit objections/reports.</p> <p>6. To Review Audit plan for the year 2012.</p> <p>7. Appointment of Consultant for Preparation of Audit Manual.</p> <p>8. Position Paper -Appointment of Statutory Auditors for Audit of Accounts for the year ending 31<sup>st</sup> December, 2011.</p> <p>6. The meeting ended with the vote of thanks.</p> <p style="text-align: center;">Sd/- ( Husain Lawai ) Chairman, Board Audit Committee</p>			
<p style="text-align: right;">CHAIRMAN'S INITIALS</p> <p style="text-align: right;">_____</p>			



MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
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Annex-B-1 STATE LIFE INSURANCE CORPORATION OF PAKISTAN Annual Accounts for the year 2011 OPERATING RESULTS OF THE CORPORATION Comparison of Actuals for 2011 with Budget for 2011 and Actuals 2010 (Rs. In Millions)					
Description	Actuals 2010	Budget 2011	Actual 2011	Inc/(De c) over Actual 2010	Varianc e from Budget 2011
<b>INCOME</b>					
<u>Premium income</u>					
First Year Premium (Gross)	9,670.2	13,621.0	12,008.7	24.2%	(11.8%)
Second Year Premium (Gross)	6,247.4	8,204.9	8,259.3	32.2%	0.7%
Third year & Over Premium (Gross)	16,153.9	20,161.0	19,994.9	23.8%	(0.8%)
Sub-Total	32,071.5	41,986.9	40,262.9	25.5%	(4.1%)
Group premium (Gross)	3,769.4	4,885.4	4,772.0	26.6%	(2.3%)
Total Premium Income	35,840.9	46,872.3	45,034.8	25.7%	(3.9%)
Less: Reinsurance	(202.1)	(255.0)	(222.3)	10.0%	(12.8%)
Net Premium Income	35,638.8	46,617.3	44,812.5	25.7%	(3.9%)
Investment Income (Net)	26,983.9	34,094.8	30,786.5	14.1%	(9.7%)
Real Estate Income (Net)	338.7	263.3	313.7	(7.4%)	19.1%
<b>TOTAL INCOME</b>	62,961.4	80,975.4	75,912.6	20.6%	(6.3%)
<b>OUTGO</b>					
Payment to policyholders	17,071.5	19,951.7	19,420.0	13.8%	(2.7%)
<u>Acquisition costs:</u>					
Commission on FYP (IL)	6,658.5	9,541.5	8,230.4	23.6%	(13.7%)
Commission on 2nd Year Premium (IL)	1,098.4	1,488.9	1,423.9	29.6%	(4.4%)
Commission on Renewal Premium (IL)	714.7	1,060.9	902.2	26.2%	(15.0%)
Other benefits (IL)	706.6	1,137.8	897.9	27.1%	(21.1%)
Commission on group policies	3.5	3.6	3.9	12.0%	7.8%
Other benefits (Group Life)	1.3	1.8	.9	(27.8%)	(46.8%)
Sub-Total	9,183.0	13,234.5	11,459.3	24.8%	(13.4%)
Area Managers' cost	1,128.5	1,732.4	1,508.6	33.7%	(12.9%)
Policy stamp and medical fee	480.6	683.3	602.2	25.3%	(11.9%)
<b>Total Acquisition cost</b>	10,792.1	15,650.2	13,570.1	25.7%	(13.3%)
<u>Administrative Expenses:</u>					
Salaries & other benefits	2,238.2	2,710.1	2,517.5	12.5%	(7.1%)
Traveling expenses	137.4	195.0	169.7	23.5%	(13.0%)
Auditors' remuneration	3.6	4.1	4.0	11.5%	(4.1%)
Legal expenses	15.6	23.1	22.0	40.6%	(4.7%)
Supervision Fee	53.1	54.1	54.4	2.4%	0.5%
Advertisements	80.2	86.1	64.8	(19.2%)	(24.7%)
Printing & Stationery	72.8	103.6	98.8	35.7%	(4.7%)

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DIRECTORS	HELD AT	ON	TIME
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Postage & Telephone	80.8	129.9	97.7	20.9%	(24.8%)
Utilities	214.9	241.0	239.9	11.7%	(0.4%)
Training	19.4	29.8	19.8	2.1%	(33.5%)
Computer expenses	8.9	13.9	9.8	10.2%	(29.6%)
Rental	139.9	164.1	151.1	8.0%	(7.9%)
Gratuity and pension expenses	408.0	94.7	544.3	33.4%	474.5%
Bank charges	25.0	21.0	30.6	22.3%	45.4%
Depreciation	54.4	226.3	71.8	32.1%	(68.3%)
Sub-Total	3,552.1	4,096.9	4,096.1	15.3%	(0.0%)
Other management expenses	102.8	150.1	115.5	12.3%	(23.1%)
Gross Management Expenses	14,447.1	19,897.3	17,781.8	23.1%	(10.6%)
Less Commission from reinsurer	(29.8)	(58.7)	(79.9)	167.7%	36.2%
Less: Management Expenses recovered	(3.0)	.0	(2.9)	(2.3%)	0.0%
Net Management Expenses	14,414.2	19,838.6	17,698.9	22.8%	(10.8%)
<b>TOTAL OUTGO</b>	31,485.8	39,790.3	37,118.9	17.9%	(6.7%)
Gross Accretion to Statutory Funds	31,475.6	41,185.1	38,793.7	23.3%	(5.8%)
Less: Provision for taxation	-	-	75.0	0.0%	0.0%
Less: Surplus appropriated to Shareholders	(499.4)	(406.0)	(661.9)	32.6%	63.0%
Statutory Fund at the beginning of year	199,445.3	229,264.5	230,421.5	15.5%	0.5%

Annex-B-2STATE LIFE INSURANCE CORPORATION OF PAKISTANAnnual Accounts for the year 2011OPERATING RESULTS OF PAKISTAN LIFE FUNDComparison of Actuals for 2011 with Budget for 2011 and Actuals 2010

(Rs. In Millions)

Description	Actuals 2010	Budget 2011	Actual 2011	Inc/(De c) over Actual 2010	Variance from Budget 2011
<b>INCOME</b>					
<u>Premium income</u>					
First Year Premium (Gross)	9,378.0	13,252.0	11,655.9	24.3%	(12.0%)
Second Year Premium (Gross)	6,050.3	7,971.3	8,022.0	32.6%	0.6%
Third year & Over Premium (Gross)	15,441.3	19,342.2	19,241.7	24.6%	(0.5%)
Sub-Total	30,869.5	40,565.6	38,919.6	26.1%	(4.1%)
Group premium (Gross)	3,740.4	4,885.4	4,738.7	26.7%	(3.0%)
Total Premium Income	34,609.9	45,451.0	43,658.4	26.1%	(3.9%)
Less: Reinsurance	(172.1)	(200.0)	(199.3)	15.8%	(0.3%)
Net Premium Income	34,437.8	45,251.0	43,459.0	26.2%	(4.0%)
Investment Income (Net)	26,579.7	33,748.8	30,182.0	13.6%	(10.6%)
Real Estate Income (Net)	338.7	263.3	313.7	(7.4%)	19.1%
<b>TOTAL INCOME</b>	61,356.2	79,263.1	73,954.7	20.5%	(6.7%)
<b>OUTGO</b>					

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DIRECTORS	HELD AT			ON		TIME
MINUTE BOOK	KARACHI			30 <sup>TH</sup> APRIL, 2012		
	Payment to policyholders	16,651.6	19,453.9	18,860.6	13.3%	(3.0%)
	<u>Acquisition costs:</u>					
	Commission on FYP (IL)	6,472.8	9,295.9	7,996.3	23.5%	(14.0%)
	Commission on 2nd Year Premium (IL)	1,078.4	1,458.7	1,399.4	29.8%	(4.1%)
	Commission on Renewal Premium (IL)	679.7	1,005.8	862.3	26.9%	(14.3%)
	Other benefits (IL)	700.0	1,105.1	890.3	27.2%	(19.4%)
	Commission on group policies	3.4	3.6	3.8	10.3%	4.9%
	Other benefits (Group Life)	1.3	1.8	.9	(27.8%)	(46.8%)
	Sub-Total	8,935.6	12,870.9	11,152.9	24.8%	(13.3%)
	Area Managers' cost	1,082.8	1,674.8	1,454.8	34.4%	(13.1%)
	Policy stamp and medical fee	478.4	681.0	599.2	25.2%	(12.0%)
	<b>Total Acquisition cost</b>	<b>10,496.7</b>	<b>15,226.8</b>	<b>13,206.8</b>	<b>25.8%</b>	<b>(13.3%)</b>
	<u>Administrative Expenses:</u>					
	Salaries & other benefits	2,160.2	2,608.1	2,415.5	11.8%	(7.4%)
	Traveling expenses	132.2	183.3	161.9	22.4%	(11.7%)
	Auditors' remuneration	2.8	2.5	2.8	0.0%	12.0%
	Legal expenses	14.2	21.4	20.2	42.7%	(5.4%)
	Supervision Fee	53.1	54.1	54.4	2.4%	0.5%
	Advertisements	79.8	85.2	64.1	(19.6%)	(24.7%)
	Printing & Stationery	70.9	102.3	97.7	37.8%	(4.5%)
	Postage & Telephone	74.3	123.8	89.8	20.8%	(27.5%)
	Utilities	213.2	240.4	238.8	12.0%	(0.7%)
	Training	19.3	28.8	19.0	(1.4%)	(33.8%)
	Computer expenses	8.8	13.7	9.6	8.6%	(30.2%)
	Rental	133.6	156.1	142.2	6.5%	(8.9%)
	Gratuity and pension expenses	404.6	92.7	540.8	33.7%	483.5%
	Bank charges	17.6	16.9	19.1	8.3%	13.2%
	Depreciation	51.9	223.7	69.3	33.5%	(69.0%)
	Sub-Total	3,436.5	3,952.9	3,945.1	14.8%	(0.2%)
	Other management expenses	87.1	132.8	93.5	7.4%	(29.6%)
	Gross Management Expenses	14,020.3	19,312.4	17,245.4	23.0%	(10.7%)
	Less Commission from reinsurer	(20.2)	(46.0)	(74.5)	268.7%	61.9%
	Less: Management Expenses recovered	(8.3)	.0	(8.9)	6.3%	
	Net Management Expenses	13,991.8	19,266.4	17,162.1	22.7%	(10.9%)
	<b>TOTAL OUTGO</b>	<b>30,643.4</b>	<b>38,720.3</b>	<b>36,022.7</b>	<b>17.6%</b>	<b>(7.0%)</b>
	Gross Accretion to Statutory Funds	30,712.8	40,542.8	37,931.9	23.5%	(6.4%)
	Less: Provision for taxation	-	.0	75.0		
	Less: Surplus appropriated to Shareholders	(491.8)	(400.0)	(650.0)	32.2%	62.5%
	Statutory Fund at the beginning of year	194,924.8	224,247.5	225,145.7	15.5%	0.4%
	Statutory Funds at the year end	225,145.7	264,390.3	262,502.7	16.6%	(0.7%)

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DIRECTORS	HELD AT	ON	TIME
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Annex-B-3 STATE LIFE INSURANCE CORPORATION OF PAKISTAN Annual Accounts for the year 2011 OPERATING RESULTS OF OVERSEAS LIFE FUND Comparison of Actuals for 2011 with Budget for 2011 and Actuals 2010 (Rs. In Millions)					
Description	Actuals 2010	Budget 2011	Actual 2011	Inc/(De c) over Actual 2010	Variance from Budget 2011
<b>INCOME</b>					
Premium income					
First Year Premium (Gross)	292.2	368.9	352.8	20.7%	(4.4%)
Second Year Premium (Gross)	197.1	233.6	237.3	20.4%	1.6%
Third year & Over Premium (Gross)	712.7	818.8	753.2	5.7%	(8.0%)
Total Premium Income	1,202.0	1,421.3	1,343.2	11.8%	(5.5%)
Less: Reinsurance	(30.0)	(55.0)	(23.0)	(23.4%)	(58.2%)
Net Premium Income	1,172.0	1,366.3	1,320.2	12.6%	(3.4%)
Investment Income (Net)	388.5	346.0	584.2	50.4%	68.9%
<b>TOTAL INCOME</b>	1,560.5	1,712.3	1,904.5	22.0%	11.2%
<b>OUTGO</b>					
Payment to policyholders	396.3	497.8	529.6	33.6%	6.4%
Acquisition costs:					
Commission on FYP (IL)	185.8	245.6	234.1	26.0%	(4.7%)
Commission on 2nd Year Premium (IL)	20.0	30.2	24.6	22.6%	(18.7%)
Commission on Renewal Premium (IL)	35.0	55.1	39.9	14.1%	(27.6%)
Other benefits (IL)	6.6	32.7	7.7	16.5%	(76.5%)
Sub-Total	247.4	363.7	306.3	23.8%	(15.8%)
Area Managers' cost	45.7	57.5	53.8	17.8%	(6.4%)
Policy stamp and medical fee	2.2	2.3	3.1	42.0%	34.8%
<b>Total Acquisition cost</b>	295.3	423.5	363.2	23.0%	(14.2%)
Administrative Expenses:					
Salaries & other benefits	77.9	101.9	101.7	30.5%	(0.3%)
Traveling expenses	5.2	11.7	7.8	49.6%	(33.4%)
Auditors' remuneration	.8	1.6	1.2	53.6%	(28.5%)
Legal expenses	1.5	1.7	1.7	19.2%	3.8%
Advertisements	.4	.9	.7	68.8%	(21.5%)
Printing & Stationery	1.9	1.3	1.1	(43.9%)	(18.8%)
Postage & Telephone	6.5	6.1	7.9	22.4%	29.7%
Utilities	1.7	.7	1.1	(33.6%)	71.6%
Training	.1	1.0	.8	627.8%	(23.8%)
Computer expenses	.1	.2	.2	180.5%	7.0%
Rental	6.4	8.1	8.9	39.5%	9.9%
Gratuity and pension expenses	3.4	2.1	3.5	5.0%	70.8%
Bank charges	7.3	4.1	11.4	56.1%	177.2%
Depreciation	2.5	2.6	2.5	1.8%	(1.3%)

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MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
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Sub-Total	115.6	144.0	150.6	30.3%	4.6%
Other management expenses	15.8	17.4	22.0	39.5%	26.5%
Gross Management Expenses	426.7	584.9	535.8	25.6%	(8.4%)
Less: Commission from reinsurer	(9.6)	(12.7)	(5.4)	(43.9%)	(57.3%)
Less: Management Expenses recovered	5.3	.0	5.8	8.9%	
Net Management Expenses	422.4	572.2	536.2	27.0%	(6.3%)
<b>TOTAL OUTGO</b>	818.7	1,070.0	1,065.8	30.2%	(0.4%)
Gross Accretion to Statutory Funds	741.8	642.3	838.7	13.1%	30.6%
Less: Surplus appropriated to Shareholders	(7.5)	(6.0)	(11.9)	58.7%	98.7%
Statutory Fund at the beginning of year	4,372.0	5,017.0	5,106.2	16.8%	1.8%

Annex-B-4STATE LIFE INSURANCE CORPORATION OF PAKISTANAnnual Accounts for the year 2011PENSION FUNDIncome and Expenses

(Rs. In Millions)

Description	Actual 2010	Actual 2011	Inc/(Dec) over Actual 2010
<b><u>INCOME</u></b>			
Premium Income	29.0	33.2	14.6%
Investment Income	15.7	20.3	29.2%
<b>Sub-Total</b>	44.7	53.5	19.7%
<b><u>OUTGO</u></b>			
Payment to policyholders	23.6	29.8	26.2%
Commission payments	.042	.105	150.0%
Administrative Expenses	.023	.515	2139.1%
<b>TOTAL OUTGO</b>	23.6	30.4	28.5%
Gross Accretion to Statutory Funds	21.0	23.1	9.9%
Less: Provision for taxation			
Less: Surplus appropriated to Shareholders			
Statutory Fund at the beginning of year	148.5	169.6	14.2%
Statutory Funds at the year end	169.6	192.7	13.6%

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**MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	30 <sup>TH</sup> APRIL, 2012	

Annex-B-5
**STATE LIFE INSURANCE CORPORATION OF PAKISTAN**
Annual Accounts for the year 2011
Investment Portfolio
Distribution of investment portfolio in major categories
Corporation as a whole

(Rs. in Millions)

DESCRIPTION	2010		2011	
	Amount	% of Total	Amount	% of Total
i) Government Securities	164,138	69.50	194,451	70.61
ii) Other Fixed income Securities	4,074	1.72	3,910	1.42
iii) Shares (Quoted)	23,116	9.79	24,071	8.74
iv) Shares (Non Quoted/ delisted/ Pref)	1,304	0.55	1,191	0.43
v) Holding in subsidiaries	137	0.06	142	0.05
vi) Loans to Policyholders	19,057	8.07	22,596	8.21
vii) Investment Properties	2,734	1.16	2,917	1.06
viii) Banks	21,605	9.15	26,111	9.48
<b>TOTAL:-</b>	<b>236,163</b>	<b>100.00</b>	<b>275,390</b>	<b>100.00</b>

Pakistan Life Fund:

(Rs. in Millions)

DESCRIPTION	2010		2011	
	Amount	% of Total	Amount	% of Total
i) Government Securities	161,295	76.60	190,064	77.93
ii) Other Fixed income Securities	3,243	1.54	3,071	1.26
iii) Shares (Quoted)	23,024	10.93	24,071	9.87
iv) Shares (Non Quoted/ delisted/ Pref)	1,304	0.62	1,191	0.49
v) Holding in subsidiaries	137	0.07	142	0.06
vi) Loans to Policyholders	18,588	8.83	22,070	9.05
vii) Investment Properties (gross)	2,734	1.30	2,917	1.20
viii) Banks	250	0.12	352	0.14
<b>TOTAL:</b>	<b>210,575</b>	<b>100.00</b>	<b>243,878</b>	<b>100.00</b>

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**MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	30 <sup>TH</sup> APRIL, 2012	

Overseas Life Fund:

 (Rs. in  
Millions)

DESCRIPTION	2010		2011	
	Amount	% of Total	Amount	% of Total
i) Government Securities	2,100	60.15	2,929	67.25
ii) Other Fixed income Securities	831	23.80	839	19.26
iii) Shares (Quoted)	92	2.63	-	-
iv) Loans to Policyholders	468	13.42	526	12.07
v) Banks	-	-	61	1.41
<b>TOTAL:-</b>	<b>3,490</b>	<b>100.00</b>	<b>4,355</b>	<b>100.00</b>

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MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	30 <sup>TH</sup> APRIL, 2012	

Annexure-B-6

State Life's Account for 2011PROVISIONS, ADJUSTMENTS, ADDITION AND DISPOSAL

Approval of the Board of Directors is sought for provisions, adjustments, additions and disposal of Investment

Provisions made:

(Rs. In Millions)

For Employees retirement benefits - Pension	497.953
For Employees retirement benefits - Gratuity	1.739
For Post retirement Medical benefits	70.759
Total:-	570.450

Provisions reversed:

Against unquoted and de-listed created	1.445
Against unquoted and de-listed shares	(1.373)
For Compensated Absence	(36.426)
Net Provision	534.096

2. Additions to and Disposal of Investment during 2011:Additions:

During the year 2011, following additions were made in the Investment portfolios:

Pakistan Investment Bonds	60,031.534
Treasury bills	24,844.696
TDRs	7,225.000
Equity Securities	1,059.037
Total:-	93,160.266

Disposal:

During the year 2011, following disposals were made in the Investment Portfolio:

Disposal of mutual funds unit-cost	112.500
Equity Securities	94.107
Fixed Income Securities	29.041
	141.541

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MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	30 <sup>TH</sup> APRIL, 2012	

3. Additions to and Disposal of other assets during 2011:Additions:

During the year 2011 the following additions were made in the assets:

Fixed assets	98.951
Real Estate assets including capital work in progress	246.345
Total:	345.296

Disposal:


During the year 2011, following disposals of assets were made:-

Fixed assets	11.916
Real Estate assets	5.166
Total:	17.081

## 4. Summary of the provisions, additions and disposal of Investment Portfolio and other assets in the year 2011, requiring approval of the Board of Directors.

(i)	Provision made	570.450
(ii)	Provision reversed	(1.373)
(iii)	Additions at cost	93,505.563
(iv)	Disposal at cost	158.622

5. Dividend paid to shareholder in 2011 relating to 2010 358.053
6. Bonus paid to employees 193.415
7. Agents (SR/SO/SM) Debit Balances Written – Off (Greater than 3 years old) 5.689
8. Agents (SR/SO/SM) Credit Balances Written – back (Greater than 3 years old) 91.330

CHAIRMAN'S  
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MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	30 <sup>TH</sup> APRIL, 2012	

Annex-B-7State Life's Account for 2011

**Allowable Management Expenses Limit**  
**[On corporate basis]**

(Rs. in Millions)

Description	Limit for 2011	Premium Income	Allowable Expense based on prescribed limits
Group insurance Policies	8%	4,772	382
Annual average sum assured inforce policies where no further premium is payable	0.07%		-
First Year Premium	104%	12,009	12,489
Renewal years' premium	19%	28,254	5,368
(A) Allowable expenses			18,239
<b>Actual Expenses:</b>			
Remuneration to insurance intermediaries on IL policies			11,454
Remuneration to insurance intermediaries on group policies			5
Branch Overhead			1,509
Other acquisition cost			602
Administration expenses			4,096
Other management expenses			115
(B) Total Actual Management Expenses			17,782

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MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	30 <sup>TH</sup> APRIL, 2012	

Annex-B-8

STATE LIFE INSURANCE CORPORATION OF PAKISTANAnnual Accounts for the year 2011Profit & Loss Account of Shareholders FundComparison of Actual for 2011 vs. 2010

Description	Actuals 2010	Actual 2011	Inc/(De c) over Actual 2010
Return on Government Securities	89.315	98.354	10.1%
Interest Income on loans & advances to employees/agents	17.707	19.169	8.3%
	7.499	10.335	37.8%
Interest income on bank deposits	114.521	127.858	11.6%
Net Investment Income			
Expenses not attributable to statutory funds	(2.993)	(2.923)	(2.3%)
Surplus appropriated to Shareholders' Fund	499.350	661.896	32.6%
	610.878	786.831	28.8%
Profit before taxation			
Taxation	(204.000)	(265.358)	30.1%
Profit after taxation	406.878	521.473	28.2%

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MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	30 <sup>TH</sup> APRIL, 2012	

Annexure-C-1

**Budget proposals for the year 2012**  
**and actual for the year 2011.**

The following table shows on corporate basis, comparison of approved and actual results of 2011 and budget estimates for 2012 with actual results of 2010 in respect of income, outgo, contribution to Statutory Funds and Renewal Expense Ratio.

INCOME

(Rupees in Millions)

Description	Actual 2010	Budget 2011	Actual 2011	Variance from Budget 2011	Actual 2011 vs Actual 2010	Budget 2012	Inc/(Dec) over Actual 2011
<u>PREMIUM INCOME</u>							
(a) First Policy Year	9,670	13,621	12,009	(12%)	24%	16,312	36%
(b) 2 <sup>nd</sup> Policy Year	6,247	8,205	8,259	1%	32%	10,203	24%
(c) 3 <sup>rd</sup> and later policy years	16,154	20,161	19,995	(1%)	24%	25,445	27%
(d) Total	32,071	41,987	40,263	(4%)	26%	51,960	29%
Group Life Premium	3,769	4,885	4,772	(2%)	27%	6,114	28%
Health Insurance Premium	-	-	-	-	-	100	-
Total Premium (Gross)	35,840	46,872	45,035	(4%)	26%	58,174	29%
Less: Re-Insurance	(202)	(255)	(222)	(13%)	10%	(255)	15%
Total Premium (Net)	35,638	46,617	44,813	(4%)	26%	57,919	29%
<u>INVESTMENT AND REAL ESTATE INCOME</u>							
Investment Income	27,012	34,125	30,814	(10%)	14%	38,354	24%
Real Estate Income	719	839	742	(12%)	3%	800	8%
Inv. & Real Estate Income	27,731	34,964	31,556	(10%)	14%	39,154	24%
TOTAL INCOME	63,370	81,581	76,369	(6%)	21%	97,073	27%

OUTGO

(Rupees in Millions)

Description	Actual 2010	Budget 2011	Actual 2011	Variance from Budget 2011	Actual 2011 vs Actual 2010	Budget 2012	Inc/(Dec) over Actual 2011
<u>POLICY PAYMENTS</u>							
a) Death, Maturity & Annuities	9,819	11,308	10,391	(8%)	6%	12,835	24%
b) Surrenders	3,561	4,055	4,830	19%	36%	5,665	17%
c) Total	13,380	15,363	15,221	(1%)	14%	18,500	22%
Group Life Claims	3,691	4,588	4,199	(8%)	14%	5,381	28%
Health Insurance Claims	-	-	-	-	-	80	-
Total Policy Outgo	17,071	19,951	19,420	(3%)	14%	23,961	23%

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DIRECTORS	HELD AT	ON	TIME
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MANAGEMENT EXPENSES							
Field Expenses	9,198	13,197	11,474	(13%)	25%	16,026	40%
Area Managers Exp.	1,129	1,732	1,509	(13%)	34%	2,131	41%
Policy Stamps & Medical fee	481	683	602	(12%)	25%	906	50%
Total acquisition Cost	10,808	15,612	13,585	(13%)	26%	19,063	40%
Admin. Expenses	3,640	4,225	4,199	(1%)	15%	4,815	15%
Investment Expenses	28	30	28	(7%)	-	38	36%
Real Estate Expenses	381	576	428	(26%)	12%	470	10%
Health Insurance Expenses	-	-	-	-	-	12	-
Total Admin Exp.	4,049	4,831	4,655	(4%)	15%	5,335	15%
TOTAL MANAGEMENT EXPENSES	14,857	20,443	18,240	(11%)	23%	24,398	34%
Commission from reinsurers	(30)	-	(80)		167%	(34)	(58%)
Management Expenses Recovered from other fund	(3)	-	(3)		0%	(3)	0%
Reversal of tax provision	-	-	(75)	-	-	-	-
Share of surplus to Shareholders	499	406	662	63%	33%	700	6%
Total outflow + Provn.	32,393	40,800	38,164	(6%)	18%	49,022	28%

LIFE FUND

(Rupees in Millions)

Description	Actual 2010	Budget 2011	Actual 2011	Variance from Budget 2011	Actual 2011 vs Actual 2010	Budget 2012	Inc/(Dec) over Actual 2011
Accretion to Statutory Funds	30,977	40,781	38,205	(6%)	23%	48,051	26%
Opening Statutory Funds	199,445	229,265	230,422	1%	16%	268,627	17%
Closing Statutory Funds	230,422	270,046	268,627	(1%)	17%	316,678	18%

Renewal Expense Ratio

SECP has revised circular No.7 of 2011 dated 18<sup>th</sup> March, 2011 through circular dated 30<sup>th</sup> March, 2012. The circular dated 30<sup>th</sup> March, 2012 has relaxed FYP and Renewal Expense Limit for the year 2012 and 2013 as under:

S.#	Item	Limits as per circular # 7 of 2011 dated 18 <sup>th</sup> March, 2011			Amended Maximum Limits as per circular dated 30 <sup>th</sup> March, 2012		
		2011	2011	2013	2011	2012	2013
i)	First Year Premium (after 10 <sup>th</sup> year of insurer in the business)	104%	100%	90%	Same as per circular # 7 dated 18.3.11	104%	102%
ii)	Renewal year's premium	19%	18%	15%		19%	18%

The above relaxation was allowed on the basis of a road map given by State Life to SECP, proposing various cuts in expenses from 2013 onwards. Major reductions in expenses, as agreed by Marketing Division, include downward

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MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
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revision in Area Managers privileges and incentives in 2013; downward revision in commission rates in 2014; special revival campaign and further revision in commission rates in 2015. It was requested that the Corporation may take necessary steps to fulfill its commitments made with SECP, so that State Life may remain within the Expense Limits prescribed by SECP for 2013 i.e. 102% on FYP and 18% on renewal premium and from 2014 onward 90% of FYP and 15% of renewal premium.

Renewal Expense ratio of State Life Insurance Corporation of Pakistan on actual results for the year 2010, 2011 and projected budget for 2012 are as under:-

Descriptions	2010	2011	2012
SECP's limit	19%	19%	19%
Renewal Expense Ratio of SLIC*	18.2%	17.4%	18.1%

\* within limit

#### Capital Expenditure:

Estimates for Capital Expenditure for 2012 and comparison with approved capital budget for 2011 is summarized as under:

Portfolio	(Rupees in Millions)		
	Budget for 2011	Budget for 2012	% Change
i) Individual Life (within Pakistan – Zones/Regions)	336.047	353.141	5.1%
ii) Group Life Division	15.532	27.497	77.0%
iii) Real Estate Division	340.132	241.505	(29.0%)
iv) Field Manpower Development Department	3.820	2.637	(31.0%)
v) I.T. Division	369.042	603.580	63.6%
vi) Principal Office	58.026	38.896	(33.0%)
vii) Overseas	5.357	4.241	(20.8%)
viii) Bancassurance	22.180	22.180	-
ix) Health Insurance (BISP)	-	15.099	-
Total:-	1,150.136	1,308.776	13.8%

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MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	30 <sup>TH</sup> APRIL, 2012	

SUMMARY OF CAPITAL BUDGET - 2012

The details of capital budget is as under:

Portfolio	Furniture & Fixture	Office Equipment	Computer Printer	A.C. Aircooler Refrigerator TV/LCD	UPS Generator Stabilizer	Cars / Staff Van	Renovation & Civil Works	I.T.	TOTAL
Individual Life (Zones/Regions)	121.686	30.350	100.827	77.232	23.046				353.141
Group Life (Zones/Division)	14.940	1.185	4.927	1.700	4.745				27.497
Real Estate Division	3.495					2.010	236.000		241.505
Field Manpower Dev. Deptt.	1.020	0.380	0.730	0.420	0.087				2.637
I.T. Division								603.580	603.580
Principal Office	5.859	3.872	12.135	1.030		16.000			38.896
Overseas	3.395	0.504	0.342						4.241
Bancassurance	6.160	2.670	3.000	1.800		8.550			22.180
Health Insurance (BISP)	1.369	0.440	12.227	1.000	0.063				15.099
TOTAL	157.924	39.401	134.188	83.182	27.941	26.560	236.000	603.580	1,308.776

(Rs. in Millions)

Annexure-C2

CHAIRMAN'S INITIALS



MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	30 <sup>TH</sup> APRIL, 2012	

## Annexure-D-1

Table 1: Surplus figures for Pakistan Life Fund, Overseas Life Fund and Pension Fund

(All amounts in thousands of Rupees)

	2011				2010	2009	2008	2007
	Pakistan Life Fund	Overseas Life Fund	Pension Fund	Total	Total	Total	Total	Total
Total Surplus as per Sec 22 of the Insurance Ordinance	26,976,344	559,099	-	27,535,443	21,467,353	17,367,353	14,620,355	11,030,694
Transfer to Shareholders' account	649,977	11,919	-	661,896	499,350	389,671	352,393	256,939
Cost of recommended Bonuses to Policies	23,187,635	266,315	-	23,453,950	18,595,282	14,574,311	11,528,728	9,503,286
Closing Balance in Account A	3,138,733	280,865	38,595	3,458,193	2,388,874	2,406,295	2,739,234	1,320,468
Closing Balance in Account B	-	-	-	-	-	-	-	-
Policyholders' liability including cost of recommended bonuses	259,363,992	5,652,088	154,068	265,170,148	228,032,655	197,038,990	174,719,896	155,416,834

Table 3: Expense Limits Prescribed by SECP under Sections 22(9) and 23(9) of the Ordinance

Item	Year						
	2007	2008	2009	2010	2011	2012	2013
Maximum Management Expenses under S 22(9) and S 23(9) of the Insurance Ordinance, 2000							
Group Insurance Policies	10.00 %	9.50%	9.00%	8.50%	8.0%	7.50%	7.50%
<u>First Year's Premium</u>							
After the tenth year of insurer's life insurance business in Pakistan	125.00 %	118.00 %	111.00 %	104.00 %	104.00 %	104.00%	102.00%
<u>Renewal Year's Premium</u>							
After the tenth year of insurer's life insurance business in Pakistan	25.00 %	23.00%	21.00%	19.00%	19.00%	19.00%	18.00%

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MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	30 <sup>TH</sup> APRIL, 2012	

Annxure-D-2STATISTICAL SUMMARY

	Pakistan Life Fund	Overseas Life Fund		Pension Fund	Total
		Rupee Accounts	Dollar & Dirham Accounts		
Annualized Yield on Fund					
2005 (incl capital gain/loss)	12.03%	4.45%	4.04%	11.64%	11.92%
2005 (excl capital gain/loss)	10.04%	4.54%	4.13%	11.64%	9.97%
2006 (incl capital gain/loss)	12.15%	6.85%	5.04%	8.24%	12.07%
2006 (excl capital gain/loss)	10.77%	6.94%	5.13%	8.24%	10.71%
2007 (incl capital gain/loss)	12.62%	8.97%	6.90%	9.78%	12.57%
2007 (excl capital gain/loss)	11.33%	7.57%	5.51%	9.78%	11.28%
2008 (incl capital gain/loss)	11.72%	5.10%	5.14%	11.44%	11.59%
2008 (excl capital gain/loss)	11.53%	4.42%	4.45%	11.44%	11.40%
2009 (incl capital gain/loss)	12.04%	6.12%	6.10%	10.66%	11.91%
2009 (excl capital gain/loss)	11.99%	6.14%	6.13%	10.66%	11.87%
2010 (incl capital gain/loss)	13.68%	8.54%	6.32%	10.37%	13.56%
2010 (excl capital gain/loss)	12.35%	7.26%	5.05%	10.37%	12.24%
2011 (incl capital gain/loss)	13.32%	11.16%	6.30%	11.85%	13.27%
2011 (excl capital gain/loss)	13.30%	11.34%	6.47%	11.85%	13.25%
Renewal Expense Ratio					
2007	10.01%	5.28%			9.76%
2008	11.49%	7.48%			11.30%
2009	19.21%	9.53%			18.73%
2010	18.48%	13.49%			18.25%
2011	17.38%	17.02%			17.35%

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MINUTES OF 225<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT			ON		TIME
MINUTE BOOK	KARACHI			30 <sup>TH</sup> APRIL, 2012		
Overall Expense Ratio						
2005	36.39%	34.70%	36.60%	4.32%	36.30%	
2006	40.74%	35.45%	35.73%	4.31%	40.52%	
2007	33.51%	33.16%	34.35%	1.54%	33.47%	
2008	35.30%	34.19%	34.01%	1.04%	35.24%	
2009	41.21%	32.89%	33.57%	0.78%	40.86%	
2010	40.57%	35.50%	36.13%	0.22%	40.37%	
2011	39.50%	39.89%	40.85%	1.51%	39.48%	
Number of Individual Life Policies						
2005	2,035,506	8,509			2,044,015	
2006	2,174,304	9,479			2,183,783	
2007	2,338,512	10,279			2,348,791	
2008	2,557,676	11,022			2,568,698	
2009	2,883,740	11,614			2,895,354	
2010	3,304,940	12,252			3,317,192	
2011	3,761,331	12,962			3,774,293	
Gross Premium (000)						
2005	13,341,351	545,786		12.190	13,899,327	
2006	15,461,687	601,332		13.766	16,070,785	
2007	18,166,700	660,966		13.872	18,841,538	
2008	21,974,065	841,042		11.007	22,826,114	
2009	27,470,155	1,089,136		22.935	28,562,226	
2010	34,609,927	1,201,969		29.003	35,840,899	
2011	43,413,926	1,343,213		33.233	44,798,372	

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