



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN INSURANCE DIVISION

Karachi, 30 July 2010

Circular Ref.20/2010

Clarification regarding the term "Paid up Capital" for Insurance Brokers Registered in Pakistan

In order to ensure clarity regarding the term "Paid up Capital" as used in the Insurance Ordinance 2000 ("the Ordinance") and the Insurance Rules 2002 ("the Rules"), and to ensure harmony within the regulatory regime being following in the Financial Sector in Pakistan, the Securities and Exchange Commission of Pakistan is pleased to clarify that the term "paid-up capital" wherever occurring in the aforesaid Ordinance and Rules shall connote Paid-up Capital "net of accumulated losses".

2. For the purpose of facilitating the existing brokers who fail to meet the minimum criteria, a grace period of one year is hereby allowed.

Nasreen Rashid
Executive Director (Insurance)

- All registered insurance brokers
- Chairman, Insurance Association of Pakistan
- President, Institute of Chartered Accountants of Pakistan
- President, Pakistan Society of Actuaries
- President, Institute of Cost & Management Accountants of Pakistan

SC: Circular