



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

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Circular No. 03 of 2007

SECP/ID/01/07

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Subject: Minimum Required Paid-up-Capital for Insurers/Takaful Operators

The Federal Government, in exercise of the powers conferred by sub-section 2 of section 28 of the Insurance Ordinance, 2000 has enhanced the minimum required paid-up-capital for insurers/takaful operators who are registered under the Insurance Ordinance, 2000 to carry on insurance/takaful business, from existing level of Rs. 150 million for Life Insurers/Family Takaful Operators and Rs. 80 million for Non-Life Insurers/General Takaful Operators, as follows:

| Type of Insurer/Takaful Operator | Minimum Paid up Capital Requirement to be complied with by December 31 of each year (in Rs. million) | | | | |
|--|---|-------------|-------------|-------------|-------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 |
| Life Insurers/ Family Takaful Operators | 350 | 400 | 450 | 500 | 500 |
| Non-Life Insurers/ General Takaful Operators | 120 | 160 | 200 | 250 | 300 |

Those who initiate the registration process in future shall be required to meet the minimum paid up capital requirement of Rs. 500 million for Life Insurance/Family Takaful and Rs. 300 million for Non-Life Insurance/General Takaful to be registered under the Insurance Ordinance, 2000.

(Shoaib Soofi)
Director

Distribution:

Chief Executives (All Insurers/Takaful Operators)
Chairman (Insurance Association of Pakistan)
Managing Directors (All Stock Exchanges)
Chief Executives (All Insurance Brokers)
Chairman (Banking Association of Pakistan)
President (ICAP)
President (Pakistan Society of Actuaries)
President (ICMAP)