



Securities and Exchange Commission of Pakistan

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PRESS RELEASE ***FOR IMMEDIATE RELEASE***

Payment by Insurance Companies of Insured Losses in the Province of Sindh following Tragic Incident of 27 December 2007

ISLAMABAD – JANUARY 18, 2008: To take a direct assessment of the unprecedented countrywide destruction/loss/damage to properties, goods, vehicles, etc., resulting in massive losses suffered by individuals, traders, banks, industrialists etc., due to nationwide rioting following the unfortunate assassination of Mohtarma Benazir Bhutto and to review the industry's capacity to settle all claims in an expeditious manner, Chairman Securities and Exchange Commission of Pakistan (SECP), Mr. Razi-Ur-Rahman Khan met the representatives of the insurance industry on 11 January 2008.

Reinsurance arrangements of the industry were also reviewed in the said meeting and the industry informed the Chairman, SECP, that satisfactory arrangements are in place and they do not foresee any problems in making any consequential cash calls.

As per the latest update from the industry total insured claims due to the above nation-wide rioting stands at Rs.5.2 billion.

In view of the strong financial position of the insurance companies with paid-up capital and total equity of the non-life industry exceeding Rs.9.6 billion and Rs.37 billion, respectively, the industry is financially able to absorb the above insured losses.

In compliance with the Prime Minister's directive to facilitate the sufferers by ensuring expeditious settlement of claims by insurance companies, Chairman, SECP, also called a meeting of all interested stakeholders together with Brig. (Retd.) Akhtar Zamin, Home Minister, the IG Police and the Home Secretary on 17 January 2008. The Home Minister promised full and prompt co-operation of the police departments in issuance of needed documents such as FIR, police challan, etc., to the affected individuals and entities enabling them to documentarily prove/substantiate the loss/damage suffered by them due to the said rioting and to expeditiously submit their claims.

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