



INSURANCE COMPANY LTD.
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January 03, 2011

The General Manager
Karachi Stock Exchange (Guarantee) Limited
Karachi Stock Exchange Building
Karachi Stock Exchange Road
Karachi

Subject: Decision of Board Meeting

Directors in their meeting held on 31 December 2010 has decided to apply to Securities and Exchange Commission of Pakistan ("SECP") for the extension of 6 months to meet the minimum paid up capital requirement as per circular 3 of 2007 of SECP. If extension for six months to comply with the requirement of aforementioned circular is not granted by SECP then pursuant to the Section 86 of the Companies Ordinance, 1984, Company will issue Five Million (5 million) ordinary shares at par value of Rs. 10 each by way of right issue to the existing shareholders in proportion to the existing shares held by each shareholder.

Thanking you,


Huzaif Hanif Tola
Company Secretary