

NATIONAL LIFE INSURANCE CO. LTD.

FORM - "AA"

CLASSIFIED SUMMARY OF THE ASSETS IN BANGLADESH AS AT 31ST OCTOBER, 1994

NAME OF ASSETS	BOOK VALUE	MARKET VALUE	REMARKS
Bangladesh Government Securities (Pratiraksha Sanchaya Patra)	24,710,000	24,710,000	At Cost
Bangladesh Municipal, Port & Improvement Trust Security including debenture	-----	-----	-----
Debture of Bangladesh Railways	-----	-----	-----
Guaranteed and preference shares of Bangladesh Railways	-----	-----	-----
Annuities of Bangladesh Railways	-----	-----	-----
Ordinary Shares of Railways in Bangladesh	-----	-----	-----
Other Debentures of concerns in Bangladesh	2,484,970	2,484,970	At Cost
Other Guaranteed & preference shares of concerns in Bangladesh	-----	-----	-----
Other ordinary shares of concerns in Bangladesh	1,150,000	1,150,000	At Cost
Loans on the Company's Policies effected in Bangladesh within their surrender value	2,922,438	2,922,438	Realisable Value
Loans on mortgage of property in Bangladesh	-----	-----	-----
Loans on personal security to persons domiciled & resident in Bangladesh	-----	-----	-----
Other Loans granted in Bangladesh	-----	-----	-----
Deposit with Bangladesh Bank Pratiraksha Sanchaya Patra	2,000,000	2,000,000	At Cost
Cash on Fixed Deposits in Banks	48,505,015	48,505,015	Realisable Value
Cash - in - hand & current Accounts in Banks	29,446,284	29,446,284	Realisable Value
Forms & Stamps in hand	113,333	113,333	Realisable Value
Interest, Dividends & Rents either outstanding or accrued but not due	7,950,071	7,950,071	Realisable Value
OTHER ASSETS :			
a) Agents Accounts	9,255,650	9,255,650	Realisable Value
b) Outstanding premium	3,000,951	3,000,951	Realisable Value
c) Sundry Debtors	9,108,623	9,108,623	Realisable Value
d) Stationery - in - hand	71,219	71,219	At Cost
e) Fixed Assets, less Depreciation	16,044,768	16,044,768	Depreciated Value
Total Taka :	156,763,322	156,763,322	

NATIONAL LIFE INSURANCE CO. LTD.
NOTES TO THE ACCOUNTS FOR THE PERIOD
ENDED AT 31ST OCTOBER, 1994.

01. PRINCIPAL ACCOUNTING POLICIES :

- [A] Basis of preparation of statement :
- The financial statements have been prepared under historical cost convention.
 - The insurance Act, 1938 prescribed format for presenting Insurance Companies Account. The prescribed format of Balance Sheet, Revenue Account and other disclosure requirements were fully followed.
- [B] Depreciation of Assets :
- Details of Fixed Assets have been given in note No. 7
 - Depreciation on addition of assets has been calculated from the month of its acquisition to the date of Balance Sheet.
 - Depreciation has been charged at rates varying from 10% to 20% on "Reducing Balance" Method.
- [C] Premium :
- First year premium of Tk. 3,95,83,288 and Renewal premium of Tk. 4,37,02,466 were earned during the period on account of (permanent) Life Insurance and Tk. 51,19,278 on account of Group Insurance.
 - The Company has provided Tk. 4,32,503 on account of Re-Insurance premium outward (amount payable to Jiban Bima Corporation and Munich Re) during the period under audit. The net Re-Insurance premium of Tk. 2,02,877 and Tk. 1,79,508 are payable to Jiban Bima Corporation and Munich Re respectively at the close of the period on 31st October, 1994.
 - The Company has provided Tk. 3, 37, 90, 261 for Commission to insurance agents and employer of agents during the period after deduction Tk. 50,118 against net commission receivable from Re-Insurance ceded to Jiban Bima Corporation and Munich Re.

(D) Life Insurance Fund : Tk. 11,47,84,513

This consists of the accumulated balance of revenue surplus upto 31st October, 1994 which has been arrived at as under:

Balance as at 1st January, 1994	9,05,25,194
Add. : Surplus during the period	2,42,59,319
	Tk. 11,47,84,513

02. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL : Tk. 1,50,00,000

The above represents the contribution of the sponsors. No Prospectus has yet been issued calling for public subscription.

03. AMOUNT DUE TO OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS : Tk. 8,02,109

This consists of as under :

a) Jiban Bima Corporation :	3,47,696
b) Munich Re :	4,54,413
	Tk. 8,02,109

The make up is as under :

a) Jiban Bima Corporation :	
Balance as at 01-01-94	1,44,819
Add. (i) Provision for premium on Re-Insurance ceded	2,13,067
(ii) Commission on Re-Insurance accepted	-----
(iii) Claim payable on Re-Insurance accepted	-----
	2,13,067
Less (i) Premium of Re-Insurance accepted	-----
(ii) Claim receivable on Re-Insurance ceded	-----
(iii) Commission on Re-Insurance ceded	10,190
	10,190
	2,02,877
Balance payable to Jiban Bima Corporation Tk.	3,47,696

b) Munich Re :

Balance as at 01-01-94	2,74,905
Add. (i) Provision for premium on Re-Insurance ceded	2,19,436
(ii) Commission on Re-Insurance accepted	-----
(iii) Claim payable on Re-Insurance accepted	-----
	2,19,436
Less (i) Premium on Re-Insurance accepted	-----
(ii) Claim receivable on Re-Insurance ceded	-----
(iii) Commission on Re-Insurance ceded	39,928
	39,928
	1,79,508
Balance payable to Munich Re	Tk. 4,54,413

The balance of Jiban Bima Corporation and Munich Re were reconciled with the balance shown in the respective account statement.

04. OUTSTANDING DIVIDEND : Tk. 2,17,749

The amount represents the outstanding balance of dividend payable to Shareholder Directors as follows :

Balance as at 01-01-94	38,749
Add. Surplus allocated to shareholders as per actuarial valuation report 1991 & 1992	9,89,000
	10,27,749
Less. payment made during the Period	8,10,000
Balance as on 31-10-1994	Tk. 2,17,749

05. SUNDRY CREDITORS : Tk. 2,04,23,236

Sl. No. PARTICULARS	AMOUNT
01. Telephone & Trunkcall	60
02. Creditors For Policy Stamp	2,00,000
03. Claims Payable	17,36,292
04. Surrender Value Payable	1,48,496
05. Against Motor Cycle	10,08,960
06. Staff Income Tax Payable	16,702
07. House Rent Income Tax Payable	15,708
08. Bills Payable	1,14,12,145
09. Tax payable	48,31,245
10. Directors Welfare fund	70,000
11. Suspense Account	1,79,651
12. Provident Fund	80,699

13. Income Tax Payable (Others)	44,951
14. Against Microbus	20,000
15. Licence Fee stamp In Hand	6,58,327
	Tk. 2,04,23,236

06. SUNDRY DEBTORS : Tk. 91,08,623

Sl. No. PARTICULARS	AMOUNT
01. Security deposits	81,800
02. Pre-paid expenses	1,62,012
03. Pre-paid office rent	27,75,309
04. Pre-paid house rent	38,250
05. A.N.F. Loan	1,78,773
06. Unsettled P.R.	5,78,990
07. Postage Imprest	4,500
08. Advance against salary	3,96,000
09. Advance against travelling	2,24,430
10. Advance against advertisement & publicity	6,82,140
11. Advance against furniture & fixture	2,19,793
12. Advance tax (deduction at source on FDR int.)	9,44,716
13. Advance against Medical Expenses	57,000
14. Advance against Motor Cycle	2,71,570
15. Advance against legal & professional charges	21,102
16. Advance against Rep. Ren. & Main. on Car	47,000
17. Advance against Printing & Stationery	2,52,000
18. Advance against expenses	17,19,697
19. Khulna office current account	50,000
20. Chittagong office current account	2,00,841
21. Barisal office current account	1,000
22. Brahman Baria office current account	21,500
23. Feni office current account	1,15,000
24. Rajshahi office current account	3,000
25. Patuakhali office current account	700
26. Hatirpool office current account	1,500
27. Farmgate office current account	1,000
28. Sreemongal office current account	1,000
29. Moulavi Bazar office current account	1,000
30. Goalabazar office current account	1,000
31. Dohar office current account	300
32. Shegunbagicha office current account	1,000
33. Narsingdi office current account	500
34. Bogra office current account	5,000
35. Nayabazar office current account	200
36. Sylhet office current account	3,000
37. Comilla office current account	45,000
38. Bishwanath office current account	1,000
	Tk. 91,08,623

07. FIXED ASSETS : Tk. 1,60,44,768

Sl. No. PARTICULARS	AMOUNT
01. Furniture & Fixture	73,85,140
02. Office Equipment	4,58,632
03. Air Conditioners	4,08,187
04. Telephone & Electrical Installation	5,32,050
05. Motor Vehicles	65,46,818
06. Computer	6,67,056
07. Other Assets (Books)	7,778
08. Crockeries & Cutleries	21,497
09. Curtain	17,610
	Tk. 1,60,44,768

PART-VIII

MISCELLANEOUS

M. AHMED & CO.
Chartered Accountants

AUDITORS

AUDITORS' CERTIFICATE

UNDER PARA 24 OF PART II OF THIRD SCHEDULE OF THE COMPANIES ACT 1994

The Board of Directors
National Life Insurance Company Limited
79, Motijheel Commercial Area
Dhaka-1000

Dear Sirs,

We have examined the Life Revenue Accounts of National Life Insurance Company Limited for five years ended 31st December 1990, 1991, 1992, 1993 & 31st October, 1994 in accordance with para 24 of the Third Schedule of the Companies Act 1994. Accounts in respect of the period subsequent to 31st October, 1994 has not been prepared by the Company. We report that :

01. The Operating results of the Company for the above mentioned years were as follows :

(A)	31-12-90	31-12-91	31-12-92	31-12-93	31-10-94
Gross Premium Income :	3,43,17,594	6,22,99,166	8,91,61,752	12,37,62,738	8,84,05,032
Less : Premium on Re-Insurance ceded	5,87,165	9,11,064	8,12,288	3,07,901	4,32,503
NET PREMIUM	3,37,30,429	6,13,88,102	8,83,48,764	12,34,54,837	8,79,72,529
Add :					
(a) Interest Income :	31,74,955	40,89,904	56,24,603	64,17,006	69,30,734
(b) Other Income :	1,27,629	1,75,273	1,66,571	5,32,928	2,99,990
TOTAL	3,70,33,013	6,56,53,279	9,41,39,938	13,04,04,771	9,52,03,253
[B] Claims and Surrenders					
Less Re-Insurance :	29,95,734	55,41,686	1,31,57,045	93,30,946	73,92,117
Management Expenses :	2,50,25,356	4,83,40,008	6,75,81,579	8,00,64,582	6,16,41,994
Others exp. :	5,38,825	5,80,802	8,46,373	11,00,013	19,09,823
TOTAL	2,85,59,915	5,44,62,496	8,15,84,997	9,04,95,541	7,09,43,934
Surplus to Life Fund (A-B)	84,73,098	1,11,90,783	1,25,54,941	3,99,09,230	2,42,59,319

02. We further report that the Company had declared dividend @ 1.75% for each year of 1989 & 1990 and @ 3% for each year of 1991 & 1992 on the ordinary shares of Tk. 1,50,00,000/- on the basis of actuarial valuation. Detailed as below :

Year	Actuarial Surplus allocated to Shareholders	Rate of dividend declared
1985 & 1986	47,425.00	Dividend not declared
1987 & 1988	1,73,675.00	-
1989 & 1990	4,27,649.00	-
	6,48,749.00	
1991 & 1992	9,89,000.00	@ 1.75% for each year of 1989 & 1990
		totaling Tk. 5,25,000.00
		@ 3% for each year of 1991 & 1992
		totaling Tk. 9,00,000.00

No dividend was declared and paid for each year of 1993 & 1994.

Sd/
(M. AHMED & CO.)
CHARTERED ACCOUNTANTS

BANKERS OF THE COMPANY

NATIONAL BANK LIMITED
48, Dilkusha Commercial Area
Dhaka.
UNITED COMMERCIAL BANK LTD.
Local Office
58, Motijheel Commercial Area
Dhaka.

MATERIAL CONTRACTS

The following are all material contracts not being contract in ordinary course of business which have been entered into by the Company.

- Underwriting agreement dated March 6, 1995 between the Company of the one part and National Credit & Commerce Bank Ltd.
- Copies of the aforementioned contracts and documents, copy of the Memorandum and Articles of Association of the Company and the consent order of the Securities & Exchange Commission may be inspected on any working day during office hours at the Company's Registered Office.

SIGNATURE OF DIRECTORS

Name of Directors :	Signature
Share Holder Directors :	
01. Mr. Ahmed Ali	Sd/-
02. Mr. Abdul Monem	Sd/-
03. Mrs. Mohsen-Ara-Rahman	Sd/-
04. Mrs. Farzana Rahman	Sd/-
05. Mrs. S.F. Rowshan Akhter	Sd/-
06. Mr. Mehdadur Rahman Durand	Sd/-
07. Mr. Mahmudul Huq Taher	Sd/-
08. Al-Haj S.I. Chowdhury	Sd/-
09. Mrs. Shirina Akhter	Sd/-
10. Mr. Kazi Badrul Huq	Sd/-
11. Al-Haj K. M. Habib Zaman	Sd/-
12. Mrs. Gazi Zohura Akhter	Sd/-
13. Mr. Imran Khan	Sd/-
14. Dr. F.A. Reza Sukrana	Sd/-
15. Mr. Sheikh Abdul Momen	Sd/-
16. Dr. Humayun Kabir	Sd/-
17. Mrs. Tasmia Ambreen	Sd/-
18. Mrs. Razia Hossain Hira	Sd/-
19. Mr. Morshed Alam	Sd/-
20. Mrs. Latifa Akhter Rana	Sd/-
Policy Holder Directors :	
21. Mr. M. Haider Chowdhury	Sd/-
22. Mr. Kazi Ashrafuddin Ahmed	Sd/-
23. Mr. Mokhesur Rahman	Sd/-
24. Mrs. Nurunnahar Chowdhury	Sd/-
25. Mr. K. Z. Mahmud	Sd/-
26. Mr. Tofazzal Hossain	Sd/-
27. Mr. Mostafizur Rahman	Sd/-
28. Mr. Sawkat Ali Chowdhury	Sd/-
29. Mrs. Shahana Akhter Chowdhury	Sd/-
30. Mrs. Masuda Momen	Sd/-

NATIONAL LIFE INSURANCE COMPANY LIMITED.
APPLICATION FOR SHARES

WARNING : Please read the instructions at the back of this form. Incorrectly filled applications may be rejected.

The Directors Bankers Serial No.

National Life Insurance Company Limited.
79, Motijheel Commercial Area (1st Floor)
Dhaka-1000

Dear Directors,

I/we apply for and request you to allot me/us the following number of shares and I/we agree to accept the same or any smaller number that may be allotted to me/us upon the terms of the Company's approved prospectus and subject to the Memorandum and Articles of Association of the Company. Further, I/we authorize you to place my/our name (s) on the Register of Member (s) of the Company as the holder (s) of Shares allotted me/us pursuant to this application and to send Allotment letter in respect thereof and/or a Crossed (Account Payee only) Cheque in respect of any application money returnable by post at my/our risk to the first applicant's address stated below :

- No. of Shares of Tk. 100/- each.
 - Amount of Tk. (in figs) Taka (in words) only deposited vide Cash/Cheque/Draft/Pay Order No. date on Bank Branch
 - I/we agree to fully abide by the instructions given herein.
 - Name and Address :
- (i) Sole/First Applicant : Mr/Mrs/Ms.....
Father's /Husband's Name :
Postal Address :
Occupation : Nationality
Passport/ID No. (if any)

For use in Refund Warrant : Applicants Bank A/C No.....

Name of the Bank : Branch

(ii) Second Applicant: Mr./Mrs.
Father's / Husband's Name :
Postal Address :
Occupation : Nationality
Passport / ID No. (if any)

05. Specimen Signature (s)
(i) Name (In Block) Signature

(ii) Name (In Block) Signature

BANKER'S ACKNOWLEDGEMENT

Certified that this Bank has received Tk..... (Taka.....) only from Mr./Mrs/M/s being the application money for..... No. of Shares of NATIONAL LIFE INSURANCE COMPANY LIMITED. Authorized Signature (Name & Designation)
BANKER'S SL. NO. Seal & Date : /

INSTRUCTIONS

- All information must be typed or written (in full in block letters) in English or in Bengali and must NOT be abbreviated.
- Application must be made on the Company's Printed form/Photocopy/Type copy/ hand written forms thereof.
- Application must not be for less than 50 shares of face value TK. 5000/- and must be for multiple of 50 shares. Any application not meeting this criterion will not be considered for allotment purposes.
- Remittance for the full amount of the shares must accompany each application and must be forwarded to any of the Bankers to the issue. Remittance should be in the form of Cash/Cheque/Draft/ Pay Order Payable to one of the Bankers to the issue "A/C NATIONAL LIFE INSURANCE CO.LTD." and crossed "A/C PAYEE ONLY" and must be drawn on a bank in the same town as the bank to which the application form has been sent.
- In the case of Joint Application Form, the Allotment Letter will be despatched to the Person whose name appears first on this Application Form and where any amount is refundable in whole or in part the same will be refunded by cheque by post/courier service to the person named first on this Application form in the manner prescribed in the prospectus.
- Joint applications from more than two persons will not be accepted. In the case of Joint Application each party must sign the application form.
- Applications must be in full name of individuals and not in the name of firms, minors or persons of unsound mind. Application from financial and market Intermediary Companies must be accompanied with Memorandum of Association and Articles of Association.
- An applicant can submit NOT more than two applications, one in his/her own name and another jointly with another person. In case an applicant makes more than two applications, those in excess of two applications shall NOT be considered for allotment purposes.
- No receipt will be issued for the payment made with application but a provisional acknowledgement will be issued by the Bankers to the issue for application lodged with them.
- Refund will only be made through "Account Payee" Cheque (s) only with Bank A/C No. Bank name and Branch as mentioned in the application.
- Allotment shall be made solely in accordance with the instructions of the Securities and Exchange Commission.
- Making of any false statement in the Application or supplying of incorrect information therein or suppressing any relevant information will make the application liable to rejection and subject to forfeiture of Application money. The said application money will be deposited in Account Specified by the SEC. This may be in addition to any other penalties as may be provided for by law.
- Application which do not meet the above requirements or applications which are incomplete shall NOT be considered for allotment purposes.

BANKERS TO THE ISSUE

a. National Bank Ltd.	b. United Commercial Bank Ltd.
Dilkusha Branch, Dhaka	Local Office, Dhaka