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PART II

Statutory Notifications (S. R. O.)

GOVERNMENT OF PAKISTAN FEDERAL EMPLOYEES BENEVOLENT AND GROUP INSURANCE FUNDS

(Establishment Division)

NOTIFICATION

Islamabad, the 9th September, 2020

S. R. O. 912(I)/2020.—In exercise of the powers conferred by section 7 of Federal Employees Benevolent Fund & Group Insurance Act, 1969 (II of 1969), the Board of Trustees FEB & GIF has been pleased to approve Terms of References (TORs) of the Real Estate Committee (REC) as per annex-A.

[No. 9/92(GN)/Admn-BT.]

M. SHOAB RAUF HASHMI,
Director (Admn).

(2023)

Price: Rs. 6.00

[6094(2020)/Ex.Gaz.]

Annex-A

**Term of Reference (TORs) of the Real Estate Committee
of the Board of Trustees, FEB & GIF, Islamabad**

The TORs of the Real Estate Committee (REC) of the Board of Trustees, FEB & GIF, Islamabad were approved by the Board of Trustees in its different meetings. Besides TORs relating to Real Estate investment remained part of TORs of the Investment Committee which now have been excluded from their TORs. Hence the final TORs of the Real Estate Committee are provided in the succeeding paragraphs:

Investment in Real Estate

2. Purchase of any real estate shall be examined on the following points¹:-

- (a) Obtain financial assessment report of the proposed plot/building.
- (b) Obtain the structural assessment report of the proposed building.
- (c) Examine financial and structural assessment reports.
- (d) Examine economic viability of the proposed investment.
- (e) Recommend fair value of the proposed plot/building.
- (f) To see whether the proposal has been processed in a transparent manner.

3. With regard to an approved real estate project, the REC is authorized for the following²:

- a. Release of advertisement for inviting bids from consultants/contactors;
- b. Appointment of consultants/contactors;
- c. Approval of the project;
- d. Award of work to consultant/contractor;
- e. Review and approval of marketing strategies and renting out spaces therein.
- f. Award of Operational Services Package (OSP) contracts for O&M (Operation & Maintenance) functions and Marketing.

¹ As per approved TORs of the Investment Committee

² 3 (a to d & i) as approved in 81st meeting of the Board of Trustees held on 3-3-2011

3 (e to h) as approved by Board of Trustees in its 111th meeting held on 22-8-2019 & 5-9-2019

- g. Acceptance of bids and award of tenancy contract.
- h. Appointments of Project staff and Operation & Maintenance (O&M) teams.
- i. Any other issue related to real estate.

4. Limits of Investment³:—Following shall be the limits up to which investments in Real Estate shall be made:—

- (a) FEB & GIF directly investing in any government or government owned entity infrastructure fund or real estate investment trust, total investment in real estate shall not exceed by “40%” of the total investments.
- (b) For non-government real estate transactions investment not more than 7.5% of the total project value or fund size, with a maximum ceiling of total investment of not exceeding 15% of portfolio shall be observed.

5.⁴ The decisions of the REC taken on behalf of (BOT) shall be implemented like that of implementation of Investment Committee, to avoid delays. However, the secretariat would submit the decisions taken by the REC, to the BOT for its information/approval in the same manner as that of Investment Committee.

6. The above limits of investment are in line with Finance Division recommended limits of investments *vide* Finance Division U.O. No. 108/DFA/(Estt)/2008 dated 22-5-2008, adopted by Board of Trustees in its 73rd meeting held on 12-2-2009 (Annex-B).

³ As per approved TORs of IC

⁴ As approved in 81st meeting of the Board of Trustees held on 3-3-2011

Annex-B

**AN EXTRACT OF MINUTES OF THE 73RD MEETING OF THE
BOARD OF TRUSTEES, FEB & GIF HELD ON 12-02-2009**

“4.7 —Chances in investment parameters (TORs for investment)

4.7.1 The Board was informed that the Finance Division has suggested various improvements in investment parameters and requested to grant approval thereof. The Board was also informed that two new instruments have been added in the permissible investment avenues. One is commercial papers and the other is Re-purchase options. The commercial paper would provide an opportunity for short term investment; whereas the re-purchase options will enable the FEB & GIF to earn additional one to two percent profit on its PIBs holdings. The Chairman directed that the Investment Committee may be consulted in this regard. The Chairman also enquired whether these investment parameters have been seen by the Investment Committee. The Board was informed that the Investment Committee has already recommended the said investment parameters for approval of the Board.

Decision

4.7.2 The Board approved the changes in TORs for investment as cleared by the Finance Division through its U.O. No. 108/DFA/ (Estt)/2008 dated 22-05-2008 (annex-III).”