



Rs 1,000/-

Description	: Agreement or Memorandum of an Agreement - 3(c)
First Party	: EFU Life Assurance Ltd. [09448942]
Second Party	: Finance Department, Government of Sindh [9031001]
Applicant	: Syed Muhammad Maruf [42101-9679324-7]
Stamp Duty Paid by	: EFU Life Assurance Ltd. [09448942]
Issue Date	: 07-Apr-2026, 04:32:13 PM
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Amount in Words	: One Thousand Rupees Only

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This Agreement is made pursuant to sub-rule (16) of Rule 4 of the Sindh Defined Contribution Pension Scheme rules 2025, on **28** April, 2026, between the Government of Sindh through the Additional Secretary to Government, Finance Department (**hereinafter referred to as the "GoS"**), which expression shall include its successor in office, legal representative and permitted assignees of the First Part, and EFU Life Assurance Limited, a company registered with the Securities and Exchange Commission of Pakistan (hereinafter referred to as "SECP") as Pension Fund Manager, through Managing Director & CEO (**hereinafter referred to as the "PFM"**), which expression shall include its successor in office, legal representative and permitted assignees of the Second Part;

The GoS and the PFM are hereinafter individually referred to as the "Party" and collectively as the "Parties"; and

WHEREAS the GoS desires to appoint the PFM to manage the Pension Fund (hereinafter referred to as "Pension Fund"), for its employees in accordance with the Voluntary Pension System Rules, 2005 (hereinafter referred to as "VPS Rules"), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (hereinafter referred to as "NBFC Regulations"), and the Sindh Defined Contribution Pension Scheme Rules (hereinafter referred to as "Sindh DCPS Rules");

AND WHEREAS the PFM has agreed to provide the aforesaid services to the GoS, in accordance with the VPS Rules, NBFC Regulations, and the Sindh DCPS Rules;

NOW, THEREFORE, the Parties agree as follows:



1. REPRESENTATIONS, WARRANTIES, AND COVENANTS OF THE GoS

- 1.1. The GoS represents and warrants to the PFM that Secretary to Government, Finance Department is authorized to enter into this Agreement and is executing this Agreement for and on behalf of Government of Sindh.
- 1.2. The GoS-
- 1.2.1 represents and warrants to the PFM that all statements made, and materials provided to the PFM, which resulted in this Agreement, are true, correct and complete;
 - 1.2.2 shall diligently fulfill its responsibilities in accordance with the VPS Rules, NBFC Regulations, Sindh DCPS Rules and this Agreement;
 - 1.2.3 shall maintain a high standard of transparency and always provide accurate information to the PFM;
 - 1.2.4 has designated the Sindh Contribution Pension Unit (**hereinafter referred to as the "SCPU"**), to facilitate, coordinate, operationalize and monitor the Defined Contribution Pension Scheme, which shall liaise with the PFM and shall regularly provide the following updated information of its employees to the PFM:
 - 1.2.4.1 Employees who have been newly appointed;
 - 1.2.4.2 Employees who are in active service and have neither retired nor left the service;
 - 1.2.4.3 Employees who have left the service before attaining retirement age;
 - 1.2.4.4 Employees who have attained retirement age; and
 - 1.2.4.5 Employees who have died before or after retirement.
 - 1.2.5 The SCPU shall establish an online portal which shall be fully integrated with the IT system of the PFM to enable the SCPU to provide or obtain information related to the PFM and the employees.

2. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PFM

- 2.1. The PFM represents and warrants to the GoS that –
- 2.1.1 it is registered, and shall remain registered, with Securities and Exchange Commission of Pakistan as a PFM and authorized to manage employer pension funds under the VPS Rules.
 - 2.1.2 the person executing this Agreement for and on behalf of the PFM is authorized to do so;
 - 2.1.3 all statements made, and materials provided to the GoS, which resulted in this Agreement, are true, correct and complete;
- 2.2. The PFM shall –
- 2.2.1 be a "fiduciary" with respect to the Pension Funds and the employees and shall specifically perform all its duties and obligations under this Agreement in such capacity;
 - 2.2.2 diligently fulfill its responsibilities in accordance with the VPS Rules, NBFC Regulations, Sindh DCPS Rules and this Agreement;
 - 2.2.3 maintain a high standard of accuracy, transparency and documentation in communicating and corresponding with the employees of the GoS and the representatives of the SCPU, ensuring that complete records of verbal and written communication, including recording of all conversations, are retained for a period of five years;
 - 2.2.4 nominate a focal person for liaison with the SCPU and shall intimate the SCPU regarding any change in focal person as and when it occurs;
 - 2.2.5 be deemed, for all purposes, to be an independent service provider, and, unless otherwise expressly authorized or provided, shall not have authority to act for or represent the GoS in any way or otherwise be deemed an agent of the GoS;
 - 2.2.6 collaborate with the Central Depository Company or any other entity providing custodial services and provide necessary support to the SCPU in developing the online portal, ensuring it is properly designed, fully integrated with the IT system of the PFM, and enables GoS to access information related to the Pension Funds managed under this Agreement.
 - 2.2.7 establish and manage both conventional and Shariah-compliant Pension Fund, unless it is restricted by its constitutive documents or policy to establish and manage only one of these two types of funds;

ADDITIONAL SECRETARY
Finance Department
Government of Sindh



- 2.2.8 establish and manage separate Pension Funds, each consisting of the following sub-funds:
 - 2.2.8.1 money market sub-fund;
 - 2.2.8.2 debt sub-fund;
 - 2.2.8.3 equity index sub-fund; and
 - 2.2.8.4 equity sub-fund.
- 2.2.9 set performance benchmarks for each Sub-Fund with the prior approval of the Finance Department, GoS and SCPU.
- 2.2.10 measure its investment performance according to prevailing regulations and industry standards.
- 2.3. The PFM shall have a system in place to –
 - 2.3.1 allot a unique account number, similar to a bank account number, to each pension account, opened by any employee; and
 - 2.3.2 ensure electronic transfer of pension contributions by the GoS, directly into the pension accounts of the employees, in a seamless manner without any manual intervention.
- 2.4 The PFM shall take all reasonable measures for fast-track opening of pension accounts of employees.
- 2.5 The PFM shall manage the Pension Funds as employer pension funds in accordance with the VPS Rules, NBFC Regulations, Sindh DCPS Rules and this Agreement:

Provided that the PFM shall manage the following matters, strictly in accordance with the Sindh DCPS Rules and this Agreement:

- 2.5.1 Investment of seed capital: PFM shall invest seed capital amounting to five hundred thousand rupees in each sub-fund of a pension fund for a minimum period of three years;
- 2.5.2 Retirement age of employee;
- 2.5.3 Early withdrawal of any amount from the pension account by an employee before attaining retirement age, subject to applicable taxes;
- 2.5.4 Options available to an employee on attaining retirement age including withdrawal of a portion of the balance in the pension account and investment of the remaining balance in annuity or monthly income plan, subject to applicable taxes.
- 2.5.5 Asset allocation policy and the maximum exposure limits for high-risk sub-funds for employees.
- 2.6 With the signing of this agreement the employees of the scheme having pension accounts with the PFMs shall be provided with a group life and permanent total disability insurance plan through an Insurance Company with an Insurer Financial Strength rating of AA or above. The insurance benefits to be offered under the insurance plan shall be as specified in **Appendix-I** and **Appendix-II** of this Agreement, respectively.
- 2.7 The PFM shall collaborate with the Mutual Fund Association of Pakistan (hereinafter referred to as "MUFAP") and all other PFMs, who have entered into similar agreements with the GoS
 - 2.7.1 to devise a single Offering Document, each for conventional Pension Fund and Shariah compliant Pension Fund and a single template containing information to be provided by the employees for opening of their pension accounts;
 - 2.7.2 to share and resolve all common issues.
- 2.8 The PFM shall regularly maintain liaison with the SCPU which shall act as an intermediary between the employees and PFM for opening of pension accounts by obtaining the required information from employees and providing it to the PFM.
- 2.9 The PFM shall develop specialized, user-friendly reports tailored specifically for the employees of the GoS, ensuring that the information is accessible and easily comprehensible to those without financial expertise.
- 2.10 The PFM shall provide such information in such mode and manner as may be required by the SCPU, including but not limited to performance reports, quarterly, half-yearly and annual

Secretary, Finance
Government of Sindh



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financial statements in respect of each Pension sub-fund and periodic reports, containing information regarding –

- 2.10.1 the number of pension accounts and pension account holders;
- 2.10.2 the amount of contributions received;
- 2.10.3 performance, including gross return, expense ratio, and net return, of sub-funds of the Pension Fund being managed;
- 2.10.4 pension account holders who have reached retirement age;
 - 2.10.4.1 the amount withdrawn by such account holders;
 - 2.10.4.2 the number of account holders who have invested in monthly income plans or growth plans or annuities;
 - 2.10.4.3 the amount of monthly profit or annuity paid to such account holders;
- 2.10.5 the number and amount of in-service death or permanent total disability claims received and paid.

3. FEES AND CHARGES

- 3.1 The PFM shall not deduct any sales load or other transaction charges, by whatever name called, in respect of the contributions into, or withdrawals from the Pension Fund(s):
Provided that the withdrawals shall be subject to deduction of applicable taxes.
- 3.2 The PFM shall compute and disclose the Total Expense Ratio of the Pension Fund in the following manner:
 - 3.2.1 Total Expense Ratio, excluding insurance charges and Government taxes and levies;
 - 3.2.2 Total Expense Ratio, including insurance charges but excluding Government taxes and levies; and
 - 3.2.3 Total Expense Ratio, including insurance charges as well as Government taxes and levies.
- 3.3 The Total Expense Ratio, excluding insurance charges and Government taxes and levies, of each Pension Fund, managed by the PFM, shall be subject to the maximum limits set out in **Appendix-II**.
- 3.4 In case the PFM manages Pension Fund(s) for employees of any Local, Provincial or Federal Government in Pakistan other than the GoS, (hereinafter referred to in this clause as "Other Government Pension Funds"), the Total Expense Ratio excluding Insurance charges charged to the Pension Fund(s) pertaining to GoS's employees (hereinafter referred to in this clause as "GoS Pension Funds") shall, during the currency of this Agreement, be subject to the following conditions:
 - 3.4.1 In case the other government is offering similar scheme to its employees than that offered by the GoS, the Total Expense Ratio, excluding insurance charges as well as Government taxes and levies charged by the PFM to GoS Pension Funds shall not be higher than the same Ratio charged by the PFM to the Other Government Pension Funds.
 - 3.4.2 In case the PFM charges a lower Total Expense Ratio to any of the Other Government Pension Fund, it shall, from the effective date of such an occurrence, charge the same Total Expense Ratio to the GoS Pension Fund.

4. MEETINGS

The SCPU and the PFM shall meet periodically, at least once in each half of a financial year or more often as needed and requested by either Party, at a place and time mutually agreed by both Parties.

5. DISPUTE RESOLUTION

- 5.1. Any dispute between the Parties, arising out of or in relation to this Agreement, which is not resolved through mutual negotiations, may, with mutual consent of both Parties, be referred for arbitration, in accordance with the Arbitration Act, 1940.
- 5.2. The venue of arbitration shall be Karachi and the language of arbitration proceedings shall be English. The costs of arbitration shall be borne by both the Parties.



6. **NOTICES**

- 6.1. All notices under this Agreement shall be sent at the addresses provided by each party which may be updated by either Party from time to time by notifying in writing to the other Party.
- 6.2. Any such notice shall be effective:
- 6.2.1 when received in case it is sent by registered mail acknowledgement due by the Pakistan Post, or by courier service, or by hand; or
- 6.2.2 on the date sent in case it is sent by email.

7. **ENTIRE AGREEMENT**

This Agreement, as amended in writing from time to time, together with the Appendices attached hereto, constitutes the entire Agreement of the Parties, is intended to be the complete and exclusive statement of the terms hereof, and, except as provided for herein, may not be amended except by a writing signed by the Parties hereto. If any provision of this Agreement is found to be invalid or unenforceable by a Court of competent jurisdiction, the other provisions shall be considered severable and enforceable.

8. **GOVERNING LAW AND VENUE**

- 8.1. This Agreement shall be governed by and construed in accordance with the laws of Pakistan and the Province of Sindh. References herein to provisions of law shall be deemed to include a reference to any amendments thereof and any successor provisions thereto.
- 8.2. Venue for any litigation, relating to this Agreement, including any claim arising out of or related to this Agreement, shall be the Court of competent jurisdiction of the Province of Sindh.

9. **COUNTERPARTS**

This Agreement may be executed in any number of separate counterparts, each of which shall be deemed an original, but the several counterparts shall together constitute but one and the same Agreement of the Parties hereto.

10. **DISCLOSURE OF INFORMATION**

The PFM shall regard all information relating to the investments of the employees, as confidential and shall not disclose such information except as required by a prevailing Federal or Provincial law, or by a rule or regulation made in accordance with such a law, rules or by order of a Court of competent jurisdiction.

11. **FORCE MAJEURE**

If either of the Parties fails to perform its obligations under this Agreement, due to any event arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control, and which are not attributable to any willful act, neglect or failure to take reasonable preventive action, the other Party shall provide a reasonable time and opportunity to it to perform the relevant obligations.

12. **INDEMNITY**

Each Party agrees to indemnify the other Party along with its officers, directors, employees and representatives, and hold them indemnified against all claims, demands, penalties, losses, direct and or indirect, fines, liabilities, damages, compensation and expense, including attorney's fees, for losses of any kind and nature, including harm to the other Party's property and injury to its employees, without limitation, whatsoever, arising out of, or in relation to, any of the indemnifying Party's misrepresentations, frauds, breach of obligations, warranties, disregard of professional conduct, and omissions of performance as per this Agreement.

13. **EFFECTIVE DATE, TERM, TERMINATION**

- 13.1. This Agreement shall come into force ~~on the date of its signing by the Parties.~~

ADDITIONAL
Signature of
Government of Sindh



- 13.2. This Agreement shall continue to be enforced and effective unless terminated under this clause.
- 13.3. The PFM may also terminate this Agreement, after thirty (30) days prior written notice of termination to the GoS.
- 13.4. Notwithstanding any provision to the contrary, in case the PFM is deregistered by the SECP for any reason, or the pension fund managed under this Agreement is de-authorized by SECP, or the PFM fails to maintain the Asset Manager rating required to manage employer pension funds under the VPS Rules, this Agreement shall automatically stand terminated on the date of such deregistration, de-authorization, or failure to maintain the required Asset Manager rating.
- 13.5. The GoS, in pursuance of sub-rule 19 of rule 4 of the Sindh DCPS Rules, may terminate this Agreement, after thirty (30) days prior written notice of termination to the PFM, if he:
- 13.5.1. voluntarily initiates the winding up of the company;
 - 13.5.2. commits a material breach of any provision of this Agreement and fails to remedy such breach within thirty (30) days of receiving written notice from the GoS specifying the breach;
For the purposes of this Agreement, a 'material breach' means a significant violation of the contractual obligations herein that substantially harms the interests of the aggrieved party and undermines the essence of the agreement.
 - 13.5.3. engages in gross negligence, willful misconduct, fraudulent activities, violation of any applicable laws, rules or regulations, or unethical behavior, which jeopardizes the interests of the pension fund or the employees of GoS.
 - 13.5.4. underperforms against performance benchmarks as under, provided that any underperformance arising primarily from broad market conditions beyond the control of the Pension Fund Manager will not be deemed a breach of these provisions:
 - 13.5.4.1 for equity Sub-fund, underperforms for 5 consecutive financial years or its cumulative underperformance over any period of 3 consecutive financial years is more than 10%;
 - 13.5.4.2 for Money Market and Debt Sub-Funds, underperforms by more than 1% for 3 consecutive financial years or its cumulative underperformance over any period of 3 consecutive financial years is more than 5%.
- 13.6. The PFM, upon termination of Agreement, shall continue to manage the pension fund until the entire balances in all pension accounts of the employees of the GoS are transferred in the pension accounts of the respective employees with one or more other PFMs, in accordance with VPS Rules. For this purpose, the PFM will share the relevant data with the new PFM(s) as per the instructions issued by the GoS. Both parties shall make every effort to complete the process for transfer of pension fund balances within 30 days of termination of Agreement.

14. INTERPRETATION

All expressions, used in this Agreement, shall have the same meanings as are respectively assigned to them under the VPS Rules, NBFC Regulations, and the Sindh DCPS Rules. In case of a conflict, the meanings assigned by the VPS Rules and NBFC Regulations shall prevail.

IN WITNESS WHEREOF, duly authorized representatives of the GoS and of the PFM have executed this Agreement on the day and year mentioned above.

ADDITIONAL SECRETARY (SR)

Finance Department
Government of Sindh

For and on behalf of
Government of Sindh

Witness 1:

CNIC: 42000-0466935-7

For and on behalf of
EFU Life Assurance Limited

Witness 2: M. AZAM KHAN

CNIC: 42301-8983781-9



Appendix-I

Insured Event	Group Life Insurance Benefit
Death/Permanent Disability before attaining Retirement Age.	PKR 1,000,000/-
In Case of Accidental Death before attaining Retirement Age	PKR 2,000,000/-

Provided further that the Group Life Insurance benefit limit specified above shall be subject to annual indexation @ 10% for all employees, both those previously insured and those joining within the year and rounded up to the nearest PKR one thousand.

In this regard, the insurance pricing, indexation, the selection of the insurance company(s), and other related arrangements and modalities shall be finalized through mutual agreement among PFM via MUFAP, the Finance Department, GoS, and the SCPU.

Appendix-II

Total Assets Under Management (AUM) with a single Pension Fund Manager relating to GoS employees	Maximum Total Expense Ratio excluding insurance charges and government taxes and levies (as % of average daily net assets)				Insurance charges (as % of average daily net assets)
	Money Market Sub-Fund	Debt Sub-Fund	Equity Index Sub-Fund	Equity Sub-Fund	
Upto PKR 10 billion	0.75%	0.75%	1.00%	1.75%	To be charged on actual basis to the employee's individual pension accounts as per the limits and pricing mutually decided by parties.
Greater than PKR 10 billion upto PKR 20 billion	0.70%	0.70%	0.95%	1.70%	
Greater than PKR 20 billion upto PKR 30 billion	0.60%	0.60%	0.85%	1.60%	
Greater than PKR 30 billion	0.50%	0.50%	0.75%	1.50%	

Provided further that the reduction in maximum limit for Total Expense Ratio excluding insurance charges and government taxes and levies, contingent upon increase in AUM, shall be applicable to the aggregate AUM of a PFM relating to employees of the GoS under the terms of this Agreement.

ADDITIONAL SECRETARY (SR)
Government of Sindh

