Privatisation Commission's (PC) Clarifications on the Interested Parties (IP) Queries

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8 & 12	Instructions to FA & Data Sheet / 4.3	Is it acceptable to submit the password-protected electronic proposal by the submission deadline, together with documentary proof (i.e., courier receipt) that the physical hard copies were dispatched before the deadline? Even if the hard copies have not yet physically reached the PC's office by the submission date?	Yes, it's acceptable. Please refer to 4.3 of II: Instructions to Financial Advisor / Interested Parties in the RFP Package, "Electronic submission of proposals/ copies will be accepted with password protection provided hard-copies are also submitted subsequently within reasonable time." In addition, Instructions to IP / Data Sheet in the RFP Package provide for "IP must submit the original and five (05) copies and password protected soft copies of the Technical and Financial Proposals. In case of electronic submission, password of only technical proposal to be shared at the time of opening of Technical Proposals while password of financial proposal is to be shared at the time of opening of their Financial Proposal. Evidence of deposit of processing fee (made prior to the deadline) shall also be provided."
13	Data sheet / 5(a)(1)	Could PC please specify the name(s) of the specific league table(s)/publisher(s) that will be used for this evaluation?	As per 5(a)1 of the Instructions to IP / Data Sheet in the RFP Package, "Global ranking/international credibility of Consortium Lead. Ranked in internationally recognized league tables for Mergers & Acquisitions (M&A) transactions determined by PC in its sole and absolute discretion since Jan 2023." So Financial Advisor/ Interested Parties may quote the relevant league tables where it is ranked.
14	Data Sheet / 5(a)(4)	We would appreciate clarification on the aggregation method: Are the "05 or more completed mandates" required under this criterion counted as a total across all consortium member firms combined, or does each individual consortium member firm need to independently meet the "05 or more" threshold to earn full marks? For example, if the Law Firm member alone has 5 or more completed M&A mandates, is that sufficient on its own to	As per 5(a)4 of the Instructions to IP / Data Sheet, "Demonstrated experience of the Consortium (excluding the Consortium Lead and IPO Consultant to the Issue) in completing similar M&A mandates". Here, consortium members consisting of Law Firm, Accounting & Tax Firm, Actuarial, HR, Media & Marketing Firm (excluding the Lead & IPO Consultant to the Issue) will be evaluated as a Firm / entity. PC expects, each consortium member will provide their transaction experience for PC to evaluate each firm and accordingly assign an aggregate score. Table 2 on page 25 of RFP Package (B-Experience) supplement this.

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		secure full marks under Criterion (a)(4), regardless of the experience of other consortium members?	
16 & 17	Data Sheet / 5(b)(3,4,6, & 7)	Are the same M&A mandate credentials submitted to satisfy Criterion (a)(4) also eligible to be counted toward these individual firms' marks under Criteria (b)? Or must the credentials used for (a)(4) be distinct from those used for (b), to avoid double-counting the same experience across both criteria?	Section 5(a) primarily covers Firms' competence while section 5(b) is focused on Team Competence. As a process, PC requests for relevant transaction experience of both Firm & Team nominated for the assignment. Accordingly, scores in 5(a)4 is provided at the Firm Level while score in Section 5(b)(3-7) is assigned on the aggregate Firm & Team competence basis (based on Transaction experience submitted).
32	Financial Proposal Submission Form	Can you please clarify the amount stated in ¶2 is inclusive of out of pocket expenses?	Form FIN-1 requires the aggregate of milestone-based-retainer fee and out of pocket expenses while success fee %age needs to be provided separately. Form FIN-2 with its note 6 further elaborate on this. For reference, Addendum No.1 issued by PC shall also be considered.
42 & 43	Appendix - A / Terms of Reference (TORs)	TOR Section 4.1.4(C)(i) requires the Financial Advisor to "review different aspects relating to human resources/manpower of SLIC including governing laws/regulations and contract terms of SLIC's workforce and existing employee litigation matters." Could PC please clarify the intended scope of "different aspects relating to human resources/manpower,"? Specifically: Is this intended to be limited to (a) a review of the existing workforce's contractual terms/obligations and (b) existing employee litigation matters; or does PC intend a broader HR review encompassing additional dimensions (e.g., organizational structure, compensation/benefits framework, pension liabilities, succession planning, etc.)?	PC expect this scope to be a usual HR DD for a M&A / privatisation transaction. In addition, as the transaction progresses, PC expects, the HR DD will cover all material areas related to SLIC's HR with any impact on the entity's valuation and potential transaction structure. Also, while PC has outlined a tentative scope of work for HR DD, PC expects that the financial advisor will take the lead to do a comprehensive HR DD which is essential for a M&A transaction of this nature.

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42 & 43	Appendix - A / Terms of Reference (TORs)	TOR Section 4.1.4(C)(iii) requires the Financial Advisor to "identify relevant stakeholders, especially employees, and specify an engagement plan to mitigate social and operational disruptions." While the clause references "relevant stakeholders" broadly, could PC please confirm that this work stream is intended to focus specifically on employees, and the associated social and operational disruptions arising from the Transaction? For the avoidance of doubt, the other stakeholder categories, including shareholders, vendors, partners, and Board members, would fall outside the scope of this specific clause.	Given the public sector nature of the transaction, employees are expected to be the primary stakeholder group for the purposes of this clause. Accordingly, the Financial Advisor is expected to develop an appropriate communication and engagement plan for employees. However, where considered necessary, the Financial Advisor may identify and propose engagement with any other relevant stakeholders to support effective transaction execution.
42 & 43	Appendix - A / Terms of Reference (TORs)	TOR Section 4.1.4(C)(v) includes a catch-all requirement for the Financial Advisor to address "any other aspect relevant to the Transaction," without further specification. This wording is open to wide interpretation. Could PC please clarify what additional aspects (if any) it expects to be covered under this clause, beyond those already listed in Section 4.1.4(C)(i)–(iv)?	PC, as a sell-side owner, expects the financial advisor to take a lead and chalk-out a plan. For the HR related DD, PC expects, the financial advisor to consider all the relevant factors which are essential for the M&A transaction of this nature.
12	Data Sheet / 1.8	We seek your kind clarification regarding Clause 1.8 (Data Sheet) of the RFP, which states that the main Technical Proposal should not exceed 100 A4-size pages. Could you please confirm whether the 100-page limit is inclusive of the appendices/annexures,	The limit of 100A4 pages only applies to main Technical Proposal and does not include the Annexures / supporting documents.

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		particularly including document evidences required to substantiate the proposal. Your clarification will help us ensure compliance with the RFP requirements.	
42	Appendix - A / Terms of Reference (TORs) / 4.1.4(A)III	Will SLIC provide its actuarial projections as the starting point for the valuation exercise?	Reference 4.1.4(a)iii of TOR in the RFP package "conduct a comprehensive actuarial review including actuarial valuation methodologies, policy holder liabilities, actuarial reserves, statutory funds, bonus philosophy and other actuarial matters material to valuation or investor interest and <u>perform independent actuarial valuation</u> in this regard where required". Accordingly, PC expects the FA to provide its own independent judgment for sell-side valuation of such liabilities, usual for an M&A sell-side transaction.
41 & 42	Appendix - A / Terms of Reference (TORs) / 4.1.4	Has SLIC implemented IFRS 17 in its half-yearly financial statements for the period ended June 30, 2026?	Reference 3.2 of SLIC's audited FS for 2025, IFRS-17 / insurance contracts effective date (period beginning on or after) is 01 Jan 2027. Further, SLIC re-reconfirmed that SLIC and other insurance companies has not implemented IFRS 17 in its financial statements of 30 June 2026, in compliance of SECP directives by which whole insurance industry need to implement IFRS 17 w.e.f 01.01.2027.
2	I. Letter of Invitation	We seek clarification regarding the non-refundable fee of USD 1,000. Could you please confirm whether this fee can be submitted through a pay order? Alternatively, if we deposit the amount directly into the designated bank account, would it be acceptable to include the bank deposit slip/payment receipt as proof of payment in our proposal?	Reference I.Letter of invitation in the RFP package, "IPs are required to submit their technical & financial proposals along with mandatory non-refundable processing fee of US$1,000 (united states dollar one thousand only), by banker's cheque or wire transfer". Accordingly, direct credit/wire transfer to privatisation commission bank account (details in RFP) ahead of the proposal submission deadline is preferable. Subsequently, receipt of the fee

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			payment shall be submitted along with the proposals. In addition, yes, pay-order is also acceptable. For payment in equivalent PKR, NBP closing-selling-rate for the day before proposal submission deadline shall be used.
13	Data Sheet	We could not find any specific criteria in the RFP regarding the Consortium Lead. Could you please clarify who is eligible to act as the Consortium Lead? Based on our understanding, any consortium member may serve as the lead, provided the consortium members mutually agree. Kindly confirm whether our understanding is correct.	Reference Instructions to IP / Data Sheet in the RFP Package, 5(a)1 and 5(a)2 provide the details related to Consortium Lead.
8 & 12	4.3 & 4.5	We noted that the proposal must be submitted electronically. Could you please confirm whether the electronic submission should be made via email or on a procurement portal?	Reference II.Instructions to Financial Advisor / Interested Parties, clause 4.3 provides "electronic submission of proposals/ copies will be accepted with password protection provided hard-copies are also submitted subsequently within reasonable time." Reference Instructions to IP / Data Sheet in the RFP Package, 4.3 provides "IP must submit the original and five (05) copies and password protected soft copies of the technical and financial proposals. In case of electronic submission, password of only technical proposal to be shared at the time of opening of technical proposals while password of financial proposal is to be shared at the time of opening of their financial proposal. Evidence of deposit of processing fee (made prior to the deadline) shall also be provided." So, e-submission is acceptable provided hard copies are also submitted subsequently. In addition, clause 4.5 / Data Sheet provide the addresses for physical and e-submission of proposals.
14 & 15	5	We seek clarification regarding the consortium evaluation criteria. If we form a consortium comprising different member firms, can the required criteria, such as Global Ranking Firm, Lead	Reference Instructions to IP in the RFP package / Data Sheet, 5(a)3 and 5(a)4 note provides "in case the proposal has not been submitted by a consortium, the experience of IP will be considered against this criteria".

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		Transaction Advisor, Experience in Completing Similar M&A Mandates, and Accountancy and Tax Firm be fulfilled by different consortium members? Or is it acceptable for one consortium member to satisfy all the above criterion.	
41 & 42	Appendix - A / Terms of Reference (TORs) / 4.1.4	SLIC Properties: Please share the complete list of properties owned by SLIC, including both Investment Properties and Property in Use.	There are total 92 properties all across Pakistan.
25	Experience	Value of Assignment: Form Tech-2B requires the "Value of Assignment (in current US$)", whereas the evaluation sheet refers to the "Net Asset Value of the transaction entity". Please share clarification on the definition of "Value of Assignment" and whether, for purposes of the proposal, we are required to provide both the Net Asset Value and the Value of Assignment.	For Proposal Evaluation, Only Net Asset Value Of The Transaction Entity Is Required.
33 & 34	Financial Proposal	IPO-related Expenses: In the event that the IPO route is adopted, could you please clarify whether the IPO-related expenses are required to be included in our financial proposal, or whether these expenses would be borne separately by the Privatisation Commission / SLIC?	Reference FORM FIN-2 SUMMARY OF COSTS (page-33 & 34) along with Notes-1 to 6, PC expects that the financial advisor's own remunerations shall be covered as part of milestone-based retainer fee while remaining expenses related to third-parties shall be covered from Out of Pocket Expenses which are incurred on actual and at arms' length transaction basis. Accordingly, please classify your costs Heads into financial advisor's own payment and Third-party / arms-length services payment. Finally, IPs / FAs need to make sure that Fee Proposals are complete and includes all and every cost / expense required to be incurred for achieving the transaction objectives. This includes each and every third-party payment including regulatory fees,

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			brokerage fees/commission, etc. Any incomplete Financial Proposal may be dis-qualified.
33 & 34	Financial Proposal	Notional Value for Financial Score: Please confirm whether a separate notional value will be announced for each of the three Transaction Options for the purpose of calculating the Financial Score (Sf).	Reference FORM FIN-2 SUMMARY OF COSTS, Note 6, "% of Sale Proceeds: for calculation purposes, PC shall announce a notional value for expected sale proceeds, which will be used for calculation of Success fee amount prior to opening of Financial Proposals - pursuant to Regulation 9 of PC hiring of FA Regulations 2018." PC don't see a reason for using three difference notional values.
5	1.4	An employee of XYZ is engaged with SLIC as their appointed actuary in his personal capacity. SLIC's agreement is not with XYZ but directly with the individual. Under the circumstances, can XYZ be included in our bid as a consortium member, along with an undertaking from them that their employee (by name) will have nothing to do with the engagement? If you still feel this is a conflict, we will seek an alternative as our actuary partner.	As PC understands, contractually, XYZ, being a Company, will be the potential FA's consortium partner on the record. Provided, the employee is fully quarantined from the FA's work on the sell-side advisory, PC has no objection. Finally, PC would still suggest to the Lead FA to make the effort and avoid this scenario (on account of optics for a public tender - if it's doable at this stage).
13	Data Sheet / 5(a)	Joint Consortium Lead: The evaluation criteria at para 5 of the Instructions to Interested Parties contemplate a "Consortium Lead" for the purposes of criteria (a)(1) (global ranking / international credibility) and (a)(2) (experience as Lead Financial/Transaction Advisor). Kindly clarify whether two or more consortium members may be jointly designated as	For purpose of Evaluation & Scoring, as a process, PC always considers 01 Firm/Corporate Entity as a Lead. Rationale being, one single firm with the relevant experience & depth of experience cannot be the same as two firms with similar aggregate number of transaction experience. Logically also, if PC allows the option of multiple Consortium Lead vs Single Consortium Lead, PC may not get the experience depth which is expected for large and complex transactions, not to mention, it will not be fair to any global / local reputed firm with independent in-house expertise.

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		Consortium Lead, and if so whether their credentials may be considered on an aggregated basis.	
10	9.1	Actuarial firms operating under a common brand name: Kindly clarify whether a conflict of interest, or a contravention of Clause 9.1 (Only One Proposal), would arise where two actuarial firms operating under the same Brand Name, albeit through separate and distinct legal entities incorporated in different jurisdictions, are separately owned and managed having no common control or common ownership.	As per 9.1 of the II: Instructions to Financial Advisor / Interested Parties in the RFP Package, "If a party including any member of IP Consortium or Sub-Contractor or Third Party(s) submits or participates in more than one proposal, all such proposals shall be disqualified and rejected." PC does not see a breach of 9.1 provided the IP Consortium Partner or Sub-Contractor are incorporated in distinct legal jurisdictions and without any overlapping / same ultimate beneficial owners (UBO) though using same brand name. Finally, given, it's a public tender, optically, it may still not look good so potential FA / IP shall make the effort to avoid such a scenario.
10	9.1	Actuarial advisors with potential buy-side involvement: The pool of actuarial firms with demonstrable life insurance valuation experience relevant to this Transaction is limited. Several firms we have approached have indicated that they may be engaged by, or may advise, prospective investors participating in the Transaction. We would be grateful for clarification on the following: (a) Whether such a firm is ineligible in respect of criterion (b)(5); and (b) Whether the Commission would accept such a firm where it furnishes a written undertaking to	An IP or Consortium Partner can only be an FA as a Sell-Side Advisor or a Buy-Side Advisor to advise PC on this Transaction. Assuming, IP or Consortium Partner is already engaged with an Investor on the Buy-Side, it should avoid putting a bid on the Sell-Side.

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		withdraw from, and refrain from accepting, any buy-side role in the Transaction in the event our consortium is appointed as Financial Advisor;	
13	Data Sheet / 5(a)	We have noted PC's clarification that a single firm must be designated as Consortium Lead for the purposes of criteria (a)(1) and (a)(2). We wish to draw PC's attention to a difficulty this may create in the present transaction. Addendum No. 1 requires the Financial Advisor to evaluate and recommend the optimal divestment mode among Equity Sale, IPO, and IPO followed by Equity Sale. That recommendation is itself a Phase-II deliverable, so the mode is not determined at the time proposals are submitted or evaluated. Each mode calls on a different lead capability. An Equity Sale with transfer of management control is a strategic M&A execution. An IPO under Phase-IIIB is a capital markets execution involving book-building, underwriting, price discovery and listing on the Pakistan Stock Exchange, which can only be performed by a licensed securities firm. Phase-IIIC requires both. A single Lead must therefore be nominated before the mode is known. Whichever mode the Government subsequently approves, PC may find that the appointed Lead does not hold in-house	In principle, PC has decided to keep 01/single Consortium Lead for Evaluation and Scoring purposes with criteria covering only M&A Experience. In PC's opinion, Consortium Lead with M&A experience will be best placed to take the transaction forward through phase-I and phase-II. Once, Government of Pakistan (GoP) decides on specific divestment mode to execute, based on FA's recommendation, given the FA consortium will have relevant 'Consultant to the Issue' (required under the RFP Package), smooth & seamless execution of an IPO shall not be an issue. Keeping in view, the gravity of work to be undertaken during phase-I and phase-II of the TOR in the RFP Package, PC prefers a firm with strong M&A experience only, to lead the transaction, irrespective of divestment mode chosen by GoP, later.

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		capability for it. We believe this is a risk PC would wish to consider at this stage rather than after award. We would be grateful for PC's consideration of this point.	
5	1.4	If a bank participates as a member of our advisory consortium, and that bank has an associated life insurance company within its group, would the bank be eligible to participate, subject to appropriate conflict-of-interest safeguards, and would such participation in any way disqualify or adversely affect the eligibility of the consortium?	PC understands: a) FA Consortium's potential partner is a bank. The bank's affiliate / associate has a life insurance business which is a competitor of SLIC (as of today) b) In addition, given, sponsors of this bank are already in life insurance business, they are part of potential investors' universe. On the least, already a competitor of SLIC (being UBO - Ultimate Beneficial Owner) c) On top of it, it's a public transaction so optics are also not favorable Considering the above, it is recommended to avoid such an arrangement.