

Draft MoU

MEMORANDUM OF UNDERSTANDING

BETWEEN

.....

AND

THE RAJASTHAN STATE COOPERATIVE BANK LTD., JAIPUR

This Memorandum of Understanding (MOU) executed at Jaipur on between. The RAJASTHAN STATE COOPERATIVE BANK LTD., a state level society incorporated under Rajasthan Cooperative Societies Act, 2001 and having its Head Office at DC-1, Lalkothi Shopping Centre, Tonk Road, Jaipur Rajasthan ("the Bank", which expression shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns).of the first PART.

AND

..... a company incorporated under the Companies Act, 1956 and licensed under and in terms of the insurance Act, 1938 and licensed by the Insurance Regulatory and Development Authority to carry out the business as a General Insurer and having its registered office at which expression shall, unless it be repugnant to the subject or context thereof include its successors and permitted assigns) of the 2nd Part.

(..... and the Bank are hereinafter collectively referred to as

"the parties" and individually as "Party").

RAJ SAHKAR PERSONAL ACCIDENT INSURANCE SCHEME (RSPAIS) shall be implemented on compulsory basis for the KCC holder loanee members of the District Central Cooperative Banks (DCCBs) and PACS/LAMPS in the state. The scheme will also be optional for employees, customers and depositors etc. of The Rajasthan State Cooperative Bank Ltd. (RStCB) , DCCBs (District Central Cooperative Banks) and PACS (Primary Agricultural Credit Societies) /LAMPS. **It will be also optional for Rajasthan State Land Development Bank (RSLDB)/ Primary Land Development Banks (PLDB).**

WHEREAS:

1., is carrying the business of general insurance.
2. The Bank is carrying on the business, inter alia, of providing retail financial assistance and other banking services to their customers.
3. has quoted for the Personal Accident Insurance Cover for the customers, depositors, employees, KCC holders of DCCB and members of PACS/LAMPS working in the state of Rajasthan. The Bank has expressed its interest in accepting the Proposal.
4. The MOU shall be executed by the Bank for and on behalf of RStCB and DCCBs of the State for their loanee members, Depositors, employees and members of PACS/LAMPS.

NOW THE PARTIES HERETO AGREE AS FOLLOWS:

1 DEFINITIONS

In this MOU, the following words have the meanings set opposite to them unless the context indicates otherwise:

- 1.1 The, shall mean and include:
Any person under the control of or under common control with

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- 1.2 "Customers" shall mean and include such people who are affiliated directly or indirectly with bank in state and avail of various banking products and services from the Bank & DCCBs along with the members of PACS/LAMPS.
- 1.3 "Persons" shall mean and include a natural person, sole proprietorship, partnership firm, bodies corporate, association of person, trust or other legal entity.
- 1.4 "Insurance Product" shall mean the personal accident insurance cover with scope as under: -
..... will indemnify the persons covered under the scheme, in case of death or disability of KCC holders and others due to road and fire accident, railway accident, drowning, electric shock, electrocution, lightning, murder, fall from height, snake or animal bite, or any external visible and violent means i.e. cases of death/injury except the cause of death or injury due to breach of law with criminal intent or suicide or attempted suicide. The Insurance Company shall pay to the Insured Person or his nominee as under :-
- | | |
|--|------------------|
| In case of death | Rs. 10,00,000.00 |
| In case of total disability | Rs. 10,00,000.00 |
| Loss to both eyes or both hands or both legs | Rs. 10,00,000.00 |
| Loss to one eye and one leg or one hand | Rs. 10,00,000.00 |
| Loss to one hand and one leg | Rs. 10,00,000.00 |
| Loss to one eye or one leg or one hand | Rs. 5,00,000.00 |

2. SCOPE OF ACTIVITES

2.1

- (a) The Rajasthan State Cooperative Bank shall be the nodal agent for the staff and customers of the bank. Concerned DCCB shall be Nodal Agent for its loanee, staff, depositors etc.
- (b) The rate of premium per member per annum will be **Rs.** against the premium and GST. Each insured shall pay premium once in a year. GST shall be applicable as per the norms laid down by the government.
- (c) Remittance of the premium shall be made once in a week by the DCCBs & the RStCB.
- (d) The risk cover for the insurer shall be commenced from the date of debit of premium to his account.
- (e) The premium deducted from the loanee account shall be remitted by the bank to company office which is located at Jaipur through NEFT/RTGS, along with the list of insurers in the prescribed performa.
- (f) The bank and DCCBs shall issue a certificate of Insurance to each insured member. The certificate will contain Policy number, Name of insured, Address, etc., and on the back side of the certificate a list of documents required for claim settlement shall be mentioned. The insurance company will provide system-generated certificates to the concerned offices of the banks within 15 days from collection of premium.
- (g) The Insurance coverage shall be effective from the date of deducting premium from Loanee/Depositor/Employee/members of PACS/LAMPS account and shall be effective for a period of one year. The banks shall deposit/ maintain Rs. 1,00,000/- per bank against advance premium with company at inception and unutilized amount, if any, shall be returned to the Bank after the expiry of the MoU period.
- (h) The concerned bank shall be responsible for KYC (Know Your Customer) requirements of the insured and nominee.
- (i) POLICY shall be issued by the Insurance Company to the bank i.e. RStCB and the DCCB/RSLDB/PLDB, the details of insured shall be enclosed with it by the company and in case of any disputes/ legal suit bank as a master policy holder shall represent the case for insured.
- (j) It shall be the responsibility of insurance company for the awareness and publicity of the scheme and all expenditure incurred on it shall be borne by the company itself.
- (k) Insurance Company shall provide brochures/leaflets/other material for publicity of the Scheme/awareness of customer in sufficient quantity to the Bank.
- (l) A pamphlet having detailed information about the insurance coverage and claims procedure, officials to be contacted for claims, shall be supplied by the Insurance Company, free of cost to the Bank.

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2.2 A simplified procedure for settlement of claims shall be followed by the Insurance Company. The claims shall be submitted to the company. The documents required for claims shall be as mentioned below:-

A- In case of death(Five documents)

- (i) Indemnity claim form in the prescribed format.
- (ii) Death Certificate indicating reason of death, issued by a Government Doctor.
- (iii) Report of the committee constituted at the level of Bank (DCCB/RStCB).
- (iv) Postmortem report.
- (v) FIR copy

(B) In case of disability

- (i) Indemnity claim form in the prescribed format.
- (ii) Certificate issued by a Government Doctor, in which nature of permanent disability is indicated.
- (iii) Photo of the claimant exhibiting disability.
- (iv) FIR Copy

In case documents as listed above, are not submitted with the claim format, the claim shall not be rejected. In such cases, claim shall be sanctioned after obtaining all the required documents. However, for payment of any claim, company shall be free to ascertain its liability and it shall be the duty of the claimants to prove their claim. The bank shall forward a scanned copy of above documents through e-mail and the company shall start claim settlement process on the basis of scanned documents. The bank shall forward hard copies of documents soon after sending e-mail to the company.

(b) The company shall settle the claim after receipt of all necessary documents within 15 days time from receipt of documents.

(c) Claim form shall be submitted in the prescribed format to the Insurance Company by the claimant through Bank. After settlement of claim, the company shall send the payment directly to the claimants account with prior intimation to the bank concern. The mode of payment may be changed as per IRDA requirement on mutual consent.

(d) If the claim is not settled by the Insurance Company within the prescribed period, then, the company shall pay interest, as per IRDA guidelines. For gross delay in majority of claims bank may consider to impose penalty and can even blacklist the company.

(e) At the end of each month, a statement of premium collected by the Insurance Company from the DCCBs shall be provided to the RStCB.

(f) On 12th day of every month, a detailed report of claims reported, settled, payment released and claims rejected with reasons shall be submitted by the Insurance Company to the bank..

3. TERM AND TERMINATION

3.1 The MoU shall be effective from the date of signing or receipt of deposit premium (hereinafter referred to as "the Effective Date"), whichever later and shall be in force and effect up to 31st March, 2021 (i.e premium will be seeded to the company till 31.03.2021), unless either Party terminates the MoU by giving a prior written notice of 90 days to the other Party or as under the terms provided hereunder. The Parties can renew or enter into another MoU or may prior to the expiry of the term aforementioned, mutually agree in writing to extend this MoU for a further period/s of such duration as agreed by the Parties. The Terminal date in relation to the member shall mean, the date on which the policy term expire after one year from the effective date.

3.2 The shall be entitled to terminate this MOU/arrangements contemplated hereunder forthwith, without incurring any liability for such termination, in event of introduction of any new rules, regulations or guidelines governing banking companies with/for general insurers (including any new Insurance Regulatory and Development Authority (IRDA) or Reserve Bank of India (RBI) rules regulations or guidelines that may have the effect of altering any other rights and obligations of the Parties.

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- 3.3 Notwithstanding anything herein contained, either party may, by giving Ninety (90) days notice in writing, terminate this MoU under any one or more of the following conditions :
- i) In the event of default of performance of any the obligations herein or the Service provided herein is in contravention of any law, as may be applicable from time to time, or industry practice, or under the circumstances which would amount to objectionable service;
 - ii) If either party fails to perform and observe any of their obligations under this MoU;
 - iii) If a-petition for insolvency is filed against any Party and such petition is not dismissed within Ninety (90) days after filing and/or if any Party makes an arrangement for the benefit of its claimants or, if the court receiver is appointed as receiver of all/any of any Party's properties.
- 3.4 It is hereby agreed and understood by the Parties that the provisions of above clause shall not limit or restrict nor shall they preclude any Party from pursuing such further and other legal actions, against the other Party for any breach or non-compliance of the terms of this MoU.
- 3.5 In the event that this MoU is terminated for any reason, either Party shall forthwith handover to the other the possession of all documents, material and any other property belonging to the other that may be in the possession of the Party or any of its employees, agents or individuals assigned to perform the services under this MoU.

4. RELATIONSHIP BETWEEN THE PARTIES

- 4.1 This MoU is on principal-to-principal basis and it shall not create any employer/employee relationship nor this MoU shall be deemed to create any partnership, joint venture between the Bank and, or their representatives and employees. Further, that all employees/personnel, executives engaged by, shall be in sole employment of, and, shall be solely responsible for their salaries wages statutory payments etc.
2. The participation by the Bank's customers in respect of this MoU between the Bank and, shall be purely on a voluntary basis, and the Parties shall ensure the same in accordance with the directions issued by IRDA and/or RBI, as applicable, from time to time.

5. COVENANTS OF THE PARTIES

- 5.1 hereby covenants with the Bank that :
- (i), shall ensure compliance with all applicable provisions of law, including, but not limited to, the IRDA Regulations in respect of the form, substance and contents, as well as adhere to all applicable permissions/approvals and filing requirements, which may be, inter alia, the subject matter of MoU.
- 5.2 The Bank and DCCBs hereby covenants with. that :
- There shall be no linkage either direct or indirect, between the provisions of banking services by the Bank to its Customers and use of Insurance products of, The Bank shall only provide customer details- (Name, Address, Membership No., Nominee etc. required in nomination forms) to, and shall not be involved in the fulfillment process in any manner,

6. REPRESENTATIONS- AND WARRANTIES BY THE PARTIES:

- Each Party represents and warrants to the other that :
- (a) It is in good standing and it has full authority to enter into this MoU and subject to obtaining the necessary approvals under the applicable law, to perform its obligations hereunder according to the terms hereof.
 - (b) It has full power and authority to enter into this MoU and to take any action and execute any documents required by the terms hereof; and that this MoU, entered into has been duly authorized by all necessary authorization proceedings, has been duly and validly executed and delivered, and is a legal valid, and binding obligations of, enforceable in accordance with the

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terms hereof; and that the executants of this MoU are duly empowered and authorized to execute this MoU and to perform all its obligations in accordance with the terms herein.

- (c) No consent, approval, authorization, order, registration or qualification of, or with, any court or regulatory authority or other governmental body having jurisdiction over the Party, the absence of which would adversely affect the legal and valid execution, delivery and performance of this MoU or the documents and instrument contemplated hereby, is required.
- (d) Neither the execution and delivery of this MoU, the consummation of the transactions contemplated hereby, or the fulfillment of or compliance with the terms and conditions of this MoU, conflict with or result in a breach of or a default under any of the terms, conditions or provisions of any legal restrictions (including, without limitations, any Judgment, order, injunction, decree or ruling of any court or government authority, or any federal, state, local or other law, statute, rule or regulation) or any covenant or agreement or instrument to which it is a party, or by which the Party or any of the property of the Party is bound, nor does such execution, delivery, consummation or compliance violate or result in the violation of its constitutional documents.

7. INDEMNIFICATION AND LIMITATION OF LIABILITY

- 7.1 The Bank and DCCBs agrees to indemnify, defend and hold-harmless-, from and against any and all liability to any Customer or any person arising from or related to, or in consequence of :
- 1. Breach by the Bank of its obligations under this MoU or under any applicable laws ; and
 - 2. The acts, errors, omissions, representations, misrepresentations, willful misconduct or negligence of the Bank, its directors, employees in performance of its obligations under this MoU.
The company shall indemnify and/or defend the bank, against any suit filled by the customer due to delay in settlement of claim, wrong rejection of claim by the company.
 - 2. All the indemnities shall survive till the termination or expiry of this Agreement.
 - 3. Neither Party shall be liable to the other, or any other party for any indirect, punitive, special, incidental or consequential damages in connection with or arising out of this MoU or by virtue of its termination (including loss of business, revenue, profits, use data, electronically transmitted orders, or other economic advantages), however it arises, whether for breach or in tort, including negligence, even if that Party has been previously advised of the possibility of such damages.

8. LAW AND ARBITRATION

- 1. The rights and obligations of the Parties under, or pursuant to, this Clause, including the arbitration agreement in this Clause, shall be governed by and be subject to Indian Laws.
- 2. Any dispute, controversy or claims arising out of or relating to this MoU or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the provisions of the (Indian) Arbitration and Conciliation Act, 2015.
- 3. The arbitral tribunal shall be composed of one arbitrator to be jointly appointed by the Bank and In case both parties do not agree on one arbitrator, each will appoint one arbitrator and the two arbitrators so appointed a third arbitrator as umpire.
- 4. The place of arbitration proceedings shall be Jaipur and any award whether interim or final, shall be made, and shall be deemed for all purposes between the Parties to be made, in Jaipur.
- 5. The arbitral procedure shall be conducted in the English/ Hindi Language and any award or awards shall be rendered in English/Hindi. The procedural law of arbitration shall be Indian Laws.
- 6. The award of the arbitrator shall be final and conclusive and binding upon the Parties, The Parties further agree (to the maximum extent possible and allowed to them) that such enforcement shall be subject to the provisions of the (Indian) Arbitration and Conciliation Act, 2015 and neither Party shall seek to resist the enforcement of any award in India on the basis that award is not subject to such provisions.

9. MISCELLANEOUS

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(A) Amendments; No Waivers.

- (i) Any provision of this MoU may be amended or waived if, and only if such amendment or waiver is in writing and signed, in the case of an amendment by each Party or in the case of a waiver, by the Party against whom the waiver is to be effective.
- (ii) No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.
- (iii) **This MoU is final binding on both parties and no other clauses will be imposed by the Insurance Company in the name of conditions of their product. If any claim is rejected on the basis of terms and conditions of the approved product of the Insurance Company which is not mentioned or not as per the MoU, it will be treated as breach of MoU and the insurance company will be solely responsible for all the damages.**

(B) Successors and Assigns

The provisions of this MoU shall be binding upon and insure to the benefits of the Parties hereto and their respective successors and permitted assigns and affiliates.

Neither Party shall assign or otherwise transfer this MoU or any of its rights and obligations hereunder whether in whole nor in part without the prior consent of the other (such consent shall not be unreasonably withheld or delayed). However nothing contained herein shall restrict, from assigning any of its rights or obligations hereunder to any of its Affiliates without prior consent of

Nothing in this MoU either express or implied is intended to release, or the Bank or their respective affiliates from liability and responsibility with respect to its rights and obligations hereunder.

(C) Entire MoU; No Third Party Rights

This MoU constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior written agreements, understandings and negotiations, both written and oral, between the Parties with respect to the subject matter of this MoU. No representation, inducement, promises, understanding, condition or warranty not set forth herein has been made or relied upon by any Party hereto.

Neither this MoU nor any provision hereof is intended to confer upon any Person other than the Parties to this MoU any rights or remedies hereunder except insured's under the scheme.

There will be no broker for implementation of scheme.

(D) Further Assurances

In connection with this MoU, as well as all transactions contemplated by this MoU, each Party agrees to execute and deliver such additional documents and to perform such additional actions as may be necessary, appropriate or reasonably requested to carry out or evidence the transactions contemplated hereby.

(E) Severability

The invalidity or unenforceability of any provisions of this MoU in any jurisdiction shall not effect the validity, legality or enforceability of the remainder of this MoU in such jurisdiction or the validity, legality or enforceability of this MoU, including any such provision, in any other jurisdiction, it being intended that all rights and obligations of the Parties hereunder shall be enforceable to the fullest extent permitted by law.

(F) Captions

The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof.

(G) Counterparts:

This MoU may be executed simultaneously in any number of counterparts, each of which will be deemed an original but all of which will constitute one and the same instruments.

(H) Age Limit:

All KCC holders Borrowers, Depositor & Employee who are aged between 18 (Complete) years to 79 years shall participate in the scheme.

(I) Communication & Notices

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Notices or other communications required or permitted to be given or made hereunder shall be in writing and delivered personally, or by Email or by fax with the original being sent the same day by courier addressed to the intended recipient at its address set out below or to such other address or fax number as any Party may from time to time notify to the Other Party.

- A) To :
- Address :,
.....,
.....
- Attention: :
- Fax :
- E-mail :
- B) To : The Rajasthan State Cooperative Bank Ltd.
- Address : DC-1, Lal Kothi Shopping Centre, Tonk Road, Jaipur
- Attention : Mr. P.K. Naug
- Fax : 0141-2744816, 0141-2744480
- Email : rscb.pd@gmail.com

Any such notice, demand or communication shall be in English/Hindi and shall, unless the contrary is proved, be deemed to have been served, if given or made by Email or by fax, together with the original being sent through Courier Service as outlined above, on the following business day. If personally delivered, any such notice, demand or communication shall be deemed to have been served at the time it is handed over to an employee or other officer at the recipient's address. In proving the above, it shall be sufficient to show that the envelope containing the letter was correctly addressed and handed over by courier service or personal delivery respectively.

10. The status of claims will be reviewed once in a **quarter** by a committee to be constituted at the level of Bank having following member:-

At State Level :

- | | |
|--|------------------|
| 1- M.D. RStCB | Chairman |
| 2 General Manager, (Admn.) RStCB | Member |
| 3- General Manager (P&D), RStCB | Member |
| 4- General Manager (A&F), RStCB | Member |
| 5 Two Representatives of Insurance Company | Member |
| 6- DGM (PD), RStCB | Member Secretary |

The quorum of the above committee will be of four members in which Chairman, Member Secretary and one representative of insurance company will be mandatory.

At DCCB level:

- | | |
|----|-------------------------------------|
| a. | Managing Director, DCCB |
| b. | EO, DCCB |
| c. | Concerned Officer, DCCB |
| d. | Representative of Insurance Company |

11. In case of any dispute, the decision of the State Level committee constituted at point no. 10, will be final and binding to all.
12. If there is any dispute about the settlement of the claim and any court of the land passes an order for the claim then it is the sole responsibility of the insurance company and no burden will be borne by the bank concern.

This MoU hereto forms a single MoU between the Parties hereto.

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IN WITNESS WHEREOF, this MoU has been executed by the Parties hereto on the day and year first above written.
