

(Memorandum of Understanding)

This Memorandum of Understanding “MOU” is made of this 18th day of November 2012

Between

Department of Commercial Tax, Uttarakhand having its Head Office at Mussoorie Bye-Pass Road, Nattthanpur, Dehradun Through its “ Commissioner” Office of Commissioner Tax, Uttarakhand (hereinafter referred to as “DCT” which expression shall, unless repugnant to the context, mean and include its executor, successors and assigns) of the **First Part**.

The IFFCO-TOKIO General Insurance Co. Limited, a company incorporated under the Companies Act, 1956 and licensed under terms of the insurance Act, 1938 and licensed by the Insurance Regulatory and Development Authority, 1999 to carry out the general insurance business and having its Head office at 4th & 5th Floors, IFFCO Tower, Plot No. 3 Sector-29, Gurgaon (Haryana) – 122001 through its Branch Office Situated at 280 Phase I, Vasant Vihar, Opp. F.R.I. Main Gate, Dehradun (hereinafter referred to as “ IFFCO-TOKIO” which expression shall, unless it be repugnant to the subject or context there of, include its successors and permitted assigns) of the **Other Part**.

(IFFCO-TOKIO and DCT hereinafter collectively referred to as “the Parties” or “the parties” and individually as “ Party” or “party”)

WHEREAS

- A. IFFCO TOKIO is registered under section 3 of the Insurance Act 1938 (Act 4 of 1938) and is interalia engaged in the business of general insurance.
- B. IFFCO TOKIO is desirous in providing insurance cover to the dealers of Uttarakhand who are registered with the DCT.
- C. The DCT through a process of tender had approached IFFCO TOKIO to provide insurance cover for death in accident to the dealers who are registered with the DCT as on 18th November 2012 or registered during the policy period & remained registered on the date of accident under the Group Personal Accident Policy.
- D. Relying on the representations made by the DCT, IFFCO TOKIO has agreed to accept the offer decided to provide insurance cover to the registered dealers as per this MOU on the said terms and conditions herein below.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged , the parties hereto agree as follows:

1. DEFINITION

(a) Registered dealers

Registered Dealers shall include all dealers whether engaged in the business as sole proprietorship, partnership firm and Hindu undivided family who are registered with DCT as on 18-09-2012 or registered during the Insurance policy period and remained registered on the date of accident. This definition shall exclude limited company, society, club and association and central/State government commercial establishments and authorities.

The insured person under the definition of registered dealers will be:-

Proprietor under Sole Proprietorship Firms

Karta under HUF Firms

Partners under Partnership Firm but the eligibility will be for one partner only. In case more than one partners died in a single accident the sum insured will be divided equally to the partners died in the single accident.

(b) Policy

Policy shall mean group personal accident policy, being tendered by IFFCO TOKIO hereunder to the DCT, Uttarakhand, in the benefit of the dealers of Uttarakhand,

2. SCOPE

The Policy will be issued in the name of DCT. The scope of the insurance cover provided under the said policy and group personal Accident Insurance Clause the salient features has been described in Schedule A annexed hereto.

3. TERM OF THE MOU

The policy is valid for one year i.e. from 00.00 hours of 19-11-2012 to midnight of 18-11-2013.

4. CONSIDERATION

As a consideration to the policy being tendered by IFFCO TOKIO DCT has paid a sum of Rs 35,38,148/- (i.e. Rs 32,07,750/- towards premium & Rs 3,30,398/- towards service tax)

The consideration is based on assumption that the total number of registered dealer will not exceed 91650 at any time during the policy period and in case the number of registered dealer exceeds 91650, Additional prorated premium of Rs. 40 /- per dealer + ST is to be paid to IFFCO TOKIO by the DCT.

5. SUM INSURED

The Sum Insured under the Group Personal Accident Insurance is Rs. Five lacs per registered dealer.

In case of dealers registered as partnership firm only one partner is eligible but in case more than one partners died in a single accident the sum insured will be

divided equally to the partners died in the single accident subject to maximum five lacs sum insured per registered dealer.

In case any person in proprietor/partner/Karta of more than one registered dealer the payment of claim is restricted upto a maximum of Rs. Five lacs for single death claim.

6. RIGHTS AND OBLIGATIONS OF DCT

Subject to the applicable rules, regulations and guidelines, the DCT shall be liable to perform the following obligations:

- (a) A register containing the details of all such registered dealers shall be maintained by the DCT during the term of the policy and the said register would be available for inspection by officials of IFFCO TOKIO as and when required.
- (b) In the event of any Claim the DCT is to certify and assist IFFCO TOKIO in all aspects of the settlement of claims or otherwise.
- (c) Depute qualified experts to be part of the quality monitoring and Audit Team with IFFCO TOKIO.
- (d) Permit the personnel and agents of IFFCO TOKIO to review and audit the receipts and accounts pertaining to the policies underwritten by IFFCO TOKIO.
- (e) The DCT shall assist all claimants in claim reporting and documentation.
- (f) The DCT shall not during the validity of this MOU, enter into, any similar arrangements as contemplated hereunder with any other general insurer for any insurance scheme.

7. RIGHT AND OBLIGATIONS OF IFFCO TOKIO

IFFCO TOKIO shall be liable to perform the following obligations:

- i) To be final authority to decide with respect to the settlement of insurance claim under the policies underwritten.
- ii) To provide 100% risk coverage subject to the policy terms and conditions,
- iii) To make available adequate claim forms to DCT.
- iv) To administer and settle claims.
- v) To act judiciously while adjudicating the claims.
- vi) To Audit and review.

8. CLAIMS MANAGEMENT

The Department of Commercial Tax has nominated the Joint Commissioner (Executive) as their Nodal officers at four of its region who would maintain the list of registered dealers covered under the policy and would provide the same whenever required and asked for by IFFCO TOKIO. These Nodal Officers would also maintain a list of traders whose application for registration has been cancelled by it and the same would also be provided to the IFFCO TOKIO whenever required.

The Incident giving rise to claim will be intimated by the claimant, along with claim form and other documents to the Nodal Officer who will in turn forward the same to the designated of the DCT.

All such claims along with required documents mentioned herein shall be provided by DCT to the authorized person of IFFCO TOKIO within 90 days from the date of the accident of registered dealer duly verified and forwarded by Joint Commissioner (Executive), Department of Commercial Tax, Government of Uttarakhand.

On receipt of all the documents, IFFCO TOKIO shall at its option get the claim verified and make the payment. The payment is to be made within three months from the date of completion of all the requirements of the claim by the legal heirs through Joint Commissioner (Executive) Commercial Tax.

IFFCO TOKIO shall have to compulsorily attend at the every three month meeting organized by Commissioner Tax, Uttarakhand to discuss the progress made under this policy. The meeting will be attended by the authorized representative of both the parties. In addition to this the Commissioner Tax can call the additional meeting provided three (3) days advance notice is given in writing to the authorized representatives of IFFCO TOKIO.

After the receipt of the claim documents by the authorized office of IFFCO TOKIO it will be the responsibility of IFFCO TOKIO to settle the claim within three months from the completion of all the requirements.

9. CLAIM DOCUMENTS:

The following documents are to be provided in support of the Claim

- (a) Duly Completed claim form
- (b) F.I.R.
- (c) Death certificate from a competent authority designated by State Government.
- (d) Postmortem reports or Panchanama.
- (e) Certificate from designated Nodal Officer confirming the status of the claimant.
- (f) Any other relevant and material document or information that IFFCO TOKIO deem fit and proper.

10. MODE OF PAYMENT

The Nodal Officer shall intimate the name of the Beneficiary on whose name payment is to be made. This Scheme stipulates the following nominees for death.

- (a) In case of surviving spouse of the deceased, the payment shall be made to the surviving spouse.
- (b) In case of no surviving spouse, the payment shall be made to nominee(s).
- (c) In case of absence of nomination the payment will be made to the person who produces a succession certificate obtained from a competent court to this effect.
- (d) In case of two or more than two surviving legally wedded spouse the amount will be distributed equally between them.

11. EXCLUSION

IFFCO TOKIO shall not be liable under this Policy for:

- (a) Compensation under more than one of the categories specified in the Basis of Assessment of the Gr.PA policy document in respect of the same period of disablement of the insured Person under this policy.
- (b) Any other payment to the same person under this policy, after a claim under one of the categories I & II as specified in the Basis of Assessment of the Gr. PA. Policy document of Claims has been admitted and become payable. However, this exclusion shall apply to this policy and shall in no way affect benefits derived by the insured person of his/her legal heir under any other insurance policy or scheme.
- (c) Any payment in case of more than one claim in respect of such Insured Person, under this Policy during anyone period of insurance by which the sum payable as per the of Basis of Assessment of Claims of this policy to such Insured Person.
- (d) Payment of Compensation in respect of death, injury or disablement of Insured Person:-
 - i) From intentional self-injury, suicide or attempted suicide;
 - ii) Whilst under the influence of intoxicating liquor or drugs;
- (e) Whilst engaging in aviation or ballooning, or whilst mounting into, or dismounting from or traveling in any balloon or aircraft other than as a passenger (fare-paying or otherwise) in any duly licensed standard type of aircraft anywhere in the world. Standard type of aircraft means any

aircraft duly licensed to carry passengers (for hire or otherwise) by appropriate authority irrespective of whether such an aircraft is privately owned or chartered or operated by regular airline or whether such an aircraft has single engine or multi engine ;

- (f) Directly or indirectly caused by venereal disease.
- (g) Arising or resulting from the insured willfully & knowingly committing any criminal offense.
- (h) War and Nuclear perils.
- (I) While putting oneself to needless perils to save human life.

12. RELATIONSHIP WITH THE PARTIES

Nothing contained herein shall be deemed to create between the parties any partnership, joint venture or relationship of principal and agent or master and servant or employer and employee or any affiliate or subsidiaries thereof. Each of the parties hereto agrees not to hold itself or allow its directors/employees/ agents/representatives to hold out to be a principal or an agent, employee or any subsidiary or affiliate of the other.

13. TERMINATION

This MOU may be terminated by either party by giving one month's prior written notice by means of registered letter or a letter delivered at the office and duly acknowledged by the other, provided that MOU shall remain effective thereafter with respect to all rights and obligations incurred or committed by the parties here to prior to such termination.

14. CONFIDENTIALITY

This clause shall survive the termination/expiry of this MOU

Each party shall maintain confidentiality relating to all matters and issues dealt with by the parties in the course of the business contemplated by relating to this MOU. The DCT shall not disclose to third party , and shall use its best effort to ensure that its, officers, employees, keep secret all information disclosed, including without limitation, document marked confidential, medical reports, personal information relating to insured, and other unpublished information except as maybe authorized in writing by IFFCO TOKIO. IFFCO TOKIO shall not disclose to any third party and shall use its best efforts to ensure that its directors, officers, employees, sub-contractors and affiliates keep secret all information, relating to DCT including without limitation to the DCT proprietary information, process flows, and other required details.

15. NOTICES

All notices, demands or other communication to be given or delivered under or by reason of the provisions of this MOU will be writing and delivered to the other party:

- a) By registered mail;
- b) By Courier;
- c) By facsimile

In the absence of evidence of earlier receipt, a demand or other communication to the other party is deemed given.

- a. If sent by registered mail, 7 working days after posting it ; and
- b. If sent by courier , seven working days after positing it: and
- c. If sent by facsimile, two working days after transmission. In this case further confirmation has to be done via telephone and e-mail.

The notice shall be sent to the other party to the above addresses (or to the addresses which may be provided by way of notice made in the above said manner):-

If to the DCT:

Dept. of Commercial Tax, Mussoorie Bye-Pass Road, Natthanpur
Dehradun
Tel: (0135) 2669851, 2669923
Fax : (0135) 2669935

If to the IFFCO TOKIO:

IFFCO TOKIO General Insurance Co. Ltd.
280 Phase I Vasant Vihar
Opp. F.R.I. Main Gate
Dehradun – 248001
Tel: (0135) 2769951, 2769971
Fax: (0135) 2769916

16. MISCELLANEOUS

- A. This MOU together with any Annexure hereto constitutes the entire MOU between the parties and supersede, with respect to the matters regulated herein and all other mutual understanding , accord and MOUs, irrespective of their form between the parties . Any annexure shall constitute an integral part of the MOU.

Except as otherwise provided herein, no modification, amendment or waiver of any provision of this MOU will be effective unless such modification, amendment or waiver is approved in writing by the parties hereto.

Should specific provision of this MOU be wholly or partially not legally effective or unenforceable or later lose their legal effectiveness or enforceability the validity of the remaining provision of this MOU shall not be affected thereby.

B. Superseding Effect

The terms of this MOU shall supercede the terms as mentioned in the notification/tender document in context to this present contract with respect to the present Insurance Policy.

C. Assignment

The DCT may not assign, transfer, encumber or otherwise dispose of this MOU or any interest herein without the prior written consent of IFFCO TOKIO, provided whereas that the IFFCO TOKIO may assign this MOU or any rights, title or interest herein to an Affiliate without requiring the consent of DCT.

D. Waiver

The failure of any of the parties to insist, in any one or more instances, upon a strict performance of any of the provisions of this MOU or to exercise any option herein contained shall not be construed as a waiver or relinquishment of such provision but the same shall continue and remain in full force and effect.

E. Indemnity

The DCT will indemnify, defend and hold harmless IFFCO TOKIO against any claims demands proceedings actions damages costs and expenses which the latter may incur as a consequence of the negligence of the former in fulfilling obligation under this MOU or as a result of the breach of the terms of this MOU.

F. Law and Arbitration

- (i) Provisions of this MOU shall be governed by and construed in accordance with Indian law.
- (ii) Any dispute controversy of claims arising out of or relation to this MOD of the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the provisions of the (Indian) Arbitration and Conciliation Act. 1996.
- (iii) The arbitrary tribunal shall be composed of three arbitrators, one arbitrator appointed by each Party and one another arbitrator appointed by the mutual consent of the arbitrators so appointed.

- (iv) The place of arbitration shall be Dehradun and any award whether interim or final, shall be made, and shall be deemed for all purposes between the parties to be made, in Dehradun.
- (v) The arbitrary procedure shall be conducted in the English language and any award or awards shall be rendered in English. The procedural law of the arbitration shall be Indian law.
- (vi) The award of the arbitrator shall be final and conclusive and binding upon the Parties, and the Parties shall be entitled (but not obliged) to enter judgment thereon in anyone or more of the highest courts having jurisdiction.
- (vii) The rights and obligations of the parties under, or pursuant to, this Clause including the arbitration MOU in this Clause, shall be governed by and subject to Indian law.
- (viii) The cost of the arbitration proceeding would be borne by the parties on equal sharing basis.

G. Severability

The invalidity or unenforceability of any provisions of this MOU in any jurisdiction shall not affect 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 obligation of the Parties hereunder shall be enforceable to the fullest extent permitted by law.

H. Audit

During the Audit of account relating to this policy, if any documents is required from IFFCO TOKIO then the same shall be provided to DCT.

I. Captions

The captions herein are included for convenience of reference only shall be Ignored in the construction or interpretation hereof.
Enclosures forming part of this MOU :- Annexure-1 (Schedule A) Scope of Cover.

IN WITNESS WHEREOF, the parties have caused this Memorandum of Understanding to be duly executed and delivered as of the day and year first above written.

Sd:-

(Authorised signatory of DCT)

Name:-

Designation:-

Address:-

Date:-

Witness:-

Name:-

Designation:-

Address:-

Sd:-

(Authorised signatory of IFFCO TOKIO)

Name:-

Designation:-

Address:-

Date:-

Witness:-

Name:-

Designation:-

Address:-

SCHEDULE -A

(SCOPE OF COVER)

The number of dealers who are registered with the DCT at the commencement of Insurance policy to be covered shall be taken as per the records of the DCT. No. of dealers registered during the policy period is to be intimated quarterly.

IFFCO TOKIO hereby agrees, subject to the terms, conditions and exclusions contained or otherwise expressed in the policy document to pay to the insured a sum not exceeding the sum insured during the tenure of the policy if any of the insured person dies directly from accident caused by external, violent and visible means, to the extent and in the manner herein after provided. The accident will include death due to any accident.

The cover should be available on 24 hrs, 365 day basis and includes all types of accidents arising anywhere caused by external visible means in sudden, unforeseen manner.

Necessary documents will be required to establish the cause of death caused due to an accident. The policy covers accidental death only, as elaborated in the policy document.

CAPITAL SUM INSURED

The Capital Sum Insured (CSI) under this policy shall be Rs. 5,00,000 per firm.

The insured person under the definition of registered dealers will be:

Proprietor under Sole Proprietorship Firms

Karta under HUF Finns

Partners under Partnership Firm

In case of dealers registered as partnership firm only one person is eligible but in case more than one partners died in a single accident the sum insured will be divided equally to the partners died in the single accident.

In case any person is proprietor/partner/Karta of more than one registered dealer the payment of claim, if eligible otherwise, is restricted upto a maximum of Rs. Five lacs.

The Capital Sum Insured will be paid if the death of the insured person is within a period of Twelve months from the date of bodily injury, and such bodily injury be the sole and the direct cause of Death of the Insured person.