**AGREEMENT**

This AGREEMENT has been executed on ……. day of ………, 2021 between- **Stock Holding Corporation of India Limited**, a Company incorporated under the Companies Act, 1956 and having its Registered Office at 301, Centre Point, Dr. B. Ambedkar Road, Parel, Mumbai - 400012 (hereinafter referred to as ‘**StockHolding**’, which expression shall, wherever the context permits, mean and include its successors and assigns) of the ONE PART;

And

…… xyz ltd …………… ***(the entity)*** a *(Public limited company incorporated under …/ Private limited company incorporated under …/Trust registered under …/ Society registered under …./ body incorporated under parliament or State legislative or by order of central or state Government/ registered limited liability partnership firm under …. / Registered partnership firm under …. / Proprietorship concern registered under….)* having its registered office at …………. address ……………(hereinafter referred to as **“ The Entity”** ) which expression, unless it be repugnant to the context or meaning thereof, shall be deemed to mean and include all its successors and assigns of the OTHER PART for providing National Pension System (hereinafter referred to as NPS) to the employees of …… xyz ltd …………… ***(the entity)*** as per the Corporate Sector Model provided by Pension Fund Regulatory and Development Authority (hereinafter referred to as “**PFRDA”**)

StockHolding and …… xyz ltd …………… ***(the entity)*** are hereinafter individually referred to as "**Party**" and collectively as "**Parties**").

**Preamble**

1. Whereas, PFRDA has been established by the Government of India on 10th October 2003, to promote old age income security by establishing, developing and regulating pension funds, to protect the interest of the beneficiaries to schemes of pension funds and for matters connected therewith or incidental thereto.
2. PFRDA has made NPS available to all citizens of India, except Government employees covered under NPS, with effect from 1st May 2009, on a voluntary basis.
3. PFRDA has launched a separate model to provide NPS to the employees of corporate entities, including Public Sector Units.
4. StockHolding has been promoted by All-India Financial and Investment Institutions to provide post trading, Custodial, Depository Participant & various other financial services to its clients. StockHolding, being registered with PFRDA as Point of Presence (POP) for NPS, has been appointed by ***the entity*** to provide NPS services to its employees.
5. And whereas, …… xyz ltd …………… ***(the entity)*** is engaged into \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(business) and has registered itself with Central Record Keeping Agency for starting NPS for its employees under the Corporate Model.
6. And whereas, in order to start the NPS under the corporate model, StockHolding is entering into this Agreement with ***the entity***.

Both the Parties have agreed to collaborate in the initiative in order to start the NPS under the corporate model for employees of ***the entity***.

**NOW IT IS HEREBY AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS:**

**1. Definitions:-**

* + “NPS” shall mean ‘National Pension System’
  + “PFRDA” shall mean ‘The Pension Fund Regulatory and Development Authority’
  + “POP” shall mean ‘Point of Presence’ and Stockholding Corporation of India Limited is a POP.
  + “POP-SP” shall mean ‘Point of Presence Service Provider’ the branch of POP which shall provide services relating to NPS on behalf of the POP designated under the National Pension System (NPS) by PFRDA
  + “PRAN” means Permanent Retirement Account Number allotted under NPS as a unique identification number to each subscriber.
  + “Subscriber” shall mean subscriber to NPS who is an employee of ***the entity.***
  + “Employee” shall mean the employee of ***the entity***.
  + “CRA” shall mean the ‘Central Recordkeeping Agency’ setup by The Pension Fund Regulatory and Development Authority
  + “KYC” shall mean ‘Know Your Customer’ documents as prescribed by the Pension Fund Regulatory and Development Authority
  + “Initial Subscriber Registration fee” means the fee charged by the POP for opening of the account and application processing.
  + “Authorized Email ID ” shall mean those email ID /s informed by ***the entity*** to the POP from where the POP would receive instructions from ***the entity***.
  + “Employer’s Contribution” shall mean such amounts as have been instructed by ***the entity*** to be credited to Tier - 1 NPS Account of the employer’s contribution.
  + “Employee’s Contribution” shall mean such amounts as have been instructed by ***the entity*** to be credited to Tier - 1 NPS Account of the employee as employee’s contribution.
  + “Operating Guidelines”: The checks that POP shall exercise while receiving applications from NPS subscribers, accepting and remitting contributions and performing such other tasks as PFRDA may require from time to time.
  + “I-Pin” means Internet based Pin based on which PRAN card are issued by CRA to each subscriber initially after subscriber registration.
  + “T-pin” means Telephone based Pin based on which PRAN card are issued by CRA to each subscriber initially after subscriber registration.
  + “Tier - 1 NPS Account” shall mean Tier - 1 NPS account of employee of the Company maintained with Central Recordkeeping Agency.
  + “Tier – 2 NPS Account” shall mean Tier - 2 NPS account of employee of the Company maintained with Central Recordkeeping Agency.
  + ” TB” means Trustee Bank

**2. Scope of this Agreement**

This Agreement between StockHolding and …… xyz ltd ……… (***the entity***) sets out below, the general and broad based intentions of both the parties for providing NPS and related services to the employees of entity.

3. **TERM**

This Agreement shall be effective from the date of execution and shall continue to be in full force till it is terminated by either Party.

4. **Functions and Obligations of *the entity***

***The entity*** shall:

* Provide StockHolding the duly filled Subscriber Registration form for every eligible employee of the entity with corresponding Proof of Identity, Proof of Address, Proof of Date of Birth, employee code, date of joining, and date of retirement.
* Forward the PRAN and the kit received from CRA, to the respective employees.
* Provide the first and subsequent contribution data in the file format as prescribed by StockHolding.
* Provide the first and subsequent contribution funds either by cheque/ demand draft/ electronic transfer to the designated bank account of StockHolding.
* Provide the service requests in original in the form as prescribed by CRA for Change in Personal details, Address details, Bank details, nomination details of the employee, reissue of I-pin, T-pin, reissue of PRAN card and change in employment details of the subscribers.

**5. Functions and Obligations of StockHolding**

StockHolding shall:

* Issue to ***the entity*** a single, 17 digit receipt number for all the forms received by POP-SP from ***the entity*** and forward the application data to the designated CRA.
* Email the PRAN numbers generated to the registered email- id of employer of ***the entity***.
* Provide a consolidated 17 digit receipt number, on receipt of first/ subsequent contribution data individually from ***the entity***. The receipt will contain the total POP service charges and GST and the net amount will be transferred to the Trustee Bank (TB) for onward investment to the subscriber's account.
* Provide the first and subsequent contribution data to CRA.
* Transfer the funds, received from ***the entity*** the designated account of the Trustee Bank on T+1 day, T being the day on which credit is received in bank account of StockHolding.
* Process the service request received in the format prescribed by CRA and provide a 17 digit receipt number for the same. The same will then be forwarded to CRA.
* Comply with Operating Guidelines, Standard Operating Procedures and such other directions as may be issued by PFRDA from time to time to carry out its functions as POP
* Issue I-pin, T-pin and PRAN card.

**6. Service Charges**

StockHolding shall be entitled to receive / deduct the following service charges from ***the entity*** and shall issue receipt to the subscriber as per the format prescribed by PFRDA. However the same is subject to revision in case there is any change in the fees structure framed by the PFRDA.

* Rs. 400/- as initial registration fee per subscriber
* Any initial or subsequent contribution transaction involving contribution upload - 0.25% of the amount subscribed by the NPS subscriber , subject to Min. Rs.30/- & Maximum of Rs. 25,000/-
* Rs.30/- for any other subscriber service requests received from employees of ***the entity***.
* 0.125% of AUM subject to Min Rs 125/- and Max Rs 500/- for Exit / Withdrawal requests.
* All the above charges are excluding GST.
* The POP charges would be payable as under (Tick whichever is applicable) :-
  1. \* To be deducted from the contribution of ***the entity*** only

(And in case of contribution by employee and no contribution by ***the entity***, pop charges to be deducted from the contribution of employees)

* 1. \* To be deducted from the contribution of the Employee only

(And in case of contribution by ***the entity*** and no contribution by the employee, the pop charges to be deducted from the contribution of ***the entity***)

\* (In case of (a) or (b) above, the funds will be transferred to the TB after deducting the POP service charges and applicable GST on POP charges. The GST to be considered as Business to Consumer - B2C.)

* 1. # The service charges of POP would be paid by ***the entity*** against the bill raise by StockHolding. The bill would be paid by ***the entity*** within seven working days of bill raised and communicated by StockHolding. Any discrepancy in the bill if any reported by ***the entity*** would be clarified by StockHolding within seven working days of receipt of such discrepancy. Any delay in payment of bills will attract penalty at 18% p.a. from the date of bill or from the date of clarification provided by StockHolding in case of discrepancy if any. The entity herby confirms that the contribution will be mandatorily made regularly by the entity. The GST number of ***the entity*** is ……………………

# (In case of (c) above, the funds will be transferred to the TB without deduction of POP service charges. GST would be treated as Business to Business - B2B.)

7. **INTELLECTUAL PROPERTY**

i. The Parties acknowledge the ownership and rights associated with any information or content created by each one of them outside of this Agreement or such information or content which they have in their possession and bring herein for the purpose of implementing the Agreement.

ii. The content or such other intellectual property shared by the entity for the purpose of NPS services will be the sole/exclusive property of the entity and StockHolding shall have no right on such properties. Similarly, the Content, Design, and/or such other intellectual properties created by StockHolding for the explicit purpose of this understanding under this Agreement shall be the sole/exclusive property of StockHolding.

iii. Each party will retain its right, title and interest in its respective trademarks, service marks and trade names as well as rights in respect of any patent, copyright, trade secrets or other intellectual property used during the performance of this Agreement. Both Parties recognize that they shall have no right, title, interest or claim over the other's intellectual property.

**8. CONFIDENTIALITY:**

The Parties agree that they shall hold in trust any Confidential Information received by either Party, under this Agreement, and the strictest of confidence shall be maintained in respect of such Confidential Information. The Parties also agree:

- to maintain and use the Confidential Information only for the purposes of this Agreement and only as permitted herein;

- to only make copies as specifically authorized by the prior written consent of the other party and with the same confidential or proprietary notices as may be printed or displayed on the original;

- to restrict access and disclosure of Confidential Information to such of their employees, agents, vendors, and contractors strictly on a “need to know” basis, to maintain confidentiality of the Confidential Information disclosed to them in accordance with this Clause; and

- to treat Confidential Information as confidential for a period of three (3) years from the date of receipt. In the event of termination of this Agreement, the Parties hereby agree to maintain the confidentiality of the Confidential Information for a further period of two (2) years from the date of such termination.

Confidential Information in oral form must be identified as confidential at the time of disclosure and confirmed as such in writing within 30 days of such disclosure. Confidential Information does not include information which:

- the recipient knew or had in its possession, prior to disclosure, without limitation on its confidentiality;

- is independently developed by the recipient without breach of this Agreement;

- information in the public domain as a matter of law;

- is received from a third party not subject to the obligation of confidentiality with respect to such information;

- is released from confidentiality with the written consent of the other party.

In the event that any of the Parties hereto become legally compelled to disclose any Confidential Information, such Party shall give sufficient notice to the other Party. Neither party shall disclose to a third party any Confidential Information or the contents of this Agreement without the prior written consent of the other Party. The obligations of this Clause shall be satisfied by handling Confidential Information with the same degree of care, which the receiving Party applies to its own similar confidential information but in no event less than reasonable care. The obligations of this Clause shall survive the expiration, cancellation or termination of this Agreement.

9. **FORCE MAJEURE:**

No failure or omission by either Party to carry out or observe any of the terms and conditions of this Agreement shall give rise to any claim against the Party in question or be deemed a breach of this Agreement if such failure or omission arises from any of the causes beyond the control of that Party, including, without limitation, war; warlike operation; insurrection; riot; fire; explosion; accident; governmental act; material control regulations or orders; act of God; act of the public enemy; epidemic; and quarantine restrictions.

**10. NON-SOLICITATION**

Each Party agrees that they shall, directly or indirectly, not solicit or hire or attempt to hire the employee(s) of the other Party, while this Agreement is in force and for a further period of 2 years from the date of termination of this Agreement.

**11. INDEMNIFICATION**

Each Party agrees to indemnify, defend and hold harmless the other Party and its officers, directors, employees and agents from and against any and all losses, liabilities, claims, obligations, costs, expenses (including, without limitation, reasonable attorney's fees), which result from, arise in connection with or are related in any way to a.) the breach or violation of any representations & warranties, obligations, made by it under this Agreement; or b.) claims by third parties.

**12. TERMINATION**

This Agreement will be valid only till such time as StockHolding 's registration as the POP with PFRDA is in force. Either party has the right to terminate this Agreement upon giving sixty (60) days written notice to the other party at any time. On expiry or termination of this Agreement, StockHolding shall transfer data/records/documents/monies (not cleared funds and cleared funds not being transferred to TB) of its subscribers to any other PoP as may be appointed by ***the entity.***

**13. LIMITED LIABILITY**

Each Party’s total liability of whatever nature, to the other for any or all losses arising from or in any way in connection with this Agreement shall not under any circumstances exceed an amount equivalent to the loss suffered by the other party. In no event shall either Party be liable to the other for any consequential or indirect losses, including goodwill, business opportunity, loss of revenue. Nothing in this Clause will be construed as in any way reducing or affecting a general duty to mitigate loss suffered by a Party.

**14. REPRESENTATIONS & WARRANTIES**

Each Party hereby represents and warrants to the other that:

1. it is an entity duly constituted and validly existing under Indian law;
2. it holds necessary licenses, approvals and consents as may be required for the conduct of its business and such licenses, approvals and consents are valid and subsisting;
3. it has, in terms of applicable law and its constitution documents, capacity to enter into and perform this Agreement and it has taken all actions (including obtaining necessary statutory and other approvals) required for its entering into this Agreement; and
4. neither making nor performance of this Agreement will violate any law or conflict with or result in the breach or constitute a default or require any consent under any decree, order, judgment, indenture or agreement.
5. it shall comply with applicable laws in performing its obligations hereunder.

**15. DISPUTE RESOLUTION**

1. In the event of a complaint from any subscriber, either party, to the extent concerning it, shall cooperate with the other in redressing such complaint in accordance with applicable Regulatory guidelines.
2. All disputes or differences arising between the parties as to interpretation, operation, or effect of any clause in this Agreement, shall be endeavored to be resolved amicably through dialogues and discussions. However, disputes that cannot be mutually resolved shall be referred to arbitration.
3. The arbitration proceedings shall be conducted by a Sole arbitrator to be appointed by both the parties on mutual consent. In the event of failure to reach consensus on an arbitrator, each party shall appoint an arbitrator and both the arbitrators shall appoint a third arbitrator as referee arbitrator before the commencement of arbitration proceedings.
4. The arbitration proceedings shall be governed by the provisions of The Arbitration and Conciliation Act, 1996. The venue of arbitration shall be **Mumbai** and the proceedings shall be conducted in English.

**16. GOVERNING LAW AND JURISDICTION**

This Agreement shall be governed by and construed in accordance with the laws of India. Each of the parties hereby agree to the exclusive jurisdiction of the **Mumbai**  with respect to any dispute arising under this Agreement, the agreements entered into in connection herewith or the transactions contemplated thereby.

**17. GENERAL**

1. Neither this Agreement nor any interest herein shall be assigned, in whole or in part, by any Party hereto without the prior written consent of the other.
2. This Agreement does not create an agency relationship between the Parties, nor does it authorize or permit any Party, except as explicitly provided elsewhere in this Agreement, to bind another Party.
3. In the event any one or more of the provisions of this Agreement will, for any reason, be held to be invalid or unenforceable, the remaining provisions of this Agreement will be unimpaired, and the invalid or unenforceable provisions will be replaced by a mutually acceptable provision(s) which, being valid and enforceable, come(s) closest to the intention of the Parties underlying the invalid or unenforceable provision(s).
4. This Agreement supersedes and replaces any prior understandings or arrangements, whether oral or written herein before made between the Parties and relating to the subject matter hereof, and constitutes the entire understanding of the Parties with respect to the subject matter of this Agreement. This Agreement may not be modified, changed, altered or amended except by express written agreement signed by both the Parties hereto.

**IN WITNESS HEREOF, THE PARTIES HERETO HAVE CAUSED THISAGREEMENT TO BE EXECUTED ON THE DATE AND PLACE HERE IN ABOVE MENTIONED.**

| Signed, Sealed and Delivered by the within named Company | | Signed, Sealed and Delivered by the within named Company | | |
| --- | --- | --- | --- | --- |
| For **Stock Holding Corporation Of India Ltd** | | For …… xyz ltd …………… | | |
|  | |  | | |
| Name: |  | Name: |  | |
| Designation: |  | Designation: |  | |
| In the presence of: | | In the presence of: | | |
| 1. |  | 1. | |  |
| 2. |  | 2. | |  |