<table>
<thead>
<tr>
<th>Certificate No.</th>
<th>IN-DL48459707975660Q</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate Issued Date</td>
<td>10-Jul-2018 12:34 PM</td>
</tr>
<tr>
<td>Account Reference</td>
<td>IMPACC (IV)/ d9939303/ DELHI/ DL-DLH</td>
</tr>
<tr>
<td>Unique Doc. Reference</td>
<td>SUBIN-DLDL93930300943844540863Q</td>
</tr>
<tr>
<td>Purchased by</td>
<td>INDIAN ARMY</td>
</tr>
<tr>
<td>Description of Document</td>
<td>Article Others</td>
</tr>
<tr>
<td>Property Description</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Consideration Price (Rs.)</td>
<td>0 (Zero)</td>
</tr>
<tr>
<td>First Party</td>
<td>INDIAN ARMY</td>
</tr>
<tr>
<td>Second Party</td>
<td>STATE BANK OF INDIA</td>
</tr>
<tr>
<td>Stamp Duty Paid By</td>
<td>INDIAN ARMY</td>
</tr>
<tr>
<td>Stamp Duty Amount(Rs.)</td>
<td>100 (One Hundred only)</td>
</tr>
</tbody>
</table>

Please write or type below this line.
MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) ("Renewal of MOU") is made on 12th July 2018 between Indian Army, represented by Lt. Gen. S.K. Saini, AVSM, YSM, VSM, Director General, Manpower Planning and Personnel Services (MP&PS) having its headquarters at South Block, New Delhi- 110011 (hereinafter called the Indian Army which expression shall unless the context otherwise requires include its successors/legal heirs/administrators/Executors and permitted assigns).

AND

State Bank of India (SBI), a Body Corporate incorporated under the State Bank of India Act 1955 and carrying on the business of banking, having its Central Office at Madame Cama Road, Mumbai (hereinafter called 'SBI' which expression shall unless the context otherwise requires include its successors in business) through Shri Ranjan Kumar Mishra, Chief General Manager, Personal Banking (PB), Corporate Centre, Mumbai with reference to the following fact and circumstance;

WHEREAS

a) Indian Army and SBI ("the parties") are parties to that Indian Army Representation Agreement dated 28th January 2011, first renewal dated 23rd February 2015 respectively (all agreements including Amendment and Riders collectively referred to as the "Agreement")
b) The Parties desire to mutually renew the Agreement by revising the Term of agreement.

c) The Indian Army in its efforts to simplify and streamline the salary and pension disbursement procedure and to make available modern banking facilities to its personnel has decided to accept the proposal submitted by State Bank of India.

d) State Bank of India (SBI) possessing technologically advanced infrastructural facilities having offered to provide banking services as detailed herein below to the Indian Army personnel operating their salary accounts with the Bank.

Now therefore this Memorandum of Understanding witnessed as under:

Both parties have agreed as follows:

1. Period of MOU

This MOU shall be operative initially for a period of three years w.e.f. 12th day of July 2018 and will be in force till the next MoU is signed, as mutually agreed by both parties. However, there shall be a review every year for any amendment/ addition/ deletion of features of the Salary package.

2. Credit of Salary:

(a) The Bank undertakes to credit into the account of all Indian Army personnel who may be holding their accounts in the various branches at various stations of the Bank, their salary by last working day of the month or on the dates which may be communicated in writing by the Paying Authority. The salary cheque(s)/ advice as well as the Bank account details are to be furnished by the Paying Authority three working days before the date of actual disbursement of salary, as per the medium and format acceptable to the bank. The Bank will arrange timely clearance of the cheque(s) and ensure that the salary is credited to respective accounts and is available for withdrawal at the start of the normal banking hours on the scheduled date of disbursement of salary.

(b) Sundry Payments during the Month. All other sundry payments during the month are also to be remitted to individual account holders as per details provided by Paying Authority. For all non-salary payments, money will be transferred to respective accounts within 24 hours/ one working day of realization of cheque. For postings done by Paying Authority through Corporate Internet Banking, the transactions will be carried out as scheduled at the time of upload. In case of failed transaction(s), details of the accounts along with amount where money could not be transferred will be intimated in writing to the Paying Authority within 02 working days by the Bank. State Bank of India will not charge any commission or service charges for the services rendered at 2 a) and/ or 2 b) above. SBI will also arrange for credit of salaries and sundry payments to account holders of other Banks.
through RBIs platforms, Real Time Gross Settlement (RTGS) and National Electronic Funds Transfer (NEFT). SBI will however not be held liable for any delay/ non-credit of salaries and sundry payments on time for reasons attributable to other parties.

(c) Existing salary accounts of officers, JCOs and below Officers Rank and Defence pensioners will be converted to DSP- Army accounts subject to an application-cum-undertaking to be submitted by the account holder as per specimen attached in Annexure-II. A 'No Dues' Certificate will be issued by SBI in the event of a DSP Account-Army holder is desirous of changing his/ her account to another Bank for credit of salary. Specimen 'No Dues Certificate is as per Annexure- III.

(d) All new accounts being opened by the SBI in the training academies/ centers will be opened as DSP account on receipt of temporary numbers (for training) by training academies/ centers and on receipt of service numbers the requisite amendments in the numbers will be undertaken by SBI.

3. **Facilities to Account holders**

The Bank undertakes to provide following facilities/ services to Indian Army personnel drawing their salary through any of its branches:

- Usage of the largest ATM network of SBI Group free of charge.
- Usage of other banks ATMs free of charges.
- Anywhere Banking via ATM or Internet
- Free Shopping -cum-ATM Card
- Free Supplementary Shopping-cum-ATM Card for Joint Account holders.
- Free additional Shopping-cum-ATM Cards for PBORs on their single accounts subject to their undertaking that the 'additional card will be issued at their risk and responsibility'. The Bank will not be held responsible for any cost or consequence that may arise out of misuse of the additional Card.
- Instant credit of outstation cheques up to Rs. 20,000/-.
- Free Facility for setting up of Standing Instructions.
- Preferential allotment of safe deposit lockers, subject to availability.
- Free Financial Advisory Service wherever SBI has such facility.
- Loans will be disbursed to the eligible personnel upon fulfilment of eligibility criteria by the Indian Army personnel and on meeting of Bank’s terms and conditions, including establishing of the applicant’s creditworthiness as per the Bank’s guidelines.
- All other facilities being provided to Bank’s normal customers operating salary accounts, subject to the discretion of the bank.
4. **Improvement/ Upgradation of Campus Branches.** SBI will renovate all Campus Branches and provide latest technology to facilitate simple and efficient operation of accounts.

5. **Defence Salary Package - Army**

The facilities will be provided under Defence Salary Package – Army to Indian Army personnel as per attached *Annexure- I* depending upon the variant of account.

6. **Loan facilities:**

(1) State Bank of India will provide the Xpress Credit Personal Loan to eligible Defence Salary Package (Army) account holders. The Xpress Credit Loan will be sanctioned solely at the discretion of the Bank and will be subject to the fulfillment of conditions as laid down by the Bank from time to time.

(2) State Bank of India will provide concessional housing loan under ‘**SBI Shaurya Home Loan Scheme**’ to DSP account holders of Indian Army.

(3) Education loan will be provided to wards of DSP account holders of Indian Army personnel by State Bank of India. *Five Army Welfare Education Societies institutions have been included* under list- B of SBI Scholar Loan Scheme.

(4) Nepal State Bank Ltd (NSBL) will offer complementary Home loan facility to the Nepal Domiciled Indian Army Personnel, having Defence Salary Package account with SBI. The Home Loan will solely be at the discretion of the NSBL and will be subject to the fulfillment of conditions and eligibility norms as laid down by the NSBL from time to time.

(5) Indian Army does not undertake any liability for loans given by SBI to Indian Army personnel in their individual capacities. The Indian Army will not be impleaded in any claim, action, lawsuit which an account holder may file against SBI or vice versa i.e. which SBI may file against the account holder. However, Indian Army will provide information about defaulters as regards their current postal address maintained in the records subject to denial due to exigencies of service/ security considerations.

7. **POS Machines in CSD Canteens and Army Institutions.** The SBI will provide POS Machines to CSD Canteens and Army Institutions whose accounts are with the SBI free of any rental charge. In addition, there will be no transaction charges from card holders irrespective of the bank which has issued the card.
9. **Dissemination** The MoU, once entered into by both Parties, will be widely disseminated to all ranks, pensioners and Next of Kins by means of service letters, Army Data Network, Internet and any other means.

10. **Termination:**

In the event of termination of the MOU before its term as per Para 1 earlier, the disbursement of salaries to the individual account holders may be done through the same account, but without the special DSP benefits.

This MOU may be terminated by either party by giving three months' advance notice of termination in writing to the other Party (the "Defaulting Party") provided that-

If the Defaulting Party has committed a material breach of any term of this MOU and has failed to remedy such breach (if capable of remedy) within thirty (30) days after notice from the other party to do so

or

If the Defaulting party repeatedly commits the same breach of any of the terms of this MOU, then the MOU may be terminated without any further notice.

or

If there is a material adverse change in any applicable law affecting Banks generally.

11. **Recall of Salary Disbursed**

In exceptional circumstances, the Indian Army may recall the salary erroneously disbursed to deserters or delinquent personnel. Upon written request of the Indian Army communicating specific details of personnel, bank account, period and amount, and further subject to written consent of the account holder and availability of funds in the specified account, the State Bank of India will comply with the request and refund the amount by a Bank Draft to the Indian Army for crediting into the Army account. The SBI will not be liable or be held accountable for any consequential or related action arising from the act of debiting the specified amount and refund of amount to the Indian Army.

12. The Defence salary package will also be extended to the pensioners of Army in case they choose to draw their pensions through SBI. The features of the Personal Accident Insurance cover and overdraft facility as explained in Paras 4 above will however not be applicable to the pensioners. SBI on its part will arrange to make pension disbursements in compliance with instructions issued by Government of India from time to time, according it due priority.
13. **Defence Banking Complaint Redressal and Review Mechanism**

A Complaint Redressal Mechanism has been structured for DSP which has been named as "**Defence Banking Complaint Redressal Cell**" (DBCRC). The team will comprise inter alia of a special Relationship Manager along with other Officer of SBI and will be constituted to resolve all operational issue. Bank has appointed Defence Banking Advisor (DBA). The DBA will act as a conduit between the Defence Establishments and the Bank and ensure that complaints are passed on/directed to the concerned Circle and shall monitor the same until resolution. In the occasion of a dispute or a difference of opinion between the parties, the same team can address and resolve the issue.

A Review Mechanism is in place for review of complaints and other pending issue. All pending issue will be revived on a quarterly basis. The Review Committee will consist of the Complaint Redressal Committee of the Bank and include an official duty appointed by the Army Head Quarters.

Apart from the above, bank also has a very well laid down policy on Customer Grievance Redressal. This policy covers all types of customers including pensioners. It also covers the timeframe for redressal as well as the various channels available for lodging the complaints. The policy details is available at Bank's website for public information. The DSP account holders have the additional option to use such channels for redressal of their individual grievances/complaints.

In the event that a dispute remains unresolved, it may be referred to the Banking Ombudsman appointed by RBI under the Banking Ombudsman Scheme, if the same can be entertained by the Banking Ombudsman as per the scheme.

14. **Personal Accident Insurance (Death) (PAI)/ Total Permanent Disability/ Partial Disability Cover**

All Personal Accident Insurance (Death) claims of the deceased DSP-Army account holders should be submitted by the claimant in the proper forms along with the relevant documents as prescribed by the Insurance Company with whom SBI has a tie-up; the tie-up being subject to annual review and renewal under intimation to Indian Army. Proposals/ views/ recommendations from Indian Army will be asked for three months prior to the agreement of SBI with the Insurance Company. The Insurance Company, after receipt of the application of the claimant, will initiate the process of claim settlement. All the correspondence related to claim will then be directly taken up between the Insurance Co and the claimant. All the settlement/ disputes will be between the claimant and the insurance company and the Bank will act as a facilitator for resolution of disputes. The claim settlement will be entirely the responsibility of the Insurance Company and Bank will act as facilitator for any claim/dispute. The Terms &
Conditions for Personal Accident Insurance (Death) claim is appended as Annexure - V. A Broker hired by the SBI will monitor all cases and assist in early settlement of all legitimate claims. Quarterly and yearly details of the number of Personal Accident Insurance (Death) (PAI) claims received, repudiated and passed and the reasons for repudiation will be made available by SBI to the Indian Army, which forms part of Annexure-VI.

15. **Publicity.** State Bank of India may publish/ market about its services extended to Indian Army personnel under this MOU and / or promote its business objectives from time to time.

16. **Amendment.** Any provisions of this MOU may be amended, waived, discharged or terminated (in each case) only by an instrument in writing signed by or on behalf of the party against whom enforcement of the amendment, waiver, discharge or termination is sought. No breach of or default under any of the provisions of this MOU by either party may be waived or discharged without the other party's written consent thereto.

17. **Notices.** Each notice, demand or any other communication to be given or made hereunder shall, except as otherwise provided herein, be given or made in writing and may be sent by one party to the other party by Registered Post, telex, facsimile, hand or official NIC e-mail to the address or numbers mentioned above or such other address and numbers as one party may inform the other in writing.

18. **Enhanced Employment Opportunities for Veterans / War Widows / Next of Kins.** Additional vacancies for employment, apart from the government vacancies, for Veterans, War Widows and Next of Kins will be intimated to the Indian Army by October of every year for necessary dissemination to Department of Indian Army Veterans (DIAV), as and when this provision is finalized by SBI.

19. **Company Social Responsibility (CSR).** Indian Army will formulate long term CSR proposals for the exclusive benefit of troops and their families.

20. **Financial Details of Transactions.** All financial details of transactions between Indian Army personnel and SBI i.e. claims settled, loans sanctioned, PAI claims settled etc. will be made available to Indian Army every quarter. Specimen format for the same is as per Annexure V, which will be amended from time to time, if required.

a) The Bank at its discretion, will appoint Defence Banking Advisor of SBI (DBA of SBI)/ Circle Defence Banking Advisor of SBI (CDBAs of SBI) at the Corporate level and at the Circle levels, depending upon the density of Army Personnel, from among the rank of senior and middle level retired army officers as per the requirement of the Bank. The term of contract of appointment of DBAs/ CDBAs will be at the sole discretion of the Bank. DBAs/ CDBAs will not enter into direct correspondence with units/ formations/ training centers except when correspondence originated by units/ formation/ training centers themselves.

b) As the benefit of the salary account variant are linked to rank, Army HQ will communicate to all the Army personnel that as and when there is a change in the rank, the individual will intimate the new rank (with Service Certificate) to the SBI branch where his/her DSP account is maintained.

c) In the event any DSP account holder desires to change his salary account from SBI to some other Bank, a ‘No Dues’ Certificate will be issued by SBI to DSP account holder. The ‘No Dues’ Certificate will be issued within 3 working days. If the branch fails to issue the NOC within the stipulated time of 72 hours, the DSP Account holder will assume that SBI has no dues and will be at liberty to change his salary account from SBI to some other Bank.

d) In the event of non - credit of salary for more than three months in the DSP account and default in loan accounts of any personnel, Bank has the discretion to convert such account to normal Saving Bank account and shall withdraw all benefit extended to the DSP account holders.

e) The Bank will consider the installation of ATMs, and setting up of branches at locations that are mutually convenient. The Indian Army on its part will make efforts to provide space for setting up ATMs and Branches which is suitable for the Bank’s requirements. The space, if available, will be provided on rent as mutually agreed by both the parties. If Indian Army is unable to provide so, State Bank of India shall try to find the suitable place to set up its ATMs. In such an event, if State Bank of India is also unable to get such space, State Bank of India shall not be liable to set up ATMs as contained above. State Bank of India shall use its best efforts to procure such space should Indian Army fail to provide the space.
f) As regards “Know Your Customer norms”, a certificate/ letter issued/ countersigned by the authorized signatory from the individual’s unit, certifying his identity and present address, will be acceptable to the Bank. In addition, as per recent RBI guidelines, Aadhaar & PAN are no longer in the list of Officially Valid Documents (OVDs) but these two documents have been made mandatory for opening of Bank accounts.

In witness whereof, each Party has scribed their respective hands through its duly authorized representative.

Signed on behalf of Indian Army
Head Quarters

(Lt. Gen. S.K. Saini, AVSM, YSM, VSM)
Director General (MP&PS)

Signed on behalf of
State Bank of India

(Ranjan Kumar Mishra)
Chief General Manager (PB)

Witness

(1) .....
(Brig Rajendra Sachdev)
Dy. Director General, PS (B)

(2) .....
(Col. Sanjay G)
Director, PS-3 (P)

(Shri Ajay Kumar Jha)
Dy. General Manager (G&ITU)

(Shri Shyam Singh Tomar)
Chief Manager (G&ITU)
## Annexure-1

### Features of Defence Salary Package - Army

<table>
<thead>
<tr>
<th>Features</th>
<th>Silver</th>
<th>Gold</th>
<th>Diamond</th>
<th>Platinum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligibility</td>
<td>JCOs &amp; Other Ranks</td>
<td>Lieutenant, Captain, Major</td>
<td>Lt Colonel and Colonel</td>
<td>Brigadiers, Major General, Lt. General, General</td>
</tr>
<tr>
<td>Min. Balance</td>
<td></td>
<td></td>
<td></td>
<td>NIL</td>
</tr>
<tr>
<td>Lifetime Unique Account Number</td>
<td></td>
<td></td>
<td></td>
<td>Available</td>
</tr>
<tr>
<td>ATM cum Debit Card</td>
<td>1 Domestic Classic Debit Card</td>
<td>International Gold Debit Card</td>
<td>International Gold Debit Card</td>
<td>International Platinum Debit Card</td>
</tr>
<tr>
<td></td>
<td>2 Free issue at all SBI branches</td>
<td>Free issue at all SBI branches</td>
<td>Free issue at all SBI branches</td>
<td>Free issue at all SBI branches</td>
</tr>
<tr>
<td></td>
<td>3 No annual maintenance charges</td>
<td>No annual maintenance Charges</td>
<td>No annual maintenance charges</td>
<td>No annual maintenance charges</td>
</tr>
<tr>
<td></td>
<td>4 Add on card for spouse free of cost for joint account holder.</td>
<td>Add on card for spouse free of cost for joint account holder.</td>
<td>Add on card for spouse free of cost for joint account holder.</td>
<td>Add on card for spouse free of cost for joint account holder.</td>
</tr>
<tr>
<td>Free Personal Accident Insurance (death) Cover (in addition to account level PAI)</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase protection for theft and burglary</td>
<td>6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>*Rs. 50,000/-</td>
<td>*Rs. 50,000/-</td>
<td>*Rs. 50,000/-</td>
<td>*Rs. 50,000/-</td>
</tr>
</tbody>
</table>

# to be issued to those DSP-Army account holders who consent to issuance of International Debit Card