

*(Executed on Non Judicial stamp paper of INR 600/- having e-signed as Vakrangee (Franchisor) being the First holder and Franchisee as being the second holder)*

**FRANCHISE AGREEMENT FOR VAKRANGEE KENDRA WITH ATM OR VAKRANGEE KENDRA ONLY  
ATM**

This Franchise Agreement (the “Agreement” or “Franchise Agreement”) is executed at \_\_\_\_\_ on \_\_\_\_\_ (“Effective Date”) by and between Vakrangee Limited, having its registered office at Vakrangee Corporate House, Plot No. 93, Road No. 16, M.I.D.C, Marol Andheri (East), Mumbai – 400093 (hereinafter referred to as “Vakrangee” or the “Franchisor”, which expression shall unless it be repugnant to the context, be deemed to include Authorised Representative/official and permitted assignee) of the FIRST PART

**AND**

Shri./Smt./ Kum. \_\_\_\_ aged \_\_\_\_ years, resident of \_\_\_\_\_ (hereinafter referred to as the “Franchisee”, which expression shall unless repugnant to the context or meaning thereof mean and include his/her heirs, executors, Nominee, administrators, and permitted assigns) of the **OTHER PART**

**OR**

Shri./Smt./Kum. \_\_ aged \_\_\_\_ years, resident of \_\_\_\_\_ a sole proprietor of M/s. \_\_\_\_\_ as Individual or as Karta of \_\_\_\_ HUF (hereinafter referred to as the “Franchisee”, which expression shall unless repugnant to the context or meaning thereof mean and include his/her heirs, executors, Nominee, administrators, and permitted assigns) of the **OTHER PART**

**OR**

M/s. \_\_\_\_ a partnership firm registered under the Partnership Act, 1932 and having its office at \_\_\_\_ India (hereinafter referred to as “Franchisee”, which expression shall unless repugnant to the context or meaning thereof include their successors, Nominee and permitted assigns) of the **OTHER PART**

**OR**

M/s \_\_\_\_\_ as LLP registered under Limited Liability Partnership, 2008 and having its office at \_\_\_\_\_ India (hereinafter referred to as “Franchisee”, which expression shall unless repugnant to the context or meaning thereof include their successors/Nominee and permitted assigns) of the

**OTHER PART**

**OR**

M/s \_\_\_\_\_ a company registered under the Companies Act, 1956/2013 and having its registered and corporate office at \_\_\_\_\_ India (hereinafter referred to as “Franchisee”, which expression shall unless repugnant to the context or meaning thereof include their successors, Nominee and permitted assigns) of the **OTHER PART**.

Vakrangee and the Franchisee are hereinafter collectively referred to as “Parties” and individually as a “Party”.

**WHEREAS**

1. Vakrangee is a technology-driven company focusing on creating India’s largest network of last-mile retail outlets. Vakrangee is in the business of providing a variety of services including *but not limited to ATM, Banking and Financial Services, Total Healthcare Services, Insurance, Bill payments and E-Governance, Assisted Online Shopping, Travel & Telecom and Logistics*, through its branded outlets known as “Vakrangee Kendra” that may be operated and owned/ rented by Vakrangee or its Franchisees.
2. Vakrangee has been granted the ‘Certificate of Authorization’ for undertaking the activity of White Label ATM business from the Reserve Bank of India.
3. Franchisee is an individual / entity, with the following details, who wishes to open a NextGen Vakrangee Kendra

|   |       |
|---|-------|
| Application Number  | _____ |
| Existing VKID (if applicable)   | _____ |
| <b><i>To be filled in case of outlet under a master franchisee (IOCL / Nayara etc.)</i></b> |       |
| Outlet/RO Code  | _____ |
| Name of the Outlet/RO   | _____ |

|   |   |
|---|---|
| Name of the Master Franchisee (IOCL /<br>Nayara etc.) | — |
|---|---|

4. The Franchisee, out of his own will and based on his independent study, findings, judgement, understanding and conviction, is desirous of getting associated with Vakrangee as a Franchisee to operate a Vakrangee Kendra for earning revenue from buying and selling of goods and commissions from services rendered.
5. Relying upon the representation/ warranty/ assurance and information provided by the Franchisee, Vakrangee has agreed to enter into this Franchise Agreement with the Franchisee, subject to the terms and conditions captured herein.

**NOW, THEREFORE, in consideration of the mutual agreements and covenants hereby agreed by and between the parties as under:**

## **1. Definition**

Unless the context otherwise provides or requires, the following words and expressions used in this Agreement shall have the meaning as provided to them herein below:

**'Affiliate'** means, in relation to a Person, any other entity which directly or indirectly Controls, is controlled by or is under direct or indirect common Control with, that Person from time to time;

**'ATM'** or 'Automated Teller machine' is a machine that dispenses cash or performs other banking services when an account holder inserts a bank card

**'Banking'** includes Account Opening, Cash withdrawal & Deposits, Fund and money Transfer, IMPS services to Customers on behalf of a bank and Lead generation/ Documentation for Loans, subscription to Social Security Schemes such as Atal Pension Yojana, Pradhan Mantri Jeevan Jyoti Yojana, Suraksha Bima Yojana and Rupay card distribution & activation.

**'Business Day'** means a day (other than Sunday, national holidays and bank holidays in the Territory) on which nationalized banks are generally open in India for the conduct of banking business and comprising of normal working hours;

**'BCA'** being defined as Business Correspondent Agent

**'Confidential Information'** shall mean any and all technical and non-technical information, in any form or medium (whether oral, written, electronic or other), which Franchisee may have acquired before or after the date of this Agreement in relation to the clients, customers, business, operations, financial conditions, assets or affairs of Vakrangee resulting from negotiating this Agreement; or exercising its rights or performing its obligations under this Agreement; or which relates to the contents of this Agreement (or any agreement or arrangement entered into pursuant to this Agreement), including but not limited to business plans, business forecasts, research, financial information, procurement requirements, purchasing requirements, manufacturing, customer lists, sales and merchandising efforts, marketing plans, trade secrets, know-how, business operations proprietary information, know-how, processes, equipment, algorithms, software programs, technology architecture, passwords, login credentials, software source documents, and information in any way related to the current, future and proposed business, products and services of Vakrangee. It shall specifically include Customer Information (as defined herein below), seller information and any information which either Party may have or have acquired before or after the date of this Agreement in relation to the Products (as defined herein below), Customer Information, seller information and Services (as defined herein below) and processes of Franchise, any other information designated as confidential by a Party from time to time;

**'Customer/ Client Data'** shall mean any information relating to the Customer or Client including the contact details, details of the products, volume of business, type and nature of transactions or any other qualitative or quantitative information relating to the Customer or Client;

**'Customer'** shall mean any Person/party/entity to whom the Franchisee shall provide the Services;

**'Customer Information'** means (i) all information relating to the Customer(s) (including names, addresses, telephone numbers, customer preferences, mobile numbers, email addresses, credit card details and such information that is or relates to personally identifiable information), information about the purchase of Products; and (ii) any list, description or other grouping of consumers or customers that is derived using any such information; and all such information shall be deemed to be fully and exclusively owned by Vakrangee;

**‘CCTV’** Closed-circuit television including video cameras also known as video surveillance system for the use of transmitting a signal to a specific place, on a limited set of monitors.

**‘E-Commerce’** includes Assisted E-Commerce relating to Mobile/DTH Recharge, Mobile connection, Bus Ticket booking, Domestic/International Flight booking, Hotel Reservation Services, Assisted e-shopping of goods, mobile handsets, bullion and Jewellery, Pharmacy products, Health care services and Wholesale/Bulk Sale of products to retailers (B2B), and other such products added in due course (E - Commerce services will be provided as per availability)

**‘E-Governance’** includes services in relation to Railway Ticket E-Booking with IRCTC, All Type of Bill Payment Services with BBPS, GST, Pan Card related services and Other Government services wherever available

**‘Financial Services’** include Lead generation for Loan Products for NBFCs / Banks – Consumer, Housing, SME Loans, Distribution of Mutual Fund products, Fund and money Transfer, IMPS services to Customers on behalf of a bank/PPI License Holder, or any other service/s that may get added in future

**‘Franchisor's Brand’** shall mean the brand name and logo of "Vakrangee™" and may from time to time add further brands in the form of work marks and or logos;

**‘Insurance’** services include Life Insurance, General Insurance (Motor / Vehicle / Travel etc.) and Health Insurance

**‘IOCL’** means Indian Oil Corporation Ltd., a Government of India company that has allowed Vakrangee to set-up and operate Vakrangee Kendras at their fuel stations.

**‘Kendra Services’** means any business activities related to ATM and its affiliates as per the technical platform/ SOP/ Training and guidelines provided by Vakrangee;

**‘Master franchising’** mean the franchisor-franchisee relationship in which the master franchisee essentially becomes a sub franchisor. The master franchisee usually agrees to a development schedule, which can include owning and operating their own units or appointing a franchisee.

**'Person'** means any individual, firm, LLP, company, trust, governmental authority, joint venture, partnership, association or other entity (whether or not having a separate legal personality);

**'Representative'** shall mean the owners, directors, officers, partners, trustees, employees, agents, affiliates and consultants

**'SOP'** means the 'Standard Operating Procedure' for carrying out the services by the Franchisee as provided by Vakrangee and amended from time to time;

**'Vakrangee Kendra'** shall mean such premises from where the Franchisee is authorized to carry on the Services by Vakrangee;

**"VKMS"** shall mean **Vakrangee Kendra Management System**, an online software portal developed and owned by Vakrangee Limited wherein the franchisee is allowed to use this portal to conclude transactions for various designated goods and services.

## **2. Scope of Kendra Services**

- 1.** Subject to the terms and conditions of this Agreement, Vakrangee hereby appoints Franchisee to operate a Vakrangee Kendra located at \_\_\_\_\_, , to render the services as per the guidelines, rules, terms and conditions given by Vakrangee.
- 2.** The Franchisee has independently studied and evaluated the viability/ suitability of the Vakrangee Kendra models and after completing his own due diligence and taking necessary financial and legal advice from his own advisors, has chosen Vakrangee Kendra \_\_\_\_\_ (with/only) ATM. It is, however, clearly understood, by both the parties, that all the Kendra services may not be available/ feasible at all the locations, models and further the continuation of services in future is dependent on the continued business tie-up/ arrangement of Vakrangee with the business partner. Moreover, Vakrangee has the sole right to discontinue ATM services without assigning any reasons whatsoever.
- 3.** It is hereby understood and agreed by the Parties that this franchise agreement does not, in any way, guarantee/assure any specified or fixed business or revenue or expenditure to accrue for any of the services that may be available for the selected model. Vakrangee or its affiliates or representatives have not made any representations, warranties or commitments relating to any revenues, profits, investment, or expenditure pursuant to this agreement.

#### **4. Term of the Agreement**

1. This Agreement shall be effective on the date of the execution of this Agreement (“Effective Date”). The Agreement shall be valid, legal, and binding from the Effective Date.
2. This Agreement shall be for a period of 5 (five) years (the “Term”) commencing from effective date, unless terminated earlier in accordance with Clause 16 of this Agreement.
3. At the end of 5 (five) years the Agreement shall automatically be renewed for another period of 5 (five) years, unless terminated earlier. No fresh documentation shall be required for such renewed term of the Agreement.

#### **5. Obligations of the Franchisee**

##### **5.1 Site preparation of Vakrangee Kendra**

1. Vakrangee shall provide a design manual, that shall provide detailed guidelines for the civil and interior/ exterior work to be undertaken by the Franchisee, at its own cost and expense, depending on the Vakrangee Kendra model selected. The Franchisee is required to comply with the same, within the prescribed time, without making any modifications/ alterations whatsoever. The Franchisee fully understand that any delay in Civil, Interior work, and other requirements defined by Vakrangee shall cause delay in delivery and installation of equipment and activation of services.
2. The Nextgen Vakrangee Kendra site shall be approved by Vakrangee Team and should be as per the design, theme, and color combination provided in Kendra Design Branding Manual as given by Vakrangee.
3. The entire cost of interior and exterior work including but not limited to civil, electrical, air conditioning, furnishing etc., will be borne solely by the Franchisee.

##### **5.2 Equipment required to operate the Vakrangee Kendra**

For Services other than ATM (if applicable) –

1. For providing Services other than ATM at Vakrangee Kendra (if applicable) a set of equipment is required that is to be sourced by the franchisee based on the specifications provided by Vakrangee.

2. The Franchisee shall ensure that the required equipment and software are installed and put to working condition with necessary power and internet connectivity to activate the services and start the Vakrangee Kendra operations.
3. The equipment required for the selected Kendra Model may change due to new technology or new/ modification in business requirements. The Franchisee shall abide by the decision of Vakrangee for any change in technology and equipment and implement any changes/ additions within specified time.

For ATM services –

1. Vakrangee has appointed the Franchisee to accept the ATM, CCTV Camera with NVR, and VPN device of Vakrangee and keep in 'custody' of the Franchisee on behalf of Vakrangee.
2. The Franchisee, being the 'custodian' of the ATM, CCTV Camera with NVR, and VPN device hereby confirms that the ATM, CCTV Camera with NVR, and VPN device belongs to Vakrangee, and the Franchisee shall not claim at any time, any right/ title/ interest etc., over the ATM, CCTV Camera with NVR, and VPN device. On demand by Vakrangee, the Franchisee will return the ATM, CCTV Camera with NVR, and VPN device to Vakrangee within three (3) working days in the same condition as delivered to the Franchisee.
3. Before handing over the ATM to Vakrangee, Franchisee will ensure that the ATM safe password is reset to default password and ATM hood keys are also handed over along with the ATM, CCTV Camera with NVR, and VPN device. In case Vakrangee Team is unable to open the ATM safe upon receipt of the ATM, cost of break open of ATM safe lock and replacing the same will be recovered from the security deposit amount paid by the franchisee.
4. The Franchisee shall not make any type of alteration, attachment, modification, reverse engineering, decompile in the ATM, CCTV Camera with NVR, and VPN device of Vakrangee, without prior written permission of Vakrangee.
5. Vakrangee shall retain all right, title, interest and ownership in the ATM, CCTV Camera with NVR, and VPN device.
6. The Franchisee agrees that it shall not create any encumbrance, charge/ lien/ hypothecation etc., and not to sell, lease, mortgage, loan, etc., the ATM, CCTV Camera with NVR, and VPN device without Vakrangee's prior written consent.



7. The Franchisee shall be liable for risk of loss, theft, vandalism etc., of the ATM, CCTV Camera with NVR, and VPN device, while the ATM, CCTV Camera with NVR, and VPN device is in the custody of the Franchisee.
8. The Franchisee shall ensure adequate maintenance and upkeep of the ATM, CCTV Camera with NVR, and VPN device.
9. The Franchisee shall use the ATM, CCTV Camera with NVR, and VPN device as per Vakrangee's instructions, at the Vakrangee Kendra. In no event shall the Franchisee remove the ATM, CCTV Camera with NVR, and VPN device from the Vakrangee Kendra.
10. The Franchisee shall be fully responsible for any accident/ mishap/ incident that may occur at that Vakrangee Kendra, which may affect the ATM, CCTV Camera with NVR, and VPN device in any manner whatsoever. If during the Term of the Agreement, any incident occurs at the Vakrangee Kendra, the Franchisee shall immediately report the same to Vakrangee and shall also take other appropriate actions as per the instructions of Vakrangee. Any such incidence should be reported to Vakrangee within 24 hours of the occurrence, failing which Vakrangee may take appropriate disciplinary action against the Franchisee, including but not limited to termination of Agreement.
11. The Franchisee acknowledges and agrees that he is the 'caretaker' and 'trustee' of the ATM, CCTV Camera with NVR, and VPN device and therefore during the Term of this Agreement, the Franchisee shall be solely responsible for any loss, which Vakrangee may have to bear due to the negligence by the Franchisee and shall always keep Vakrangee indemnified in this regard.
12. In case of any event like theft/burglary/riots/strike/malicious damage/act of God perils damage/any accident/ incidence etc., the Franchisee shall immediately inform Vakrangee about occurrence of such event, with the written consent from Vakrangee and stating the reasons before initiating the Action, the Franchisee shall also lodge an FIR and take appropriate actions, which may be necessary to safeguard the ATM, CCTV Camera with NVR, and VPN device. However, in all cases, the Franchisee shall keep Vakrangee informed before taking such actions.
13. Vakrangee shall monitor the efficiency and performance of the Franchisee as well as his ability to handle the ATM, CCTV Camera with NVR, and VPN device and may conduct

surprise inspections without any notice to the Franchisee. The Franchisee shall make all efforts to cooperate with Vakrangee for the successful completion of the inspection activity.

14. On termination/ expiry of the Agreement, the Franchisee will surrender the ATM, CCTV Camera with NVR, and VPN device to Vakrangee, in proper working condition. In case the equipment is not found to be in working condition, the cost incurred to repair/replace the equipment will be recovered from the security deposit paid by the franchisee.
15. In no circumstance (including but not limited to any dispute between the Parties) will the Franchisee be allowed to retain possession of the ATM, CCTV Camera with NVR, and VPN device after the termination/ expiry of the Agreement.
16. Any other Hardware/software/New Machine/Device for operations will be supplied to Franchisee on custodian basis will be the added to this list as a part of Annexure and all other above clauses will be applicable read as same excluding ATM, CCTV Camera with NVR, and VPN device.

| Sr. No | Name with make and model of Hardware / software /<br>New Machine / Device | Quantity |
|--------|---|----------|
|        |   |          |
|        |   |          |
|        |   |          |

### 5.3 Services to be provided at Vakrangee Kendra

1. The Franchisee shall render the services as per the SOPs, Operational SOP, guidelines, presentations, rules, terms, and conditions given by Vakrangee from time to time. Franchisee understands that rendering of Services at the Kendra requires working capital and Franchisee undertakes to keep sufficient working capital ATM settlement accounts so that Franchisee can provide services to the Customers in accordance with the directions by Vakrangee based on the understanding/ instructions and failure to keep the minimum working capital may attract penalty that will be charged to the franchisee.
2. Vakrangee shall have the sole discretion to modify/ alter/ amend/ delete/ add etc., any services, in any Kendra model, as it may deem appropriate from time to time. No prior

intimation/ approval shall be required to be taken from the Franchisee. Further, the Franchisee understands and agrees to comply with the decision of Vakrangee and assures to provide ATM Services as detailed in this Agreement.

3. In case of any amendment/ addition in the Services to be rendered by the Franchisee, Vakrangee shall notify the Franchisee in writing, and the Franchisee shall implement the said Services, within specified time, from the Vakrangee Kendra.
4. The Franchisee further understands and acknowledges that failure to render any service (including any new services added for the model), as mentioned in this Agreement, that are activated and made available to the franchisee, may result into customer dissatisfaction and loss of business to Vakrangee and may also damage the brand of 'Vakrangee'. Therefore, rendering all the Services in an appropriate manner from the Vakrangee Kendra is essential for this Agreement.

#### **5.4 Vakrangee Kendra Operations**

1. Franchisee shall be required to use and refer the Vakrangee Kendra Identification ('VKID') given by Vakrangee to the Franchisee, and for any/ all activity/ communication in relation with the Vakrangee Kendra.
2. The Franchisee shall maintain the space, branding, and layout of the Kendra for conducting the Services, keeping in view the need for providing convenient, access and interface to customers, and for display of mandatory information and documentation to the customers, as prescribed by Vakrangee. Any change in the Franchised Kendra can be affected only with a prior written approval of Vakrangee;
3. Franchisee shall ensure that all the targets given by Vakrangee, and its Service Partners are completed on a timely manner.
4. The Franchisee shall obtain and maintain throughout the Term, at its own cost, all those consents, licenses, and authorizations as are necessary to properly perform its obligations under this Agreement.
5. The Franchisee agrees and understands that Vakrangee has earned substantial reputation and goodwill for last several years, and thus acknowledges the necessity of conforming to high standards of the business and performance of services. Any act of the Franchisee or any

person/ entity acting on behalf of or associated with the Franchisee in any manner whatsoever, that may potentially attract disrepute/ damage/ disregard to Vakrangee's reputation/ goodwill/ business/ partnerships, shall be considered as a material breach of this Agreement, and Vakrangee shall be authorized to claim appropriate damages from the Franchisee and initiate all legal actions against such Franchisee including but not limited to the termination of this agreement, as Vakrangee may deem appropriate.

6. The Franchisee shall not do any act that may bring disrepute to Vakrangee in any manner whatsoever. The Franchisee shall not indulge in any unlawful, immoral, improper, or abusive activity. The Franchisee shall not use the Vakrangee Kendra for any illegal/ obscene/ indecent/ threatening/ harassing activity. The Franchisee shall always comply with all applicable laws including but not limited to the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016; The Information Technology Act, 2000 etc. (as maybe amended from time to time).
7. The Franchisee shall be mandatorily required to complete the certification/ training for carrying out the services other than ATM (if applicable). The Franchisee agrees to complete/ undertake any existing/ new certification/ training required for any of the existing/ new services, within the time prescribed by Vakrangee in writing.
8. Franchisee shall ensure that all the processes, rules, and guidelines as specified by Vakrangee, including but not limited to the guidelines specified under the Standard Operating Procedure Manual provided by Vakrangee, are followed to their full extent. Vakrangee shall have the sole right/ liberty to modify the said processes, rules, and guidelines (including but not limited to the Standard Operating Procedure Manual) at any time during the Term, and the Franchisee shall be required to adhere to such modified understanding.
9. The Franchisee shall adhere to the fixed minimum working hours for the Vakrangee Kendra on all days, as mentioned below:

**12 by 7 (12 hours a day and 7 days a week)**

10. Franchisee shall employ suitable person(s) to provide services on his/her behalf, as may be required for the conduct of various Services. Such employees/ agents shall have no relation whatsoever with Vakrangee, and the Franchisee shall be solely responsible towards

Vakrangee for all acts/ omissions done by such employees/ agents of the Franchisee. The rights/ duties/ liabilities under this Agreement are not transferable and the Franchisee shall be solely responsible for any breach of the terms and/or conditions of this Agreement by the Franchisee and/or his employees.

11. Franchisee shall train his employees in the operation of the system in all its aspects, to enable them to perform the services that will meet the high standards/ SOP provided by Vakrangee under the Agreement.
12. Franchisee shall immediately remove any employee, if such person, in the opinion of Vakrangee, found unfit to provide the services in a proper and professional manner. The Franchisee shall ensure that his employee/s follow the Code of Conduct as defined by Vakrangee, at all the given times, while performing the services;
13. The Franchisee shall maintain books of account as directed by Vakrangee and preserve all related documents. These shall be made available to Vakrangee, and any person authorized by Vakrangee at such time and place as may be required by Vakrangee for the purpose of inspection.
14. Franchisee shall ensure that source of cash used for providing various services to the customers is through legitimate, moral, lawful, and legal modes of business. In case of any queries / investigation raised by any regulatory body on the source of cash obtained, Franchisee would be solely responsible for providing evidence / explanation for the same.
15. Franchisee shall be liable for risk of loss, theft, vandalism of cash, while cash is in the custody of the Franchisee.
16. Franchisee shall ensure that no counterfeit note is dispensed from ATM and shall indemnify Vakrangee of any event related to such cases and shall not hold Vakrangee for any such damages.
17. The Franchisee shall ensure safety and security of all articles of mails, documents generated/ received as part of the business through the Vakrangee Kendra, while they are in the custody of the Franchisee. On the instruction of Vakrangee, the Franchisee shall timely dispose any article/ document etc. Any loss incurred by Vakrangee due to failure by the Franchisee to comply with this clause, will be made good by the Franchisee.

18. The Franchisee shall ensure that the customers of Vakrangee Kendra are dealt with in a fair, courteous, respectful, and honest manner. The Franchisee shall render prompt service and shall conduct business in such a manner as not to detract from or bring disrepute to Vakrangee.
19. The Franchisee shall promote the business and even arrange for promotion/ marketing/ advertisement of products and services etc. Further, the material used for promotion of business is required to be pre-approved by Vakrangee in writing.
20. The Franchisee will prominently display any information supplied by Vakrangee from time to time, and display a signboard of prescribed dimensions, color and indications bearing the logo of Vakrangee.
21. The Franchisee shall fully co-operate with Vakrangee in conducting investigation into complaints received. The Franchisee shall provide all relevant information in such cases as well as for any other matter, as may be required by Vakrangee from time to time.
22. The Franchisee shall not participate or start any similar/ competing venture or undertake any activity, independently or through any family member or otherwise, during the validity of this Agreement and for a period of 1 year after termination of this Agreement, which will constitute a conflict of interest with the business of Vakrangee, or which will give the Franchisee the power to influence the economic conduct of such an undertaking.
23. The Franchisee shall be liable for all taxes, present and future, and additional taxes/cesses/duties etc. that may be levied by the Government or local authorities etc. on the business, over and above what is notified to be collected by Vakrangee.
24. The Franchisee undertakes and agrees to pay all dues and outstanding, if any, to Vakrangee during the Term of Agreement or on termination of Agreement, even if there are any disputes pending between the Franchisee and Vakrangee.
25. On termination of this Agreement, the Franchisee shall return to Vakrangee all the 'Intellectual Property Rights', customer information/ details, documents/ materials/ hardware/ software etc., which are the property of Vakrangee. In no event shall the Franchisee be allowed to retain/ withhold custody of the property of Vakrangee after termination/ expiry of the Agreement. It is expressly clarified that all 'Intellectual Property Rights' including but not limited to Copyright, Patent, Trademarks, trade secrets, customer

details/ information, partner details etc., shall continue to vest with Vakrangee at all times. The Franchisee shall not have the right to claim any rights over the Intellectual Property by virtue of them executing this Agreement. Further, under no circumstances, shall the Franchisee acquire the right to make copies of the said property of Vakrangee. The Franchisee acknowledges that he shall maintain confidentiality of customer's information even after the agreement expires or gets terminated. The Franchisee acknowledges that in the event of breach or threatened breach of this Clause, monetary damages may not be an adequate remedy, therefore, Vakrangee in addition to other rights and remedies shall be entitled to injunctive relief to restrain the Franchisee from any such breach, threatened or actual.

26. The CCTV provided by Vakrangee is for Centralized monitoring of the Kendra by Vakrangee Team. Upon installation of the CCTV while Kendra onboarding, franchisee will cooperate with Vakrangee Team to ensure that the CCTV is centrally connected in Vakrangee's Centralized Monitoring System. After completing installation, franchisee will ensure that CCTV is functional all the time with 90 days backup and connected to Vakrangee's Centralized Monitoring System.
27. The Franchise must always ensure that the CCTV/NVR equipment in Kendra is functional, and the franchisee shall be liable to furnish footage relevant to transactions in the preceding 90 days upon demand from Vakrangee. This is a mandatory compliance requirement from the Reserve Bank of India (RBI).
28. The Franchisee shall be solely responsible for any kind of fraud or loss of cash in transit . The Franchisee will have to compensate Vakrangee for any penalty/ charges imposed on Vakrangee for misconduct at Vakrangee Kendra during ATM operations / business hours, as per regulatory bodies.
29. In case of charges regarding stamp duty or registration fees under the provision of law, Franchisee alone shall bear the costs of the same.
30. The Franchisee agrees and confirms that if it ceases to do business, closes operations for a material term or is otherwise unable to offer products or services to the Customers, it will inform Vakrangee promptly.

31. The Franchisee shall register and comply with all the required tax and legal regulations including Income Tax, local regulations, and GST etc. and will be solely liable for all taxes, present and future, and additional taxes/cess/duties etc. that may be levied by the government or local authorities etc. on the business conducted by the Franchisee, over and above what is notified to be collected by Vakrangee. The Franchisee shall file necessary tax returns on a timely basis and furnish copies of all the registration and compliance documents as and when demanded by Vakrangee and Vakrangee will not be held responsible for any input credit not fetched by the franchisee;
32. The Franchisee agrees to undertake to pay all dues and outstanding, if any, to Vakrangee during the term of this Agreement or on termination of Agreement, even if there are any disputes pending between the Franchisee and Vakrangee;
33. The Franchisee agrees to return to Vakrangee, the Franchisor's Brand and all related documents, which are exclusive property of Vakrangee, on termination of the Agreement.
34. The Franchisee agrees to perform all its obligations as per the mutually agreed terms under this Agreement.
35. The Franchisee is liable to pay the applicable location transfer fees and related expenses as specified in Franchisee Lifecycle Management manual (FLM) which will be updated from time to time at the discretion of the Management to be shared with the franchisee on receipt of Transfer request.
36. Banking services will be provided as per availability and as per choice of model
37. The Franchisee will require to take all the necessary local permissions and should allow all the required due diligence activities made by Vakrangee such as Police Verification, Credit Information Bureau (India) Limited (CIBIL), any Court related cases, etc.
38. Franchisee and their employees should adhere to the 'code of conduct' of Vakrangee
39. Franchisee shall undertake to invest in other equipment and devices suggested by the partners and advised by Vakrangee which will help the franchisee in rendering the services effectively
40. Any modification to this agreement will be a forming part of this document and shall stand include by letter/e-mail exchange as and when required by Vakrangee.
41. Franchisee shall ensure that it has contingency plans in place to ensure business continuity.



## 5.5 ATM Operations

1. For the purpose of sourcing and replenishing cash in ATM, franchisee will act as Vakrangee's authorized official.
2. The Franchisee shall replenish the cash in the ATM as per the stipulated Vakrangee Cash Management Process.
3. The Franchisee shall open and maintain dedicated ATM Settlement account with the Bank as per the gazette notification 68/2019/F.No.370142/12/2019 – TPL dated 18th Sept 2018 issued by Ministry of Finance.
4. **THE FRANCHISE MUST ALWAYS ENSURE THAT THE CCTV/NVR EQUIPMENT IN KENDRA IS FUNCTIONAL, AND THE FRANCHISEE SHALL BE LIABLE TO FURNISH FOOTAGE RELEVANT TO TRANSACTIONS IN THE PRECEDING 90 DAYS UPON DEMAND FROM VAKRANGEE. THIS IS A MANDATORY COMPLIANCE REQUIREMENT FROM THE RESERVE BANK OF INDIA (RBI). THERE IS ZERO TOLERANCE ON NON-COMPLIANCE TO THIS CLAUSE AND FRANCHISEE SHALL BE LIABLE TO PENAL ACTION INCLUDING TERMINATION AS MAYBE DECIDED BY VAKRANGEE.**
5. Franchisee shall ensure that the cash to be loaded in the ATM is withdrawn from the designated bank account of any scheduled bank, including Cooperative Banks and Regional Rural Banks. Franchisee shall not load cash obtained from any source other than bank branch of any scheduled bank. Franchisee shall provide required proof of cash withdrawn from bank branch and upload it in Vakrangee's system.
6. Franchisee shall ensure that the currency notes obtained from bank branch are genuine and ATM fit only.
7. Franchisee shall replenish the ATM (in his/her/ their custody) with only ATM fit notes under the surveillance of CCTV after passing all the notes through Currency Counting and Fake Currency detection machine for verification. In case any counterfeit note is dispensed from ATM or obtained during cash counting, the same should be reported to "Forged Note Vigilance Cell" at Vakrangee Head office for further resolution and action.
8. Franchisee shall fill the reports specified by Vakrangee for cash filled into ATM.

9. Franchisee shall carry out First Level Maintenance (FLM) activity of the ATM as and when required.
10. Franchisee shall have full responsibility for the management of keys and combinations and passwords of the ATMs and shall be solely and entirely responsible for safety and security of Cash.
11. The CCTV provided by Vakrangee is for Centralized monitoring of the ATM by Vakrangee Team. Upon installation of the CCTV while ATM onboarding, franchisee will cooperate with Vakrangee Team to ensure that the CCTV is centrally connected in Vakrangee's Centralized Monitoring System. After completing installation, franchisee will ensure that CCTV is functional all the time and connected to Vakrangee's Centralized Monitoring System.
12. The ATM shall be manned at all times. The franchisee shall not leave the ATM unattended for the complete duration when the ATM is available to customers for use. Also, any queries/complaints raised by the customer related to ATM shall be addressed immediately. Franchisee shall raise a ticket in the internal system for Vakrangee to address the complaints raised by the customer.
13. Franchisee shall follow all rules and guidelines provided by RBI, NPCI, IBA and any other applicable regulatory bodies from time to time.
14. Franchisee shall comply with the applicable Anti-money laundering rules and regulations by respective regulatory bodies to ensure that no illegal cash is loaded in the ATM.

## **5.6 Service Levels**

Vakrangee shall continuously monitor and assess the service provided by the Franchisee at the Kendra. If any corrective action is required to be taken the franchisee, the same will be informed to the franchisee and he will be required to take immediate action to rectify it.

1. If the ATM is unable to generate minimum of 750 financial transactions per month for three consecutive months, applicable from the following month of "cash live". Vakrangee has the right to terminate the Franchisee Agreement and/ or replace the Franchisee.
2. Franchisee shall ensure that cash is available in the ATM at all times to avoid any cash out penalty from regulatory bodies. In case, the ATM remains cash out for more than 10 hours in

a month, Franchisee understands that RBI has the right to deduct a penalty of Rs. 10,000 as per regulation and Vakrangee shall recover the same from the franchisee.

## 5.7

### 5.8 Adherence towards Environmental, Social and Governance (ESG) Parameters

#### 1. Political Involvement -

- i. Vakrangee does not make contributions to candidates or political parties in any type of elections, at the state level or at Central level across Pan India and also Prohibits political involvement of any kind on the company's behalf.
- ii. Vakrangee is also not involved in lobbying activities. Vakrangee Franchisees and Franchisee's Employees have the right to participate individually in the political process, and to make voluntary contributions of their non-working time and personal resources to support candidates and political parties of their choice.
- iii. Vakrangee does not control, direct, or influence Franchisee's or Franchisee's employee's political activities or affiliations. Franchisees engaging in personal political activity must do so as private citizens, not during company work hours, and without using company resources for political purposes. Franchisee and their Employees must comply with all applicable laws in this regard.

#### 2. Human Capital Guidelines to be Followed -

Vakrangee is committed to respecting the human rights of our workforce, communities and those affected by our operations wherever we do business (including our franchisees and their employees) in line with internationally recognized frameworks including the International Labour Organisation (ILO) Conventions, Social Accountability 8000 International Standard and its associated international instruments).

The franchisee should strictly have adherence to the human rights policy by:

- i. Compliance with Labour laws -

- a. Maintaining positive legal compliance with applicable constitutional and regulatory human rights requirements
  - b. Ensuring full compliance with applicable wage, work hours, overtime and benefit laws of the respective states
  - c. Abiding by all laws and regulations regarding pay practices and the classification of employment according to job level and status
  - d. Complying with applicable labour and employment laws wherever the franchisee operates.
- ii. Harassment Free Workplace -
  - a. Maintaining workplace that is free from discrimination or harassment on the basis of race, sex, colour, national or social origin, ethnicity, religion, age, disability, sexual orientation, gender identification or expression, political opinion or any other status protected by applicable law. The basis for recruitment, hiring, placement, development, training, compensation and advancement should be qualifications, performance, skills and experience.
- iii. Prohibition of Any form of Child Labour -
  - a. Prohibiting all forms of harmful child labour, forced / trafficked labour including prison labour, indentured labour, bonded labour, military labour, modern forms of slavery and any form of human trafficking
  - b. No person below the age of 18 years should be engaged by Franchisee and any of our stakeholders at any point, and in the event of discovery of such a case, liabilities for suitable remediation and ensuring wellbeing of the child would accrue to the defaulting party
- iv. Healthy and Safe Workplace -
  - a. Providing a healthy workplace and comply with applicable health laws and regulations, as well as internal requirements.
  - b. Also provide and maintain a safe, healthy and productive workplace, in consultation with our KDB Team, by addressing and remediating identified risks of accidents, injury and health impacts.

- c. Kendra to follow all the Health safety measures suggested by the Company or Regulatory authorities from time to time.

3. **‘Protecting Personal & Business Information’** means handling all confidential and proprietary information with great care and in compliance with applicable laws. Our confidential information is a valuable asset and every Franchisee and his/her employees must protect it. Confidential information includes all non-public information. It also includes personal information that we obtain in the course of business. We must take care that all confidential information is used for our business purposes only and in case of personal information, in addition, it must be processed on instructions from the company in accordance with laid out policies, procedures and guidelines and as per applicable privacy laws and regulations.

- i. **‘Confidentiality, Security and Availability (CIA)’** shall mean to maintain Confidentiality, Security and Availability (CIA) of the data they collect or gather through the Kendra Business operations. Franchisee needs to maintain Confidentiality of data by ensuring that data exchanged is not accessible to unauthorized users. Franchisee should make sure the Integrity of the data by ensuring that a system and its data has not suffered unauthorized modification; And the Availability guarantees that data, systems and applications are available to users when they need them.

4. Alcohol and Drug-Free Workplace-

The Franchisee must maintain a work environment that is healthy and free from substance abuse. Franchisee or Franchisee’s Employees who are under the influence of alcohol, drugs or any other substances result in low performance not only for themselves but also, they affect the Company’s performance and tarnish the Brand reputation of the company. We thus encourage our Franchisees as well their employees to practice anti-drug and alcohol-free lifestyle. If any franchisee or his/her employee is found to have violated this, then strict action shall be taken in accordance to the Business conduct policy of the Company.

5. Work Opportunities for Underrepresented Groups -

Franchisee should try and create work opportunities by focusing on employing underrepresented groups such as: -

**i. 8.1 Women –**

We believe that gender equality is not only a human right but also a necessary foundation for creating a sustainable organization. Hence, we strive to give additional importance to hiring of women in our franchisee ecosystem. Also, on joining, women employees shall be assigned a mentor from the company side who guides them and provides necessary assistance in succeeding in their roles.

**ii. Individuals with special abilities –**

Franchisee should encourage people with special abilities to take up employment at the Kendra. The company shall provide them mentors belonging to the same work profile to help them to perform their tasks more efficiently. We also groom them through various training programs and seminars to become role performers and in turn help the franchisee to successfully run the Kendra.

**iii. Ex-Military Professionals –**

Franchisee should encourage hiring of ex-military professionals. We want to make sure that these individuals who have fought for the country have plenty opportunities to work once they leave their military life. We encourage recruitment from the Armed forces recruitment board and the Indian Army Recruitment Board.

**6. Sustainable Procurement & Sourcing Guidelines -**

- i. Vakrangee is committed to sustainable growth and in alignment to our Sustainable Sourcing Policy, we have incorporated environmental considerations in procurement decisions related to purchase of products to minimize the environmental impact across the lifecycle of the products and services which we or our franchisees procure.
- ii. Vakrangee expect all our franchisees to comply with necessary environmental sustainability standards defined in our policy and adopt best practices to reduce our environment footprint. We are committed to Sustainable procurement, thereby our franchisees should prefer and prioritize to work with and procure products from those supplier / vendor partners who are focused on the following parameters and have clear goals for the below mentioned parameters:
  - a. Reduce Consumption of Water
  - b. Reduce Consumption of Energy

- c. Make Efforts to keep the Environment Green
  - d. Encourage diversity of talent
  - e. Encourage Compliances with Human Rights Conventions
  - f. Adhere to all Applicable laws of the land
  - g. Provide clear, accurate, and appropriate reporting to us on all matters of relevance including the above on request.
- iii. For the Kendra design and Kendra interior refurbishment, the franchisee should procure all the material and products from the recommended and suggested list of Brands / vendors mentioned as part of the Kendra Design Manual, as these products are approved by the Vakrangee procurement team and they adhere to the Green procurement standards of our company.
- iv. The Franchisee shall strive to include the following considerations into procurement decisions for office products as well as consumable supplies for the Kendra:
  - a. Compliance to all relevant international/national/local regulatory compliance standards and requirements
  - b. Minimum/no use of hazardous or toxic substances
  - c. Designed for environment with extended product life, reusability, recyclability and use of recycled content
  - d. Involve or encourage lesser consumption of resources like energy, water, and other natural resources
  - e. Minimum and environmentally compatible / recyclable packaging.
  - f. Certification and eco-labels for products where applicable

## **7. Bribery & Corruption**

- i. Vakrangee do not tolerate bribery or corruption in any form. This commitment underpins everything that we do. Our franchisees and Franchisee's Employees should not, directly, or indirectly, offer or receive any illegal or improper payments or comparable benefits that are intended or perceived to obtain undue favors for the conduct of our business.
- ii. Corrupt actions may include the following situations:

- a. The Franchisee provides, offers, or promises an undue advantage to a domestic or foreign official (such as a member of a judicial or other authority, state employee, expert, translator or interpreter, arbitrator, or a member of the armed forces) for the benefit of such person or any third party, for the commission or omission of an act in relation to his official function that is contrary to his duties or depends on the exercise of his discretionary powers ("bribery").
- b. The Franchisee provides, offers, or promises an undue advantage to an company employee, partner, agent, or other auxiliary of a Vakrangee partner for the benefit of such person or any third party, for the commission or omission of an act in relation to his function that is contrary to his duties, or depends on the exercise of his discretionary powers ("active private bribery").
- c. The Franchisee accepts an undue advantage or promise of such advantage from an existing or potential Vakrangee Employee / business partner for the commission or omission of an act in relation to his function that is contrary to his duties or depends on the exercise of his discretionary powers ("passive private bribery").

**8. Gifts & Entertainment:**

- i. Accepting gifts and entertainment can cause a conflict, or the appearance of a conflict, between personal interests and professional responsibility.
- ii. Gifts and other grants (including discounts) represent, up to a nominal value, customary business practices and are a legitimate means of developing and strengthening business relationships. Nevertheless, this may entail potential conflicts of interest and our reputation can be at risk.
- iii. For this reason, acceptance of gifts and other grants is always prohibited if our interests are harmed or if the professional impartiality of the Franchisee or its employee could be placed at risk, whether in actuality or appearance.
- iv. Acceptance of socially customary occasional gifts and other grants of low value is generally acceptable if business decisions shall not be influenced.
- v. The above principles also apply in case of giving gifts and other grants or invitations to an existing or potential business partner i.e., Franchisee.



## **5.9 Execution of Necessary Agreements and Forms**

1. In case, at any time, Vakrangee requires the Franchisee to execute additional documents/ agreements in relation with the Services to be rendered from the Vakrangee Kendra, the Franchisee assures/ undertakes/ binds itself, to promptly execute such documents/ agreements.
2. In case, at any time if the Business requires or partners require any Bank Guarantee (BG), Deposits or any additional cost which will be borne by the franchisee.
3. If applicable, for the purposes of rendering the banking services, the Franchisee shall adhere to the relevant terms and conditions of the Business Correspondent Agent that is given in **Annexure 2** to this Agreement. However, it may be noted that in the event the Franchisee appoints any other person to render the said banking services in the Vakrangee Kendra, the franchisee should also provide details of the person acting as BCA and obtain his/her signatures in the same Annexure. In case the BCA has been changed by the Franchisee, a new copy of the same Annexure shall be executed with the replaced BCA and franchisee will be liable as well as responsible for all the terms and conditions defined in the same Annexure.
4. If applicable. for the purposes of rendering the Insurance services, the Franchisee shall adhere to the relevant terms and conditions of the Point of Sale Person (POSP) agent that is given in **Annexure 3** of this Agreement.

## **5.10 Applicability of Master Franchisee**

1. In case a franchisee is onboarded under the Master Franchisee setup, such as IOCL franchisee, etc. all clauses of the agreement/MOU between Vakrangee Limited and the respective Master Franchisee will be applicable to the franchisee.
2. The commissions received from the partner for the services rendered by the franchisee, will be shared between Vakrangee Limited, Master franchisee and Franchisee. The commission sharing will be done considering the agreement/MOU signed between Vakrangee Limited and the respective Master Franchisee.

## **6. Obligations of Vakrangee**

1. Vakrangee shall provide necessary training to the Franchisee or its employee/nominee directly or through chosen third party training providers.
2. The training will be mandatory and provided for a period to be determined by Vakrangee or the third-party training provider.
3. Vakrangee shall bear the Annual Maintenance cost of the ATM inclusive of free replacement of faulty parts. If the ATM lock needs to be replaced due to incorrect password, loss of password or forgot password, the cost of repair/replacement of the same will be borne by the Franchisee.
4. Vakrangee shall bear the cost of ATM insurance, cash in transit insurance (up to Rs. 10 lakhs), and cash in ATM insurance (up to Rs. 10 lakhs). In case of claims, the franchisee shall be required to provide the required documents to Vakrangee as per Insurance company's requirement failing which, the claim will not be processed.
5. Vakrangee shall provide ATM settlement in the Franchisee's designated ATM settlement account on T+1 basis (where T is a Bank working day), subject to same being received by Vakrangee in our designated Bank account.
6. Vakrangee shall provide the ATM, CCTV Camera with NVR, VPN device, and related software to the Franchisee, for use at the Vakrangee Kendra during the Term of this Agreement. It is hereby clarified that the ATM, CCTV Camera with NVR, VPN device, and related software as may be provided by Vakrangee to the Franchisee shall be held by the Franchisee in the capacity of being a 'custodian', and the Franchisee shall at no time/ manner become the owner of such equipment.
7. Vakrangee shall provide technology support to the Franchisee in relation to performance of the Services, including support to access Vakrangee portals/websites. However, in case of any technical issue due to which the operations are affected or cannot be carried out, Vakrangee shall not be held liable in any manner whatsoever.
8. To assist the Franchisee in conducting the business, Vakrangee shall provide or make available to the Franchisee the following:
  - i. The Standard Operating Procedure Manual, which will contain the entire set of guidelines on how to operate and manage a Vakrangee Kendra retail outlet.

- ii. The continual updates, if any, alternatives and/or improvements in or to the Standard Operating Procedure, to enable the Franchisee to keep up to date with any changes in the rules and operations of the Vakrangee Kendra business and its allied partners.
  - iii. Copies of all marketing material suitable for use in the designated geography, if any as deemed necessary.
9. Periodic visits and inspections by designated employee/ auditor of Vakrangee, as shall be deemed appropriate to monitor the standards of operations of the Franchisee.
  10. Payment and commission payable to the Franchisee from Vakrangee for each month would be paid as per the commission structure provided in Annexure 1.
  11. Any services that Vakrangee may deem necessary as part of its business through the Franchisee.

## **7. Commercial Understanding**

### **1. One-time Payment –**

The Franchisee shall pay a sum of INR 2,00,000/- (INR Two lakhs Only) as refundable security deposit.

On the one-time payment of the security deposit, the franchisee will receive the ATM, CCTV Camera with NVR and Hard disk for minimum 90 days backup, and VPN device on custodian basis. Along with this, the franchisee will also get access to VKMS for providing ATM services.

- In the event the Franchisee has opted to exit in writing due to any reason and/ or in the event Franchisee is in breach of the Agreement and/ or Franchisee is in non-compliance of any acts, rules, regulations during the first 3 years of signing the Agreement, Franchisee shall have no legal right to claim refund and Vakrangee shall not be liable to refund anything.
- In the event the Franchisee has opted to exit due to any reason during the 4th or 5th year of signing the agreement, amount of Rs. 1,00,000/- (along with taxes if applicable) will be deducted. If the franchisee exits after 5-year period from agreement signing, there will be full refund of the Security Deposit amount. Refund of Security deposit amount will be done once the ATM is returned in working condition. There shall be no refund to the Franchisee in the event the Franchisee is in breach of the Agreement and/ or Franchisee is in non-compliance of any acts, rules, regulations.

If the franchisee wishes to provide other Vakrangee Kendra services, he will be required to pay an upfront Fees of Rs. 9,999/- only. Upon payment of this amount, franchisee will receive access to services multiple services such as Banking BC, e-Commerce, Financial services, etc. in VKMS.

2. For the services rendered by the Franchisee, commission would be paid to the Franchisee by Vakrangee for each month as per the commission structure provided in Annexure 1.
3. Vakrangee shall not charge any minimum monthly guarantee amount from the Franchisee.
4. Vakrangee shall have the sole discretion to modify commission amount for any service, in any Kendra model, as it may deem appropriate from time to time. No prior approval shall be required to be taken from the Franchisee. Further, the Franchisee understands and agrees to comply with the decision of Vakrangee and assures to provide ATM Services as detailed in this Agreement.
5. The Franchisee alone shall bear all operating expenses at the Vakrangee Kendra. All payments made/ to be made under this Agreement shall be made in Indian Rupees and shall be subject to deduction of taxes as maybe applicable under the relevant laws/ rules/ regulations.
6. All payments/fees/commissions due to the Franchisee from Vakrangee (if any) will be based on the corresponding payment from respective agencies/ suppliers/ service providers and back-to-back deductions will be made due to any reasons attributable on part of the Franchisee.
7. Vakrangee has the right to set off any amount to be recovered from the franchisee from the monthly commissions payable to the franchisee. In case the commission amount is not sufficient for recovery, the pending amount can be set off from ATM settlement amount, security deposit, or any other amount payable to the franchisee.
8. The Franchisee must comply with all applicable rules and regulations of Central and States Good and Service Tax Act, 2017 as Applicable in India. Any liability which arises due to non-compliance of GST by the franchisee, will be solely responsibility of the franchisee and the franchisee is liable to pay to the tax authority at his own without prejudice to the company. GST amount charged by franchisee in tax invoice, should be deposited within the respective due dates and file the GSTR Returns timely. Franchisee here by agrees that company is not

liable to pay any amount which is not credited in 2A GST Return register. Franchisee further agrees, in case company has already paid such amount to franchisee but the company is not able to avail the input tax credit then franchisee will be liable to refund the amount paid by the company.

#### **8. Use of Intellectual Property**

1. Notwithstanding the rights granted, the Franchisee shall not be entitled or permitted to use the intellectual property or any part, or any other colorable imitation thereof, or trade secrets, customer details/ information, partner details etc., in any activity whatsoever, without prior written consent from Vakrangee.

#### **9. Restrictions on Franchisee Operations**

1. Franchisee shall not be permitted to provide any Services other than those specified by Vakrangee, which may be modified by Vakrangee at its sole discretion.
2. Franchisee shall not represent himself / herself as an agent or partner of Vakrangee or as being entitled to pledge the credit of Vakrangee or any of its assets/ goodwill etc. and will identify himself / herself as an independent person/ entity in all dealings with third parties.
3. Franchisee shall not charge any amount to the customer (in cash or in kind) over and above the rates specified by Vakrangee.
4. Franchisee shall not remove/ use any equipment of the Vakrangee Kendra at any place outside of the outlet without prior written consent from Vakrangee.
5. Franchisee shall not serve or otherwise sell or deal within Vakrangee Kendra any product/ service other than those specified by Vakrangee. Further the Franchisee shall also not serve or otherwise deal within Vakrangee Kendra any alcoholic liquor or betting activities or any other activity/ material prohibited by law under any circumstances whatsoever.
6. Franchisee/ his employee/ agent etc. shall not use any kind of marketing material other than that provided by Vakrangee. Materials provided by Vakrangee shall be used by the Franchisee solely for the activities related to Vakrangee.

#### **10. Right to Audit Franchisee Books of account**

1. Vakrangee shall be entitled to inspect and audit the books of account and all supporting documentation of the Franchisee, whether by its internal or external auditors, or by agents appointed to act on its behalf, and to obtain copies of any audit or review reports and findings made relating to the Business, at any time, in respect of the whole or any part of the period of this Agreement. The Franchisee shall be bound to render all assistance and give all information to Vakrangee officials and/ or concerned regulatory body representative.
2. Franchisee shall allow RBI or person(s) authorized by it to access the documents, record of transactions and other necessary information given to, stored or processed by the Franchisee, within a reasonable time;
3. Franchisee recognizes the right of RBI to cause an inspection to be made of the books of accounts of the Franchisee, by one or more of its officers or employees or other persons;
4. If the audit shows that there are any discrepancies, irregularities or non-compliance with prescribed procedures, due action will be taken by Vakrangee to recover its dues, without prejudice to any other action permissible as per law and the provision of this Agreement including but not limited to termination of the Agreement.

#### **11. Sale/ Transfer of Business**

1. The Franchisee shall not be entitled to transfer/ assign/ sell the franchise rights to any party. In case the Franchisee is desirous to transfer/ assign/ sell such rights to any entity, the Franchisee shall make a written request to Vakrangee, and Vakrangee shall have the sole discretion to reject/ accept the said request without assigning any reason whatsoever.
2. The Franchisee shall have no right to change the location of his/her Vakrangee Kendra or change his/her current business from the same location or sell his/her outlet /business except without the prior written consent of Vakrangee.

#### **12. Termination**

1. This Agreement may be terminated by either party before the expiry of the Term of this agreement by giving 30 (Thirty) days prior written notice of its intention to terminate the

Agreement and further commission and any other amount payable will be withheld till full and final settlement is made to the franchisee.

2. Vakrangee shall be entitled to terminate this Agreement by written notice of 30 (thirty) days to the Franchisee, if the Franchisee does not achieve his/her targets for three consecutive months, applicable from a gestation period of 1 year from the date of Franchisee Agreement. The deduction of security deposit will be applicable by the same rules in case of termination by Vakrangee or Franchisee.
3. Vakrangee shall be entitled to terminate this Agreement by written notice of 30 (thirty) days to the Franchisee, if the Franchisee commits any breach of any of the provisions of this Agreement or ancillary agreements, and in case of a breach capable of remedy, fails to remedy the same within 15 (Fifteen) days after receipt of a written notice giving full particulars of the breach and requiring it to be remedied.
4. Notwithstanding anything to the contrary contained herein, Vakrangee may terminate this Agreement forthwith without any prior notice, provided:
  - i. if, by the acts or default of the Franchisee or immoral / unethical conduct / fraudulent act committed by Franchisee or its employees/ agents/ associates/ affiliates etc., the name/ reputation of Vakrangee is threatened or suffers damage; or
  - ii. in the event the Franchisee fails to commence operations in accordance with the terms of this Agreement; or
  - iii. the Franchisee commits breach of any of the provisions of this Agreement;
  - iv. any event that would affect the ability of the Franchisee to perform its obligations under this Agreement; or
  - v. the Franchisee becomes the subject of a voluntary petition in bankruptcy or any voluntary proceeding relating to insolvency, receivership, liquidation, or composition for the benefit of creditors; or
  - vi. failure to comply with the directions of Vakrangee issued under this Agreement; and / or the Franchisee is convicted of any criminal charge.

### **13. Consequences of Termination**

1. Upon the termination of this Agreement, the Franchisee undertakes to Immediately discontinue and cease to use the trademark, logo and other intellectual property of Vakrangee and shall immediately hand over any and all copies or documentation of such intellectual property;
2. Return the ATM and any other Hardware/software/New Machine/Device for operations held in the capacity as a 'custodian'; Immediately return all Confidential Information in possession of the Franchisee belonging to Vakrangee;
3. Cease to promote, distribute, provide, market or advertise the Services;
4. Pay all amounts as shall have accrued and become payable to Vakrangee as on date of termination, if any;
5. Issue an advertisement in the newspaper mentioning that the Franchisee is no more authorized to operate the Vakrangee Kendra;
6. Not at any time to use or duplicate the Business or the System or any part thereof.

#### **14. Indemnification**

14.1 The Franchisee shall indemnify and hold harmless Vakrangee or its representatives (collectively "Indemnified Parties") from and against any and all suits, actions, proceedings, claims(including loans from financial institutions as the case may), demands, damages, liabilities, losses, costs, fines or penalties of any kind or nature, including legal fees, suffered or incurred by any of the Indemnified Parties, whether during the Term or at any time thereafter and in any manner directly or indirectly caused, occasioned, or contributed to, in whole or in part, as a result of or relating to:

1. any breach of any obligation, representation, warranty or covenant of the Franchisee or other act, omission, fault or negligence of the Franchisee or of anyone acting under its direction or control or on its behalf,
2. violation of any applicable laws or permits by the Franchisee or by anyone acting under its direction or control or on its behalf; or any claim by any third party in relation with the Services of the Vakrangee Kendra.
3. Any payment made by the Franchisee to the Indemnified Parties hereunder shall be grossed up to take into account any taxes payable by the Franchisee on such



payment or, if required by applicable law, withheld by the Franchisee on such payment.

4. The indemnification rights of Vakrangee under this Agreement are independent of the rights and remedies it may have at law or in equity or otherwise to seek specific performance, rescission, restitution or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby. And therefore, if required the Indemnity Bond shall be executed by the franchisee.
5. The obligation to indemnify as set forth in this section shall survive the expiry or earlier termination of this Agreement.

## **15. Confidentiality**

1. The Franchisee may receive Confidential Information (hereinafter defined) of Vakrangee and its affiliates, and/ or various customers, during the course of this Agreement.
2. Confidential Information shall not include information that the Franchisee can demonstrate by written evidence:
  - 1) was rightfully known to the Franchisee without restriction on use or disclosure prior to such information being disclosed or made available to it in connection with this Agreement;
  - 2) was or becomes generally known by the public other than by Franchisee's noncompliance with this Agreement;
  - 3) was or is received by the Franchisee on a non-confidential basis from a third party that, to Franchisee's knowledge, was not or is not, at the time of such receipt, under any obligation to maintain its confidentiality; or
  - 4) was or is independently developed by the Franchisee without reference to or use of any Confidential Information.
3. Franchisee shall:

- 1) ensure controls are in place for maintaining confidentiality of customer data. In case of breach of security and leakage of such information related to customers, Franchisee shall be responsible for the same;
- 2) keep the Confidential Information confidential and not access or use Confidential Information other than as is necessary to perform its obligations under and in accordance with this Agreement;
- 3) not disclose or permit access to Confidential Information other than to its personnel who: (a) need to know such Confidential Information for purposes of provision of Services under and in accordance with this Agreement; (b) have been informed of the confidential nature of the Confidential Information and the obligations hereunder; and (c) are bound by written confidentiality and restricted use obligations at least as protective of the Confidential Information; and
- 4) safeguard the Confidential Information from unauthorized use, access or disclosure using at least the degree of care it uses to protect its own confidential information and in no event less than a reasonable degree of care.
- 5) preserve documents and data in accordance with legal / regulatory obligations of Vakrangee, and Vakrangee's interests in this regard shall be protected even after termination of the agreement.
- 6) If the Franchisee is compelled by applicable law to disclose any Confidential Information then the Franchisee shall: (i) promptly, and prior to such disclosure notify Vakrangee in writing of such requirement so that Vakrangee can seek a protective order or other remedy; and (ii) use all reasonable efforts to assist Vakrangee in opposing such disclosure or seeking a protective order or other limitations on disclosure. If Vakrangee waives compliance or, after providing the notice, the Franchisee remains required by law to disclose any Confidential Information, the Franchisee shall disclose only that portion of the Confidential Information that, on the advice of the Franchisee's legal counsel, the Franchisee is legally required to disclose and, upon Vakrangee's request, shall use commercially reasonable efforts to obtain a protective order or other reliable assurances from the applicable court or other presiding authority that such Confidential Information will be afforded confidential treatment.

- 7) Upon termination/ expiry of this Agreement, or at any time upon Vakrangee's request, the Franchisee shall return and surrender to Vakrangee all confidential information that came into his possession pursuant to this Agreement and shall not retain any copy thereof in any form whatsoever and shall with Vakrangee's written consent, promptly destroy the confidential information in its possession (and any copies, extracts and summaries thereof) and will provide Vakrangee with written certification of destruction. The provisions of this clause survive even post termination of this agreement.

## **16. Liability**

1. Vakrangee is only the aggregator / distributor of product(s) / service(s) on behalf of its service provider(s). Therefore, Vakrangee shall not be liable / responsible for any defect / deficiency / delay / damage(s) / losses to the customer / consumer of product(s) / Service(s) or any third party.
2. Notwithstanding anything contained in this Agreement, liability of Vakrangee shall be limited (if admissible) in the case of any mistake/ act/ omission/ commission by Vakrangee or its employee(s) / representative(s) / agent(s) / contractor(s) up to the amount of net commission received. Vakrangee shall also not be liable/ responsible in any manner for any third-party claim relating to the services carried out by Franchisee.

## **17. Compliance with Laws and Jurisdiction**

1. Each Party hereto agrees that it shall comply with all applicable local laws, ordinances and codes in performing its obligations hereunder. If at any time during the Term of this Agreement, a Party is informed or information comes to its attention that it is or may be in violation of any law, ordinance, regulation, or code (or if it is so decreed or adjudged by any court, tribunal or other authority having competent jurisdiction), that Party shall immediately take all appropriate steps to remedy such violation and comply with such law, regulation, ordinance or code in all respects. Further, each Party shall establish and maintain all proper records (particularly, but without limitation, accounting records) required by any law, code of practice or corporate policy applicable to it from time to time.

2. The laws of India shall govern the validity, performance and all matters relating to this Agreement and any amendment hereto and all annexures and ancillary agreements/ documents. The courts at Mumbai shall have exclusive jurisdiction.

## **18. Dispute Resolution**

1. The Parties agree to negotiate in good faith to resolve any dispute between them regarding this Agreement and/ or any related document.

2. However, in case the Parties are unable to amicably resolve the dispute, either Party may refer the dispute to final and binding arbitration, upon written notice to that effect to the other party

1. Such arbitration shall be held in Mumbai, India in accordance with the Indian Arbitration and Conciliation Act, 1996 (as may be amended from time to time), with all proceedings of such arbitration in the English language.

2. The arbitration shall be conducted by an arbitral tribunal consisting of 3 arbitrators, with each Party appointing 1 (one) arbitrator and the arbitrator so appointed appointing the third arbitrator who shall be the chairman of the tribunal. Subject to the foregoing, the courts at Mumbai, India shall have exclusive jurisdiction

## **19. Notices**

1. Any notice, direction or other documentation required or remitted to be given here under shall be in writing and may only be given by personal delivery, international courier, electronic mail or facsimile (with confirmation received) shall be addressed to the Parties at the following addresses or such other address as either of the Parties may from time to time designate by notice in writing to the other

**If to the Franchisee:**

**[Name]** \_\_\_\_\_

**[Address]** \_\_\_\_\_

[Email] \_\_\_\_\_

[Phone] \_\_\_\_\_

[For the attention of] \_\_\_\_\_

**If to Vakrangee:**

**[Vakrangee Limited]**

[Vakrangee Corporate House, Plot No. 93, Road No. 16, M.I.D.C, Marol Andheri (East), Mumbai - 400093]

[Email: legalhead@vakrangee.in]

[Phone: 022-67765127]

[For the attention of Head – Legal & Compliance]

2. Any notice, direction or other documentation, if personally delivered or if sent by courier will be deemed to have been given or made on the date on which it is delivered or if sent by electronic mail or facsimile, will be deemed to have been given or made on the next business day following the day on which it was sent.

## **20. Force Majeure**

1. In case of strike, combination or workmen or natural calamity of any kind, fire accidents or circumstances beyond the control of the Franchisee (which shall be ascertained by Vakrangee in its sole discretion), causing stoppage of his/her work, whereby the Business is required to be suspended, Vakrangee shall have the power during such stoppage to get the work done elsewhere.

2. No obligation will rest on Vakrangee to make any payment to the Franchisee during this period if he/she is not able to partake in the alternate arrangement. The Franchisee shall provide every facility for removal and usage of the materials as may be necessary for providing the services through alternate arrangements

## **21. Costs**

1. Each Party shall bear its own costs incurred in connection with this Agreement. However, the stamp duty and all other charges incurred on account of or payable in respect of this Agreement will be borne solely by the Franchisee

## **22. Waiver**

1. No modification, amendment, supplement to or waiver of this Agreement or any of its provisions shall be binding upon the Parties hereto unless made in writing and duly signed by both the Parties. The failure of either Party to assert any of its rights under this Agreement, including, but not limited to, the right to terminate the Agreement in the event of breach or default by the other party, will not be deemed to constitute a waiver by that party of its right thereafter to enforce each and every provision of the Agreement in accordance with this Agreement.

2. Any forbearance delay or indulgence by Vakrangee in enforcing any of the terms and conditions of this Agreement shall not prejudice or affect the rights and remedies of Vakrangee hereunder, nor shall any waiver of any breach hereof operate as a waiver of any subsequent breach and no waiver or variation of any of the terms and conditions of this Agreement shall be valid or have any effect unless the same be made in writing and signed by a representative of Vakrangee authorized for the purpose on behalf of Vakrangee.

## **23. Severability**

In the event any one or more of the provisions of this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable, the remaining provisions of this Agreement shall be unaffected, and the invalid, illegal or unenforceable provision(s) shall be replaced by a mutually acceptable provision(s), which being valid, legal and enforceable, comes closest to the intention of the Parties underlying the invalid, illegal or unenforceable provision(s).

## **24. Amendments**

No modification, alteration or amendment of this Agreement or any of its terms or provisions shall be valid or legally binding on the Parties, unless made in writing and duly executed by or on behalf of all the Parties.

## **25. Successors**

This Agreement binds the successors and assigns of the respective Parties with respect to all covenants herein and cannot be changed except by written agreement signed by both Parties.

## **26. Third Party Benefit**

Nothing herein expressed or implied is intended, nor shall it be construed to confer upon or give to any third party any right, remedy or claim under or by reason of this Agreement or any part hereof.

## **27. Entire Agreement**

This Agreement together with all Recitals, Appendices, Exhibits, Schedules, Attachments and Addenda hereto, constitutes and contains the entire agreement and understanding between the Parties with respect to the subject matter hereof and supersedes all previous agreements, promises and reciprocal of promises, understandings, communications, negotiations, commitments, either oral or written between the Parties respecting the subject matter hereof.

## **28. No Partnership or Agency relationship**

This Agreement is on a principal-to-principal basis. Nothing contained in this Agreement shall constitute or be deemed to constitute an agency, partnership, joint venture or association of persons between the Parties hereto. Parties under this Agreement are independent contractors and shall be bound for their separate and specific responsibilities, rights, liabilities and obligations and shall be independently entitled to their respective benefits and entitlements as provided under this Agreement.

## **29. Transfer / Nomination / Assignment**

Franchisee must not assign, transfer, charge, nominate or otherwise encumber, create any trust over or deal in any manner with this Agreement or any right, benefit or interest under

it, nor transfer, novate or sub-contract any of Franchise's obligations under it without the prior written consent of Vakrangee. However, notwithstanding anything contained to the contrary, Vakrangee shall have the right to assign any or all of its rights and /or liabilities arising from this Agreement to any other entity on such terms and conditions, as it may deem fit and proper. It is clarified that such an assignment/ novation shall not require any consent from the Franchisee.

### 30. Authorization

The persons signing this Agreement on behalf of the respective Parties represent and covenant that they have the authority to sign and execute this document on behalf of the Parties for whom they are signing.

### 31. Counterparts

The Agreement shall be executed in two parts and both the Parties shall keep a copy of the same in their respective custody.

**IN WITNESS WHEREOF**, the Parties have entered into this Agreement

**For VAKRANGEE LTD** \_\_\_\_\_

Authorized Signatory

Name: \_\_\_\_\_

Role: **DMS**

**For** \_\_\_\_\_

Signatory / Authorized Signatory

Name: \_\_\_\_\_

Role: **Franchisee**



### **Annexure 1**

| Sl. No.  | Service Type                  | Commissions (excl of GST) in INR |
|----------|-------------------------------|----------------------------------|
| <b>1</b> | ATM Financial Transaction     | 9                                |
| <b>2</b> | ATM Non-Financial Transaction | 2.5                              |

Commission Payout Period: ATM commission will be paid on or before 15th of the next month.  
For e.g., for transactions done in June month, commission will be paid on or before 15th July.

For services other than ATM (if applicable), commission payout will be as per the latest 'NextGen Vakrangee Kendra Commission Structure for Franchisees' document.

**Annexure 2**  
**Business Correspondent Agent (BCA) Arrangement**

**Scope of the BCA Arrangement**

1. Based on the representations/ warranties of the BCA, Vakrangee has decided to act as a Corporate Business Correspondent to the BCA.
2. It shall be incumbent upon the BCA to provide banking services as may be applicable and intimated by Vakrangee.
3. To clear all doubts, it is stated that this BCA Arrangement shall be read as part of this Agreement executed between below mentioned parties.
4. BCA details of which are given below:

| Field                | Details |
|----------------------|---------|
| Name                 |         |
| Age                  |         |
| Address              |         |
| PIN Code - Mandatory |         |

BCA and franchisee take all the responsibility for operations and Vakrangee shall have no responsibility/ liability whatsoever, with respect to such person(s).

**Representations and warranties of the parties**

The Representations and Warranties made by the Parties under this Franchise Agreement shall be read in conjunction with this BCA Agreement.

**Obligations of BCA**

1. The BCA shall follow all the rules and guidelines as defined by respective banks, RBI, DFS, IBA, and other applicable regulatory bodies from time to time.

2. The BCA shall ensure that at all times working capital is maintained at such amount as may be communicated in writing from time to time in this regard by Vakrangee. The BCA shall immediately deposit such further amounts to ensure that the working capital is maintained at the additional amount at all time to enable the transactions.
3. Vakrangee may modify any of the terms due to the regulatory environment and market dynamics and the BCA shall be bound by all such modifications.
4. Payment directly credited by any Bank to the franchisee Account or to it's BCA's Account will be treated as a commission paid by Vakrangee to Franchisee out of the total commission earned during the period. No Salary will be paid either to BCA by Vakrangee.
5. In cases where Vakrangee pays the monthly commission, the same will be transferred to the Franchisee account. Franchisee shall be liable to pay the banking commissions to the BCA as per the terms of the bank.
6. All amounts paid by way of commission to BCA shall be subject to all applicable taxes.
7. All payments/fees/commissions due to BCA from Vakrangee will be based on corresponding payment from respective Banks, provided further that back-to-back deductions may be made to the payments/fees/commissions due, for any reasons attributable on part of the BCA. No Salary will be paid either to Franchisee/BCA by Vakrangee.
8. The Biometric Authentication device has to be mandatorily compatible with the Linked Bank FI Software.
9. The BCA agrees to abide by and implement any changes/additions/reductions in Regulatory or Bank hardware requirement(s) such as implementation of card swipe and/or PIN pad device and/or others, within 30 days of being notified of such change.
10. The BCA fee to be paid to Vakrangee shall be nil for the Term of this Agreement.
11. Documents required to be submitted to the bank
  - KYC Documents (PAN Card/Voter ID/Driving License/Passport, etc.)
  - Police Verification Report
  - IIBF Exam passing Certificate
  - Educational Certificate (Min 12<sup>th</sup> Pass)

12. Franchisee agrees to perform all the targets set by Bank or Vakrangee such as PMJJBY, PMSBY and APY or any other targets set by the Bank. If the franchisee fails, then appropriate action can be taken by the concerned Bank or Vakrangee.
13. BCA Must maintain 5 registers on regular basis such as Visitor register, Complaint register, Transaction register, Account Opening Register & Attendance cum Day begin and Day End register.
14. BCA must visit the link branch at least once in a week or on fortnightly basis and update the Branch Manager about weekly/fortnightly performance.

### **Restrictions on BCA**

1. Notwithstanding the rights granted, the BCA shall not be entitled or permitted to use the Marks or any part, or any other colorable imitation thereof in their own business activities.
2. BCA shall not be permitted to provide any products and services other than those specified by the concerned bank/Vakrangee.
3. BCA shall not hold himself / herself out as being the agent or partner of Vakrangee or as being entitled to pledge the credit of the Vakrangee, and will identify himself / herself as an independent person in all dealings with third parties and on all stationery, signs and other objects bearing the Marks
4. BCA shall not charge any amount to the customer (in cash or in kind) over and above the rates mentioned by the associated Bank. If BCA is found doing so, strict actions will be taken, which may also include financial penalty or termination of the agreement.
5. BCA shall not serve or otherwise sell or deal within Vakrangee Kendra any alcoholic liquor or material prohibited by law under any circumstances whatsoever
6. BCA shall not allow any betting activities that involve money to be carried on in and from Vakrangee Kendra or any part or portion thereof
7. BCA shall not use any kind of marketing material other than that provided by Vakrangee. Materials provided by Vakrangee shall be used by the BCA solely for the activities related to Vakrangee. If BCA is not found doing so, strict actions will be taken, which may also include termination of the agreement.
8. BCA to ensure that transactions done should be as per the rules defined by the respective bank, i.e No Round tripping transactions should be carried out, etc. If BCA is found doing

so, strict actions will be taken, which may also include financial penalty or termination of the agreement.

9. BCA to ensure that all transactions happen on a real time basis and no offline transactions are carried out
10. BCA to ensure that the BCA Settlement A/C be used exclusively for Banking services and no other cash transactions happen from that account.
11. BCA to not issue manual transaction receipts to the customers in any condition, if manual transaction receipt issued by the BCA to the customer(s) it will be considered as Fraudulent transaction(s) and BCA might face legal action.
12. And, if for any reason BCA Kiosk application is down, BCA must not accept the Cash or deliver the cash manually to the customers.

**Annexure 3**  
**Point of Sale Person – Insurance Services**  
**Scope of Insurance services offered by POSP**

1. Vakrangee has been granted the 'Corporate Agent License' for undertaking the activity of selling insurance and has entered into Insurance distribution business by entering into corporate agency agreements with various Insurance companies.
2. As per the directives given the Insurance Regulatory and Development Authority of India (IRDAI) the Point of Sales Person of the Corporate Agents in order to solicit insurance business needs to clear the POSP examination and get them certified by the corporate agents in order to sell the insurance policies.
3. The person, out of his own will and based on his independent study, findings, judgement, understanding and conviction, is desirous of getting associated with Vakrangee as a Point of Sales Person (POSP) for earning revenue from selling of insurance policies and earn commissions from services rendered.
4. Vakrangee hereby appoints the below Point of Sale Person (POSP) for the Insurance Service, subject to the points as mentioned in this Annexure.

| Field   | Details |
|---------|---------|
| Name    |         |
| PAN     |         |
| Age     |         |
| Address |         |

5. Given that the authority on the basis of increasing the insurance business has allowed to sell the insurance policies for the Non-life/Health Insurance and life insurance products which are simple and easy to understand and which are largely pre-underwritten based on the information provided by the prospect, the authority hereby allows to sell only certain pre-underwritten products filed with the authority by the Insurer.

6. Given that the products are pre-underwritten and that the insurance policy is automatically generated by the system, the POSP needs to undergo an in-house training of 15 hours each for Non-life/Health and Life insurance products as per the module prescribed by the IRDAI.
7. The Applicant has independently studied and evaluated the viability/ suitability of the POSP models and after completing his own due diligence has chosen to become the Point of sales Person for Vakrangee.
8. It is hereby understood and agreed by the applicant that under POSP agreement the applicant is not engaged with any other insurer or insurance intermediary in any way. It should immediately be informed to Vakrangee at the time of filling up the application for POSP of any association with other insurance company and or intermediary and the applicant has to get no objection certificate from the insurance company or intermediary in case the applicant wishes to become POSP for Vakrangee.
9. Applicant should be of the age of 18 and above to be eligible for providing services through Point of Sales Person (POSP).
10. Applicant should be at the minimum be 10<sup>th</sup> Pass to be eligible to provide services through Point of Sales Person.

Applicant should be the owner of the company / partnership firm in case of application by a company or a partnership firm

#### **Obligations of the Point of Sales Person (POSP) for Vakrangee**

1. Point of Sales Person (POSP) shall ensure that all the processes, rules and guidelines as specified by Vakrangee, including but not limited to the guidelines specified under the Standard Operating Procedure Manual provided by Vakrangee, are followed to their full extent.
2. The Point of Sales Person shall train himself in the operation of the system in all its aspects, by attending training session, mock test, getting himself certified as POSP person to perform the services that will meet the high standards/ SOP provided by Vakrangee under the Agreement;
3. The Point of Sales Person shall ensure safety and security of all articles of mails, documents generated/ received as part of the business through the Vakrangee, while they are in the custody of the Point of Sales Person (POSP). On the instruction of Vakrangee, the Point of

Sales Person shall timely dispose any article/ document etc. Any loss incurred by Vakrangee due to failure by the Point of Sales Person to comply with this clause, will be made good by the Point of Sales Person.

4. In case of charges regarding stamp duty or registration fees under the provision of law, the Point of Sales Person alone shall bear the costs of the same.
5. Vakrangee may modify any of the terms due to the regulatory environment and market dynamics and the POSP shall be bound by all such modifications.
6. Vakrangee states it is mandatory to Franchisee owner/Franchisee authorized employee to procure POSP license as per the IRDA guidelines and eligibility.
7. Franchisee shall ensure that they shall display the copy of POSP Certificate at the outlet.
8. Franchisee shall ensure that the selling of Insurance Product is done through authorized POSP only and not through any of his /her unauthorized employee.
9. Vakrangee shall make the Commission Payment directly to Franchisee Account as per IRDA Guidelines.
10. Franchisee or the authorized POSP shall follow the IRDA rules & guidelines from time to time.

#### **Restrictions on the Point of Sales Person (POSP)**

1. POSP shall not be permitted to provide any products and services other than those specified by Vakrangee.
2. POSP shall not charge any amount to the customer (in cash or in kind) over and above the rates mentioned by the associated partners
3. POSP shall not serve or otherwise sell or deal within Vakrangee Kendra any alcoholic liquor or material prohibited by law under any circumstances whatsoever
4. POSP shall not allow any betting activities that involve money to be carried on in and from Vakrangee Kendra or any part or portion thereof
5. POSP shall not use any kind of marketing material other than that provided by Vakrangee. Materials provided by Vakrangee shall be used by the POSP solely for the activities related to Vakrangee. If POSP is not found doing so, strict actions will be taken, which may also include termination of the agreement.