

FORM-VI
(See Rule 8)

FORM OF AGREEMENT

(Personal Sureties)

(For Individuals only)

ARTICLES OF AGREEMENT made at this..... day
..... of two thousand and, between the President of
India hereinafter called the ' Government' (which expression shall be deemed to include his
successors and assigns wherever the context so admits or requires) of the one part.

AND party of the second part consisting of (A) son
of.....by occupation.....
of hereinafter called the 'Agent' (which expression shall include his
heirs, executors and administrators wherever the context so admits or requires), and *(B)
..... son of by occupation of
..... and *(C)..... son of
..... by occupationof /
and ** (BI) hereinafter called 'The Sureties' (which expression shall
include their heirs, executors and administrators / successors and assigns wherever the context
so admits or requires).

WHEREAS THE Government under their Small Savings Schemes issue various types of
Savings Certificates for sale to the investing Public, and provides various kinds of Savings
Accounts for receiving deposits from the public.

AND WHEREAS the Government of Puducherry are desirous of appointing authorised agents
with a view to improving collections in such Savings Certificates and such Savings Accounts
(hereinafter referred to as the "Securities ")as the Government of Puducherry may, by a
notification, throw open to authorised agents for the aforesaid purpose.

AND WHEREAS the Agent has agreed to act as such authorised agent on the terms and
conditions hereinafter appearing;

AND WHEREAS the said (B) and (C) (B) /(BI)the sureties aforesaid have agreed to secure and
indemnify the Government against any loss, injury, damages, costs or expenses which the
Government may, in any way, suffer by reason of the misconduct, neglect, oversight of any
other act or omission of the said Agent in the manner hereinafter appearing.

NOW It is hereby agreed by and between the parties hereto as follows:-

1. The Agent is hereby appointed as an Authorised Agent for effecting sales of six years
National Savings Certificates (VIII Issue) and for obtaining deposits in One/Two/Three/Five Year
Post Office Time Deposits and such other schemes of savings which are hereinafter collectively
referred to as "Securities", as may be introduced by the Government and thrown open for
securing sales and deposits through the agents subject to as herein otherwise provided, the
agent shall be entitled to receive commission on certificates or deposits (sold and procured by
him) at the rates notified by the Government from time to time in the Official Gazette in respect
of the securities which are subject matter of this agreement.

2. The Agent shall sell the "Securities" referred to in clause (1) above in the Union Territory of Puducherry

3. The Agent shall on behalf of the Government receive from the investors monies for investment in the "Securities" and pass appropriate receipts for the same in the prescribed form, from the printed receipt books, which the Government shall at their own cost supply to the Agent for the purpose. In no case shall the Agent accept money for which he is not able to immediately issue proper valid receipts from the printed Receipt Books.

4. The Agent shall within the ten days from the receipt of the monies as aforesaid deposit the same in the Post Office (s), or such other offices as may be specified in this behalf by the Government to which he may be attached for the purpose and pending such deposit, the Agent shall hold the said monies in trust for and on behalf of the Government.

5. The Agent shall obtain from the investors such documents or writing as may from time to time be prescribed by the Government in regard to investment in such securities.

6. The Government shall through the Post Office (s) or other office(s) concerned issue and deliver to the Agent the "Securities" in the name (s) of such person(s) and for such amounts as the investors shall have applied for. The Agent shall on obtaining such "Securities" deliver the same to the investor(s) in exchange for the original receipt or receipts that may have been passed to them duly discharged by the investor(s).

7. A. In the event of death of the Agent, the amount due and payable to him as commission in terms of this Agreement, shall be payable to his nominee(s) specified by him in the **Schedule 'A'** hereunder written.

8. The Agent hereby undertakes to carry out such directions and instructions as may from time to time be issued by the Government or persons duly authorised by the Government and to comply with all rules and regulations, pertaining to the issue of the "Securities" from time to time and orders and regulations issued by the Government together with any modification(s) or additions thereof and to keep himself acquainted with the aforesaid rules, orders and regulations and in particular undertake:

- (a) to follow all instructions printed on the cover of the official Receipt Books issued by the Government.
- (b) never under any circumstances to exceed the amounts upto which a receipt form is valid for an investment(s) and not to make any alteration in the matter printed on the receipt forms and counterfoils;
- (c) to ascertain from the investor before accepting any monies that the "Securities" for which he applies will, if issued, not render his total holding of such securities of all types in excess of the limit laid down in the rules governing such securities for the time being in force.
- (d) to forthwith refund to the government any commission that may have been paid in respect of such securities as may have been sold to the investor(s) in excess of the limits of holdings laid down in the said rules for investment by investor(s) or otherwise received by him in excess of any amounts due to him.

- (e) to keep the Certificate(s) of Authority and Receipt Books issued to him with care and in case of loss, immediately report the same to the Appointing/Issuing Authority and the Post Office(s) or other office(s) to which he is attached.
- (f) to deliver the "Securities" purchased by the Agent on behalf of the investor(s) to the investor(s) without undue delay and in any case within thirty days of the date of receipt of the money failing which the Agent shall forfeit the commission earned on the business transacted in such securities and if the same may have been paid, will forthwith refund it to the Government;
- (g) to carry out this Agreement faithfully and diligently and to the best of his ability to promote the said schemes; and
- (h) not to assign or otherwise transfer the benefit of this Agreement or part thereof to a third party.

9. Subject to the provision for earlier termination hereinafter contained, the period of the agency shall be initially for three years from the date given in the preamble to this agreement and thereafter the agency may be renewed at the option of the Government for further periods not exceeding three years at a time.

10. The agency shall be liable to be terminated by the Government of Puducherry without notice if the work or conduct of the Agent is adversely commented upon by the supervising authorities or if he is, in the opinion of the Government which shall be final and binding, guilty of breach of any provision of this agreement or if he becomes insolvent or if it is discovered that a part or the whole of the business was secured by the agent with the help or connivance of an official of the Department of Posts or an official of the Union Territory Government, Planning and Research Department or Tahsildars or an official of the State Bank of India or its subsidiary Banks in India or an official of the Nationalised bank. The commission earned on such business shall also be liable to forfeiture and if the commission on such business has already been paid, the agent must forthwith refund it to the Government.

11. This Agreement may be terminated by either party by giving three months notice to the other. Provided, however, the Government shall be at liberty to terminate the agency at any time without notice and without assigning any reason for the same. The agency shall automatically stand terminated if the Government of Puducherry announces by Notifications, the abolition of the Agency Systems.

12. The stamp duty on this Agreement shall be payable by the Government.

13. On termination of the Agreement howsoever occasioned, the Agent shall forthwith deliver to the Government, all moneys and papers including the Certificate(s) of Authority, used, partially used or unused Receipt Books, documents and Securities which may have come to his possession or custody under the terms of this Agreement.

14. The Agent hereby agrees to well and sufficiently protect and keep harmless and indemnify the Government against all manners of embezzlement, misappropriation or misapplication of moneys and the "Securities" which may from time to time during the continuance of this Agreement come into his possession or control belonging either to the Government or to the investor(s) and also against the carrying away, loss, destruction or otherwise of any writings, evidence, books or papers belonging to the Government or to any of the investor(s) without directions and authority of the Government or person(s) duly authorised by the Government and against all costs, charges and expenses in relation thereto. The Agent shall also indemnify fully

the Government against all losses or claims that may arise on account of his default(s) and any amount(s) received by him and which are not legally due to him and the Government shall be fully indemnified against all such losses or damages as aforesaid at any time.

15. The said (B) and (C) sureties of the aforesaid Agent (A) and their heirs, executors and administrators hold themselves bound unto the Government jointly and severally for the due performance of the duties of the said Agent and faithfully observance and performance by him of the terms and conditions of this Agreement and shall indemnify and keep indemnified the Government against all and every losses, damages and claims which during the time the said (A) shall act as Authorised Agent happen to be or be sustained by or may arise against the Government or any servant of the Government but so that the liability of each of the said (B) and (C) shall in no event exceed the sum of Rupees two thousand five hundred / two thousand / one thousand and should the amount of the common liability be less than Rupees five thousand / four thousand / two thousand, the maximum sum hereby guaranteed, then the liability of each of the said (B) and (C) shall continue till the Agent has returned all documents, monies etc. referred to in paragraph 13 hereof.

15 A. The said (BI) sureties of the aforesaid Agent (A) and its successors and assigns hold themselves bound unto the Government for the due performance of the duties of the said Agent and faithful observance and performance by him of the terms and conditions of this Agreement and shall indemnify and keep indemnified the Government against all and every losses, damages and claims which during the time the said (A) shall act as authorised Agent happen to be or be sustained by or may arise against the Government/ any servant of the Government so that the liability of the said sureties shall in no event exceed the sum of Rupees five thousand / four thousand / two thousand which is maximum sum hereby guaranteed. After termination of the Agency, howsoever occasioned, the liability of the said (BI) shall continue till the Agent has returned all documents, monies etc. referred to in paragraph 13 hereof.

16. It is hereby agreed and declared that neither of them the said (B) and (C) / the said (BI) shall be at liberty to terminate his / their surety ship and that liability of each of them, the said sureties shall within the aforesaid limits of liability extend and be applicable to the whole indebtedness or liability of the said (A) to the Government at any time and not merely to so much thereof as shall be co-extensive with the aforesaid maximum guaranteed liability of Rupees five thousand / four thousand / two thousand herein and it is hereby expressly agreed and declared that Government shall be entitled without notice to either of the said (B) and (C) / the said (BI) to vary or alter or supersede the terms of employment, instructions, directions and rules and regulations as the Government may think fit and without reference to them or either of them the Government may grant any time or other indulgence to the said (A) without thereby in any way affecting the reliability of any of the said sureties (B) and (C) / the said sureties (BI) and each of them shall be treated as a principal debtor to the Government for all liability hereunder and

17. And It is hereby further agreed and declared that the Government, shall under no liability to take any action either civil or criminal against the Agent (A) or any other person before making the said (B) and (C) or either of them / (BI) liable hereunder and if the Government does take any action as aforesaid, the same shall not in any way affect their liability (and the liability of each of them) hereunder and notice of dishonest act on the part of the said (A) shall not in any way affect their liability.

18. The Appointing Authority, the Issuing Authority, the Paying Authority, and the Checking Authority shall be such authorities as may be appointed from time to time by the State Government in the matter.

19. The Agent or Sureties shall pay all such sums as shall be due to the Government within the time hereinbefore specified. If the Agent or Sureties fail to pay such sums as shall be due to the Government from time to time within the specified period, then and in such event all sums due to the Government (as to which the decision of shall be final) shall at the option of the Government be recoverable in the same manner as an arrear of land revenue.

IN WITNESS WHEREOF the parties hereto have set their respective hands hereunto the day, month and year first hereinabove written)

Signed and delivered by (A) (B) (C) / (BI)

In the presence of

(i)

(ii)

Signed and delivered by the

for and on behalf of the President of India in the presence of

* Applies in cases in which personal sureties are furnished

** Applies in cases in which one consolidated surety of a bank is furnished