

EMPLOYEES GRATUITY FUND RULES

1. The Fund shall be called "UCO BANK EMPLOYEES' GRATUITY FUND"
In these rules, unless there is something repugnant to the subject or context, the following words and expressions shall have the following meanings:
 - a) "The Bank" means UCO Bank.
 - b) "Employee" means and includes all persons who are permanently employed by the Bank and who, in accordance with these rules, shall become entitled to the receipt of gratuity.
 - c) "The Fund" means "UCO Bank Employees' Gratuity Fund" constituted under the Deed of Trust dated 29th December 1961 and includes all moneys from time to time held by or on account of the Trustees and in pursuance of the said Deed and all investments thereof and income derived therefrom for the time being.
 - d) "The Trustees" mean and include the present Trustees of the Fund or other Trustees for the time being of the Fund.
 - e) "The Rule" means and includes the rules contained herein and any variations in, additions to or substitution for the same duly made by the Trustees or the Bank.
 - f) "Salary" means only the average monthly basic salary, applicable for the last twelve months of the employee's service in the Bank and does not include any personal or other allowance, bonus, or other remuneration or benefit whatsoever.
 - g) "Service" shall mean the duration of an employee's last employment in the Bank immediately preceding his death, retirement or resignation or the retirement of his services by the Bank, and shall be counted from the first to the last day, inclusive of such employment.
 - h) "Active Service" shall mean service as defined in rule (g) above diminished by the total duration of the employee's absence from duty on loss of pay in the course of his service in the Bank.

3. Gratuity shall be payable to an employee in case of (a) retirement on superannuation or (b) voluntary retirement or resignation or (c) termination of service by the Bank or (d) death whilst in the service of the Bank, in the manner and subject to the condition hereinafter mentioned:
 - a) **On retirement on superannuation :**
On retirement on or after attaining the age of 55 years, gratuity will be payable at the rate of one month's salary for each completed year of active service, subject to a maximum of 15 months' salary.
 - b) On voluntary retirement or resignation from the Bank's service or on termination of service by the Bank, after completion of 10 years' service in the Bank's on grounds other than misconduct such as in subordination, moral turpitude fraud or any act of commission or omission on his part resulting in financial loss to the Bank.
Subject to Sub-Rule (c) below, gratuity will be payable at the rate of one month's salary for each completed year of active service, subject to a maximum of 15 months' salary.
 - c) On voluntary retirement or resignation at any time in the course of his service in the Bank, on grounds of physical or mental incapacity for further service proved to the Bank's satisfaction or on termination of service by the Bank on such grounds.

Gratuity will be payable at the rate of one month's salary for each completed year of active service, subject to a maximum of 15 months' salary.

d) **At death at any time while in the bank's service :**

Gratuity will be payable at the rate of one month's salary for each completed year of active service, subject to a maximum of 15 months' salary.

e) Subject to provisions contained in Sub-clauses (a), (b), (c) and (d) above, if an employee has put in service of over 30 years, additional gratuity will be payable to him at the rate of half a month's salary for each completed year of service falling beyond the first 30 years of continuous service in the Bank and to that extent the maximum limit of 15 months' salary will stand increased in such cases.

4. The amount of gratuity payable on account of an employee may be paid to him or his nominee(s) or his heirs, executors or administrators, as the case may be, either in a lump sum or at his or their option by agreed instalments spread over a period not exceeding 15 years.
5. No employee or his nominees(s) or his heirs, executors or administrators, as the case may be, shall be entitled to any gratuity except in accordance with these rules.
6. The Trustees shall have full power and discretion to grant higher amounts of gratuity to any employee and the grant of such higher amount will at no time constitute a precedent for any other case whatsoever.
7. The discretion of the Trustees shall be final and binding on the employees and the Bank, in all respects and upon all matters, questions and disputes relating to or connected with these rules or with the Fund or the administration thereof and/or in any way concerning the same.
8. (i) In respect of those employees who are awarded a gratuity under the award, Settlement or decision of a Tribunal or Board or other authority constituted under the Industrial Disputes Act, 1947, or of any other statutory body or authority the rate and quantum of gratuity payable and the conditions, subject to which it shall be paid, shall be wholly in accordance with such Award, Settlement or decision and the rules prescribed hereinabove shall not apply to them.
(ii) In respect of those employees who are covered under The Payment of Gratuity Act, 1972, the rate and quantum of gratuity payable and the conditions subject to which it should be paid, shall be in accordance with the provision contained in the said Act.
9. Income Tax, Super Tax or any other tax payable on the amount of gratuity shall not be borne by the Bank or the Trustees and the same shall be deducted from the amount of gratuity payable to an employee.
10. (a) The gratuity of an employee to all employee shall be wholly forfeited if the services have been terminated on account of any misconduct resulting in financial loss or damage to the Bank, shall be forfeited to the extent of the damage or loss so caused.
(b) The gratuity payable to an employee shall be wholly forfeited if the services of such employee have been terminated for any act which constitution of offence involving moral turpitude provided that, such offence is committed by him in the course of his employment.
11. A director of the Bank may be admitted to the benefits of the fund if he is a whole time bonafide employee of Bank.

12. **Nomination** – a) Each employee, shall make in form 'A' annexed hereto nomination conferring on one or more persons the right to receive the amount of gratuity in the event of his death, before that amount becomes payable or having become payable have not been paid.
- b) If an employee nominates more than one person under Sub-rule (a) above he shall, in his nomination, specify the amount or share payable to each of the nominees in such manner as to cover the whole of the amount of gratuity that may be payable in the event of his death.
 - c) Where an employee has a family at the time of making a nomination the nomination shall be in favour of one or more persons belonging to his family. Any nomination made by such employee in favour of a person not belonging to his family shall be invalid.
 - d) If at the time of making a nomination the employee has no family, the nomination may be in favour of any person or persons but if the employee subsequently acquires a family such nomination shall forthwith be deemed to be invalid and the employee may be allowed to make a fresh nomination in favour of one or more persons belonging to his family.
 - e) A nomination made by an employee may at any time be modified by him after giving a written notice to the Trustees of his intention of doing so in form 'B' annexed hereto. If the nominee predeceases the employee, the interest of the nominee shall revert to the employee, who may thereupon make a fresh nomination in respect of such interest.
 - f) A nomination, a fresh nomination or its modification shall take effect on the date of receipt thereof by the Trustees.
 - g) If a nominee shall at the time of his appointment be a minor the employee shall at the time of such nomination state the age of the nominee and shall also appoint a person of full age who is capable of giving a legal receipt or a discharge to the Trustees and to whom the benefits are to be paid for or on behalf of such minor nominee in the event of the employee dying before the minor nominee attains the age of maturity. If any person so appointed predeceases the employee before the minor nominee attains his majority the employee shall forthwith appoint another persons of full age to receive the amount on behalf of the minor nominee and from time to time make a fresh appointment when this is necessitated by the death of the person appointed to receive payment on behalf of the minor nominee.
 - h) If nomination is made in favour of more than one person and in such nomination the employee has failed to specify the respective interest, the persons nominated shall share the benefits equally.
 - i) If no nomination is made the amount of Gratuity payable to an employee shall in the event of his death be paid to his heirs executors and/or legal representatives.
 - j) The nomination made as above said shall be and remain in full force and effect until the nominees' death or until his nomination or appointment has been revoked as herein mentioned.

Explanation :

For the purpose of this rule 'family' means the employee's spouse, children whether married or unmarried and dependent parents and the widow and children of any predeceased son.