

"EMPLOYEE" -- substituted

"EMPLOYEE" shall mean an employee (other than a personal or domestic servant and other than an apprentice) including the Part Timers in the permanent employment of the Bank at any of its Offices in India, including the Managing Director and any Whole Time Director in the bonafide service of the Bank but shall exclude the Chairman/Managing Director or an Executive/Whole Time Director who is appointed as such by the Government of India or by any authority statutory or otherwise other than the Bank."

"EMPLOYEE" -- substituted

"EMPLOYEE" shall mean an employee (other than a personal or domestic servant and other than an apprentice) including part-timer having working hours more than 6 a week in the permanent employment of the Bank at any of its offices in India including an Officer Employee as referred to in the Union Bank of India (Officers') Service Regulations, 1979 of the Bank and the Managing Director or a whole time Director in the bonafide service of the Bank and appointed as such by the Bank under its Officers' Service Regulations but shall exclude the Chairman/Managing Director or an Executive/Whole Time Director who is appointed as such by the Government of India or by any authority statutory or otherwise other than the Bank."

"EXPLANATORY NOTE: Permanent part-time employees having working hours more than 6 a week will be covered within the definition of term "Employee with effect from 1.10.1979".

"(1) 'NORMAL RETIREMENT DATE' shall in respect of each Member mean the date on which he shall attain the age of 60 years, provided however that in the case of a member who is an Officer Employee recruited whether as an Award Staff or as an Officer Employee (as referred to in the Union Bank of India (Officers') Service Regulations, 1979 of the Bank) on or after 19th July, 1969, the Normal Retirement Date shall mean the date on which he shall attain the age of 58 years while in the case of an Officer Employee recruited/promoted prior to 19th July, 1969 or recruited in service prior to 19th July, 1969 but promoted prior to 19th July, 1969 or recruited in service prior to 19th July, 1969 but promoted as an Officer on or after 19th July, 1969, the Normal Retirement Date shall mean the date on which he shall attain the age of 60 years.

"SALARY"

- (i) in case of any Employee (including an Officer Employee referred to in the Union Bank of India (Officers') Service Regulations, 1979) whose Gratuity benefit is covered by the Payment of Gratuity Act, 1972, the basic monthly salary, any Special Allowance (which is treated by the Bank under its terms of service as a part of the Salary) and Dearness Allowance but shall exclude House Rent, Bonus, Over-time Wages or any emoluments of a variable or contingent nature;
- (ii) in case of an Employee (including Officer Employee as referred to above who has not opted for the new scales of pay brought into force by the Bank with effect from 1st July, 1979) whose Gratuity benefit is not covered by the Payment of Gratuity Act, 1972, the term shall mean basic monthly salary, any Special Allowance which is treated by the Bank under its terms of service as a part of the Salary and Officiating Allowance which whenever granted is treated by the Bank under its terms of service as a part of the salary, but shall exclude Dearness Allowance, Commission, Bonus, Over-time wages or any emoluments of a contingent or variable nature.
- (iii) in the case of an Officer Employee as referred to in the Union Bank of India (Officers') Service Regulations, 1979 of the Bank who has opted for the new scales of pay which

have been brought into force by the Bank with effect from 1st July, 1979, the term shall mean only basic monthly salary excluding Special Allowance, Officiating Allowance, Dearness Allowance, Commission, Bonus, Over-time Wages or any other emoluments of a contingent or variable nature."

- (iv) The existing Clause 2 of Schedule 'A' to the Rules of the Fund shall be deleted and the following new Clause 2 shall be substituted in place thereof :-

"2. A Member in whose case, the Payment of Gratuity Act, 1972, is not applicable shall be paid Gratuity on the following terms and conditions on the happening of any of the contingencies described hereunder :-

"EMPLOYEE" -- added

"PROVIDED THAT effective from 1st May, 1986, the expression Employee shall also include the employees of the erstwhile Miraj State Bank Limited which is amalgamated with the Union Bank of India and whose services have been taken over by the Employer in terms of the Scheme of Amalgamation sanctioned by the Government of India and who were until then the Members of the Miraj State Bank Limited Employees "Gratuity Fund".

"SERVICE"

"PROVIDED THAT with effect from 1st May, 1986, the expression "Service shall also include in case of those employees of the Miraj State Bank Limited who become members of this Fund in terms of Rule 3 their service with the Miraj State Bank Limited."

In the existing Rule 3, after the words "and the Employees appointed by the Bank in its service after the Effective Date" appearing in the Second sentence in this Rule, the words "including the employees of the erstwhile Miraj State Bank Limited whose services have been taken over by the Bank on and from 1st May, 1986 in terms of the Scheme of Amalgamation sanctioned by the Government of India" shall be added.

"GRATUITY PAYABLE" -- SUBSTITUTED

"The amount of Gratuity shall be calculated on the happening of the contingency referred to in Column 1 of this Clause at the rate and in the manner laid down in the payment of Gratuity Act, 1972, as amended from time to time".

In the existing Sub-Rule (m) of Rule 2 defining the term "Service", the words "For the purpose of the Fund" appearing in the beginning of the second sentence therein shall be deleted and the words "For the purpose of calculating the Gratuity due under the Fund" shall be substituted in place thereof.

The existing clause (C) of Rule 5 shall be deleted and the following new clause (c) shall be substituted in place thereof.

"(c) Gratuity, if any, whenever payable, shall be paid in the lumpsum"

SAVE AND EXCEPT the variations herein effected, the Trust Deed and the Rules as amended by the First Deed of Variation and the Second Deed of Variation shall continue to be in full force and effect.

**Contingency and terms and conditions for payment of Gratuity**

i)	Retirement or Superannuation of the Member at the Normal Retirement Date, provided he has completed at least five years of service :	Amount calculated at the rate of one month's salary for each year of service, subject to a maximum of 15 months' salary and where a member has completed service of over 30 years, an additional amount calculated at the rate of half a month's salary for each year of service beyond 30 years of service, PROVIDED THAT the term Salary above shall mean in the case of the Member referred to in the clause (ii) of Sub Rule (n) of Rule 2 the average of the salary as defined in the said clause (ii) payable during a period of 12 months immediately preceding the date on which the contingency concerned has occurred and in the case of a Member referred to in clause (iii) of Sub Rule (n) of Rule 2, it shall mean the salary last drawn by him when the contingency has occurred.
ii)	Voluntary or compulsory retirement or resignation of the Member from service prior to the Normal Retirement Date, including abandonment of service by the Member with or without notice to the Bank, provided the Member has completed atleast ten years of service :	
iii)	Resignation of the Member from Service on his becoming physically or mentally incapable of further service as certified by a Medical Officer approved by the Bank. This should not be construed as if voluntary retirement is permissible after 10 years under Service Regulations.	
iv)	Termination of service of the Member by the Bank including termination on account of retrenchment.	
v)	Cessation of Service of a Member on his appointment as Chairman/Managing Director or Executive/Whole Time Director of the Bank by the Government of India or by any authority statutory or otherwise other than the Bank :	
vi)	Death of the Member while in service	

2. In Rule 2,

- (i) in definition (b), as amended by the Fifth Deed of variation, delete the word "permanent" appearing in third line.
- (ii) definition (n), as amended by the Second Deed of Variation, shall be deleted and the following new definition (n) substituted in place thereof :

"(n) 'SALARY' shall mean for the purpose of calculating gratuity :

- (i) under clause 1 (TABLE OF BENEFITS - I) OF SCHEDULE 'A', in accordance with the Payment of Gratuity Act, 1972, the basic monthly salary, Special Allowance which is treated by the Bank under its terms of service as a part of the Salary and Dearness Allowance, and
- (ii) under clause 2 (TABLE OF BENEFITS - II) OF SCHEDULE 'A', in accordance with the Table of Benefits set out therein :

- (a) in the case of an Employee (including Officer Employee who has not opted for new Scales of Pay brought into force by the Bank with effect from 1st July, 1979), the basic monthly salary and Special Allowance which is treated by the Bank under its terms of service as a part of the Salary and Officiating Allowance which whenever granted is treated by the Bank under its terms of service as a part of the Salary but excluding Dearness Allowance, and
- (b) in the case of an Officer Employee as referred to in the Union Bank of India (Officers') Service Regulations, 1979 of the Bank who has opted for the new Scales of Pay which have been brought into force by the Bank with effect from 1st July 1979, the basic monthly salary excluding Special Allowance and Dearness Allowance.

5. **GRATUITY BENEFIT :**

- (a) The Members shall be paid by the Trustees on behalf of the Bank and in discharge of its obligations the Gratuity Benefits from the Fund as laid down either according to the TABLE OF BENEFITS - I or according to the TABLE OF BENEFITS - II, whichever is more favourable, as contained in SCHEDULE 'A' attached hereto and forming part of the Rules and subject to the conditions laid down in the said Schedule.
- (b) Gratuity will be paid only after an application is made in the prescribed form by the Member, or, if he is deceased, by his nominee or, failing them any one claiming the title to receive such Gratuity Benefit and is forwarded to the Trustees through the Bank through the Head of the Department in which the Member was last working.
- (c) Gratuity, if any, whenever payable, shall be paid in one lumpsum."

6. **WINDING UP OF THE FUND :**

- (i) In the event of winding up of the Fund, the Trustees shall ascertain the amount of gratuity accrued and due to the Members of the Fund according to the provisions of these Rules by reference to the Salary of the Members and the length of service completed by them.
- (ii) The Trustees shall realise the value of the assets of the Fund and allocate the amount so realised in the manner described below after meeting the liabilities in respect of the outstanding claims, if any, pertaining to the Members who ceased to be in service of the Bank prior to the date of such winding up.
- (iii) If the total amount so realised exceeds the total liability in respect of gratuity ascertained as above, the Trustees shall earmark for each Member the amount of Gratuity accrued and due to him under the Rules out of the monies realised and the excess, if any, shall be paid to the bank subject to the prior approval of the Commissioner of Income-tax and on such terms and conditions as shall be imposed by the Commissioner. If, however, the amount so realised is less than the said accrued gratuity as referred to above, the total amount shall be utilised to allocate to each Member in proportion to his accrued gratuity."

**1. TABLE OF BENEFITS - I**

	<b><u>Contingency</u></b>		<b><u>Gratuity Payable</u></b>
	(Column 1)		(Column 2)
(i)	Retirement or Superannuation of the Member at the Normal Retirement Date, provided the Member has completed at least Five years of service.		The amount of gratuity shall be calculated on the happening of any of the contingencies referred to in Column 1 of this Table, at the rate and in the manner laid down in the Payment of Gratuity Act, 1972, as amended from time to time. Provided that for the purpose of calculating the gratuity, the term 'Salary' shall mean the Salary as defined in Sub Rule (n) (i) of Rule 2.
(ii)	Resignation of the Member from Service prior to the Normal Retirement Date including abandonment of service by him with or without Notice to the Bank, provided the Member has completed at least five years of service.		
(iii)	Resignation of the Member from Service on his becoming physically or mentally incapable of further service.		
(iv)	Retirement of the Member from service by the bank, provided he has completed five years of service.		
(v)	Termination of Service of the Member by the Bank for reasons other than by way of retrenchment provided the Member has completed five years of service.		
(vi)	Death of the Member while in service.		

**2. TABLE OF BENEFITS - II**

	<b><u>Contingency</u></b>		<b><u>Gratuity Payable</u></b>
	(Column 1)		(Column 2)
(i)	Retirement or Superannuation of the Member at the Normal Retirement Date, provided the Member has completed at least Five years of service.		Amount calculated at the rate of one month's salary for each year of service, subject to a maximum of 15 months' salary and where a Member has completed Service of over 30 years, an additional amount calculated at the rate of half a month's salary for each year of service beyond 30 years, provided that for the purpose of calculating the gratuity the term 'Salary' shall mean (I) the average of the Salary as defined in Sub-Rule (n) (ii) (a) of Rule 2, payable during a period of 12 months immediately preceding the date on which the contingency has occurred, as the case may be.
(ii)	Voluntary or compulsory retirement or resignation of the Member from Service prior to the Normal Retirement Date, including abandonment of the Service by the Member with or without notice to the Bank provided the Member has completed at least ten years of service :		
(iii)	Resignation of the Member from Service on his becoming physically or mentally incapable of further service as certified by a Medical Officer approved by the Bank. This should not be construed as if voluntary retirement is permissible after ten years under Service Regulations.		
(iv)	Termination of Service of the Member by the Bank including termination on account of retrenchment.		
(v)	Termination of Service in any other way except by way of punishment after completion of ten years of service:		
(vi)	Cessation of service of a member on his appointment as Chairman/Managing Director or Executive/Whole Time Director of the Bank by the Government of India or by any authority, statutory or otherwise, other than the Bank :		
(vi)	Death of the Member while in service.		

3. In case of termination of service of the Member on account of misconduct, Gratuity payable either under Clause 1 or Clause 2 above shall not be forfeited, except where such misconduct causes financial loss to the Bank (of which and of the amount of which the Bank shall be the sole judge and its decision final) and in that case the forfeiture of the Gratuity shall be to the extent of the financial loss only. The term 'misconduct' for this purpose shall, interalia, include any act or wilful omission/or negligence causing any damage or loss to or destruction of property belonging to the Bank. Gratuity payable under Clause 1 hereof shall be forfeited if the services of the Member have been terminated for his riotous or disorderly conduct or any other act or violence on his part or for any act which constitutes an offence involving moral turpitude, provided that such offence is committed by him in the course of his employment."