

[On the letterhead of the Company]

[Date]

To

[Name of the Director]

[Address of the Director]

Dear Sir/Madam,

Sub: **Your appointment as an Independent Director of the Company**

We are pleased to advise you that the Board of Directors of the Company have approved your appointment as an Independent Director (Additional Director) of the Company w.e.f. *[Effective Date of appointment]*. As per the provisions of the Companies Act 2013, your appointment shall be approved by the shareholders at their ensuing Annual General Meeting.

The terms of your appointment, as set out in this letter, are subject to the extant provisions of the (i) Companies Act 2013 (ii) IRDAI regulations and other applicable laws, and (iii) the Articles of Association of the Company.

1) Term

- a) Your appointment will be for a period of _____ years *[Number of years for which director is appointed]* for a term commencing from _____ until _____ *[Term of appointment]*.
- b) You are also nominated as a member of the following Committees of the Board -
 - *Insert Name of the Committee(s) and Designation(s) in the Committee(s) in which the incumbent director is proposed to be appointed as Member/Chairperson.*

The Board may reconstitute the above Committees and, subject to your consent, also consider your nomination in other Committees.

2) Role, Duties and Responsibilities

As a member of the Board and as an Independent Director on the Board of the Company, you will assist the Company in -

- Implementing the best corporate governance practices and effectively represent, promote and safeguard the interests of all stakeholders.
- upholding ethical standards of integrity and probity, act objectively & constructively and exercise responsibilities in a bona fide manner in the interest of the company

- bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, standards of conduct and an objective view in the evaluation of the performance of board and management;
- scrutinizing the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance;
- ensuring that the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- moderating and arbitrating in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.
- protecting and enhancing the PNB MetLife Brand

You agree to devote such time as is prudent and necessary for the proper performance of your role, duties and responsibilities as an Independent Director.

3) Insurance

The Company provides all its Directors with, and pays the premium for Directors and Officers Liability Insurance cover, while acting in their capacity as Directors.

4) Remuneration

As an Independent Director, you will be paid sitting fees for attending the meetings of the Board and the Committee, of which you are or may become a member.

Presently, the sitting fees payable to the Independent Directors are as follows:-

Board Meeting – Rs. _____/-
 Committee Meeting - Rs. _____/-

You will be entitled to reimbursement of expenses incurred by you in connection with attending the Board and Committee meetings, General meetings and in relation to the business of the Company towards hotel accommodation, traveling and other out of pocket expenses.

5) Code of Conduct

You shall abide by the Code for conduct for the Directors, as also outlined in Schedule IV and section 149(8) of the Companies Act 2013 and the duties of the Directors as provided in the 2013 Act (including Section 166). For your reference, a copy of the same is attached as Annexure 1.

6) Performance Appraisal / Evaluation Process

As a member of the Board, the performance of all the Directors and the performance of the Board will be evaluated annually. The criterion for evaluation shall be laid down by the Nomination & Remuneration Committee, which shall be a constructive mechanism to improve the effectiveness of the Board and its constituted Committees. An indicative list of factors that may be evaluated as part of this exercise is –

- participation and contribution by a director
- Commitment (including guidance provided to senior management)
- effective deployment of knowledge and expertise
- effective management of relationship with stakeholders
- integrity and maintenance of confidentiality
- independence of behaviour and judgement
- impact and influence

7) Disclosures, other Directorships and business interests

You will notify the company of any change in your directorships, and provide such other disclosure and information as may be required under applicable laws. You also agree that upon becoming aware of any potential conflict of interest with your position as an Independent Director of the Company, you shall promptly disclose the same to the Board.

You will be required to provide a declaration at the beginning of every financial year, under Section 149(7) of the Companies Act 2013 stating that you meet the criterion of independence and also upon any change in circumstances which may affect your status as an independent Director.

You will also promptly notify the Company Secretary of any change in address, contact and other personal details provided to the Company.

8) Retirement Policy

The retirement age for Directors is set out at 65 years. The Board, at the recommendation of the Nomination & Remuneration Committee may, revisit the Policy.

9) Confidentiality

You shall keep all the information acquired during your term as an Independent Director as confidential and shall not disclose any confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information etc. during your tenure to any third party except as permitted by law.

We are confident that the Board and the Company will benefit immensely from your rich experience and we look forward to your guidance for the growth of the Company. We request you to kindly confirm your acceptance by signing and returning a copy of this letter.

We thank you for your continued support and commitment to the Company.

Yours sincerely

[Name of the Signatory]
[Designation of the Signatory]

Agreed and accepted

[Name of the Appointee Director]