

Fund Disbursement and Management System Services Agreement

THIS AGREEMENT ("Agreement") made on _____ day of _____, 2021

BETWEEN

< Government Department Name >, a department under < State Name > with its office at _____ (hereinafter referred to as "Govt. Department ", which expression shall, unless it be repugnant to the subject or context thereof, shall deem to mean and include its successors and assigns) of the ONE PART

AND

Axis Bank Limited, a banking company, carrying on its Banking business under the Banking Regulation Act, 1949, and incorporated under the Companies Act, 1956, having its Registered office at 'Trishul', 3rd Floor, Opposite Samartheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad 380 006, Gujarat and Central Office at C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025 and one of the Branches at Worli (hereinafter referred to as the "Bank") which expression shall unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns)of the OTHER PART;

(Axis Bank and Govt. Department are hereinafter collectively referred to as "the Parties" and severally as "the Party");

WHEREAS

The <Govt. Department> oversees the <brief introduction>_____

The Bank carries on banking business and offers varied facilities to its customers including Fund Disbursement and Management System, etc. as per the requirement of the customers.

Axis Bank has represented that it has necessary infrastructures and expertise to provide the services covered under this Agreement and is desirous of and agreeable to providing customized services to Govt. Department.

The Govt. Department is desirous of availing Fund Management and Disbursement System and the Bank has agreed to provide the said services to the Department upon the terms and conditions as enumerated hereunder. In order to avail the services contemplated under this Agreement the Govt. Department shall open a specific accounts with the Bank (hereinafter referred to as the said specific accounts).

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

Appointment

Govt. Department hereby agrees to engage the services of AXIS Bank and AXIS Bank hereby accepts to provide the Fund Management and Disbursement System to Govt. Department on the terms and conditions appearing herein under:

Definitions

In this Agreement, unless the context otherwise requires, the following expressions shall have the following meanings:

BANK	Axis Bank Limited.
CUSTOMER ACCOUNT	'Customer Account' means the accounts opened for the purpose of activities/services under the FDMS.

General Terms

REPRESENTATION OF THE PARTIES

The Parties hereby agree that Govt. Department and Axis Bank are entering into this Agreement on the basis of the representations contained herein, namely:

Representation by each of the Parties that it has full power and authority to enter into this Agreement and to take any action and execute any documents required by the terms hereof; and that this Agreement when executed will constitute a valid and binding Agreement, enforceable in accordance with the terms hereof; and that the executants of this Agreement on behalf of such Party have been duly empowered and authorised to execute this Agreement and to perform all its obligations in accordance with the terms herein set out.

Product features

The Fund Disbursement and Management System will primarily provide below features:

- i. Administration and Office Management
- ii. Workflow Management
- iii. User Management
- iv. Project/Scheme Management
- v. Budget Management
- vi. Fund Sanction/Limit Management
- vii. Payments
- viii. Reports and Dashboards

Scope

The scope of work will cover the below activities

- Design and Development of Software Application.
- Implementation and hosting of Application.
- One time Training & Hand-holding to end users.
- Functional & Technical Support for the product

The below will be considered out of scope

- Digitization of manual records.
- Integration with any third party system other than Department's live systems.
- Migration of any past data.
- Any activity not mentioned in "Scope" section above.

Responsibilities

Bank will hire a third party software vendor to deliver the product. This section clearly outlines the roles of each of them.

1. Bank
 - a. As a primary banker provide end to end banking services.
 - b. Identify a vendor to develop the end-to-end solution for Fund Disbursal Application.
 - c. Integrate with Fund Disbursal Application with banks payment systems for End to End digital payments.

2. Govt. Department
 - a. Sign an Agreement on the scope of work, delivery model and commercials.
 - b. Open Current/Savings accounts with Axis Bank to maintain the funds to be managed by the Software
 - c. One person from govt. side who should be responsible for below activities:
 - i. Providing the detailed requirements and Sign-off for the same
 - ii. Liaising with Bank and different stakeholder's from govt. side for any queries or concerns
 - d. All the master data for different schemes, users etc. required for the Product
 - e. Perform UAT and provide sign-off on the system
 - f. Department shall regularly review the compliance of information processing and procedures with the appropriate applicable security policies and standards
 - g. Govt. Department will be responsible to check for whether the provided master data as well as any data maintained manually on the FDMS is correct or not.

If there is any change in signatory authority or any change in hierarchy at govt. department or any changes in master data for the portal. It will be the responsibility of the Govt. Department to notify the same to the Bank. They need to share a physical document confirming the same.

Bank will consider only govt. department official email ID as provided in written for any communication related to master data, bank is indemnified from any risk of potential data leakage.

Hosting Infrastructure

Govt. Department will provide bank with the information where it wants to get the product hosted. If it is outside bank's server then, Govt. Department needs to provide complete information and services (Hardware & Software) as required for hosting the product.

Data will belong to Govt. Department and it only should have access to it. In case Govt. Department chooses to give access/permission to Service Vendor for support/maintenance, bank is indemnified from any risk of potential data leakage. Bank doesn't take any responsibility for the implementation and financial losses if any.

Training

A proper training on how to use and perform activities on the FDMS product will be given Govt. Department users. For providing the training Govt. Department needs to provide for below requirements:

- i. Infrastructure required for conducting the training (System/Training Rooms).
- ii. List and scheduling of Training sessions with department's employees.

Representation by Axis Bank confirms that it shall keep all confidential information in respect of the Govt. Department in absolute confidence; and that it will employ necessary and commercially reasonable measures to ensure the security, integrity and privacy of the data of the Govt. Department.

JURISDICTION

The Parties hereto unconditionally agree that in respect of any dispute arising upon, over or in respect of any of the terms of this Agreement, only the Courts in Mumbai shall have jurisdiction to try and adjudicate such dispute arising out of or in relation to this agreement.

ASSIGNMENT

The benefits and obligations of this Agreement shall not be directly or indirectly assigned or dealt with by either Party hereto without the prior written consent in writing of the other Party.

INDEMNITY

1. <GOVT. DEPARTMENT> shall hold harmless and indemnify the Bank, its affiliates and their respective employees, directors, advisors and/or agents fully and without limit against all loss suffered by the bank, costs, claims including third party and indirect claims, damages, suits, proceedings, actions, expenses, fines, losses, liabilities and penalties including attorney's cost, expenses accruing, incurred or suffered by the Bank directly or indirectly arising on account of:
 - a. failure by <GOVT. DEPARTMENT> to perform any of the duties /obligations, in accordance with the provisions of this Agreement;
 - b. any claim from any statutory /regulatory authority, arising in relation to non-compliance by the <GOVT. DEPARTMENT> and/or its personnel with respect to any matter set out in this Agreement;
 - c. any breach of applicable Laws by <GOVT. DEPARTMENT> and/or its personnel;
 - d. any act, negligence, fraud, forgery, dishonesty, misconduct, robbery, manipulation, tampering, destruction, theft or misappropriation by <GOVT. DEPARTMENT> and/or its Personnel;
 - e. any and all infringement of Intellectual Property;
 - f. any and all adverse claims of whatsoever nature made on the Bank by the personnel or any third parties arising out of any act or omission of <GOVT. DEPARTMENT>; and
 - g. Breach of security and/or leakage of Confidential Information and Personal Data including sensitive personal data and information.

<GOVT. DEPARTMENT> agrees that Bank shall not be liable for any consequential, incidental or indirect damages under any theory or cause of action whether in tort, contract or otherwise, regardless of whether Bank has been advised of the possibility of such damages.

2. <GOVT. DEPARTMENT> shall co-operate fully in defending any claim/s by any local, state or central authority against the Bank with respect to any levies, taxes, duties, fines, and/or penalties etc. due and payable by <GOVT. DEPARTMENT>.
3. The provision of the above Clause [(1) i.e. Indemnity clause and (2)] shall survive the termination of this Agreement.

4. The Bank will be entitled to have full conduct of all proceedings and negotiations relating to any such claim and in its discretion to accept, dispute, compromise or otherwise deal with the same and shall be under no liability in respect thereof to <GOVT. DEPARTMENT> and <GOVT. DEPARTMENT> will provide any assistance in connection with any such claim that the Bank may require.
5. Notwithstanding whatever is mentioned herein <GOVT. DEPARTMENT> agrees that pursuant to any disputes or claim if the Bank has to pay the amount to the beneficiary, being the transaction effected by <GOVT. DEPARTMENT>, the bank shall have the authority to debit and or claim the said amount from <GOVT. DEPARTMENT> pending any disputes. In such an event, <GOVT. DEPARTMENT> shall pay the amount without demur.
6. Axis Bank shall deliver the said Software for hosting on the network/server infrastructure as per the instructions of <GOVT. DEPARTMENT> basis their own convenience.
7. It is agreed between all the parties that, once the Software is hosted in such external network/server infrastructure, the Software shall be completely under the control of the respective hosting service provider and <GOVT. DEPARTMENT> and it is upto <GOVT. DEPARTMENT> to ensure to establish policies and procedures for data retention and storage, to implement backup and redundancy mechanisms and to test the recovery of backups at planned intervals to ensure compliance with regulatory, statutory, contractual or business requirements. After Software deployment, Axis Bank will not be able to access either the Software or the hosting infrastructure.
8. In view of the above, all the parties agree and confirm that Axis Bank shall not be responsible in any manner whatsoever to guarantee the use, performance, quality and security of the said Software and hosted on external server infrastructure as identified by <GOVT. DEPARTMENT>.

Further, Parties have agreed that in case of any loss, costs, claims, damages, expenses, fines, liabilities and penalties ("Losses") which may be incurred or suffered by <GOVT. DEPARTMENT>, directly or indirectly, due to use and performance of the Software hosted on external servers, including but not limited to, any incidents of Software/server failure, security breaches of Software/server/network, Software/server downtime, data security issues, user access controls to both Software and server/network infrastructure, disaster recovery failure, failure of backup and redundancy, data retention and storage losses or any other systematic or Software/server related issues, etc. Axis Bank shall not be liable or responsible in any manner whatsoever to <GOVT. DEPARTMENT> for the aforementioned Losses and <GOVT. DEPARTMENT> agrees to indemnify Axis Bank and keep Axis indemnified against such Losses for perpetuity.

CUMULATIVE REMEDIES

All remedies of either Party under this Agreement whether provided herein or conferred by statute, civil law, common law, custom or trade usages, are cumulative and not alternative and may be enforced successively or concurrently. The parties shall continuously monitor the functioning of this Agreement so that any corrective measure can be taken immediately.

RELATIONSHIP

Nothing contained in this Agreement shall be deemed or construed as creating a joint venture or partnership between Govt. Department and Axis Bank. This agreement is purely on a principal-to-principal basis. Both Parties understand that they are independently owned business entities and this Agreement does not make either Party its employees, associates or agents as employees, agents or legal representative of the Other Party for any purpose whatsoever. Neither Party has any express or implied right or authority to assume or to undertake any obligation in respect of or on behalf of or in the name of the other Party or to bind the Other Party in any matter. In case either Party its employees, associates or agents hold out as employees, agents or legal representatives of the company, the other Party shall forthwith upon demand make good any/all loss, cost, damage including consequential loss, suffered by the affected Party on this account.

Axis Bank accepts fiduciary responsibility during that period when monies of Govt. Department are under the control of Axis Bank pursuant to the service being provided by it herein. The customer shall bear no liability for the acts of omission and commission of the Service Provider appointed by the Bank for providing Cash Management Services.

TERM & TERMINATION

The initial term of this agreement shall be for a period of _____ months for the Software commencing from the date hereafter termed as "Commencement Date". Unless terminated sooner in accordance with the provisions of this agreement ("Initial Term"). The Parties further agree that the Initial Term of this agreement can be extended by a written agreement for such further period and on such conditions as may be mutually agreed between the Parties ("Renewal Term") (the Initial Term, together with the Renewal Term, if any, shall collectively be referred to as the "Term").

Each party can exit the arrangement under this agreement by giving the other party a notice of 90 days.

<Govt. Deptment> shall have right to discontinue the usage of the Software, by giving notice of 90 days due to any administrative reason and decision of organization's officials.

INTELLECTUAL PROPERTY RIGHTS

Each party shall retain all right, title and interest in its patents, copyrights, trademarks, proprietary and/or licensed software, service marks and trade secrets ("Intellectual Property Rights"). No interest whatsoever in the other party's Intellectual Property Rights is granted by this Agreement and use of any Intellectual Property Right permitted to one party by the other party shall be strictly in terms of this Agreement. The Parties shall not license, sell, publish, disclose, display or otherwise make available the Intellectual Property Product/ Products of the other party to any person or entity except as provided in this Agreement. Either party may include security modules in their Intellectual Property Products to protect their rights. To the fullest extent permissible by applicable law or regulations, both parties agree that they will not, reverse engineer or disassemble any parts of the other party's Intellectual Property Products. Neither Party shall use the Intellectual Property of the other Party in any manner whatsoever without the prior consent of the other Party or as provided hereunder.

CONFIDENTIAL INFORMATION

Each of Govt. Department and Axis Bank acknowledge and agree that in connection with this Agreement, each of Govt. Department and Axis Bank will communicate to the other Party, orally and in writing, data and information regarding the Govt. Department office/unit(s), all of which are hereinafter called "Confidential Information" and the receiving Party shall not, without the express prior written consent of the disclosing Party, use the same in any manner or purpose other than the purpose specified hereunder and shall not disclose any such Confidential Information to any third party save and except its employees and employees of the Bank(s) having a need to know such Confidential Information in connection with its use of the service in accordance with this Agreement.

Govt. Department and Axis Bank agree that neither shall use nor reproduce for use in any way, any Confidential Information of the other except in furtherance of the relationship set forth herein in a mutually agreed manner. Govt. Department and AXIS Bank agree to protect the Confidential Information of the other with the same standard of care and procedures used by each to protect its own Confidential Information of similar importance but at all times using at least a reasonable degree of care.

Each of the Parties, shall undertake such precautions such as is sufficient to enable it to comply with all the terms hereof and to ensure similar compliance thereof by each such employee / personnel and which binds each such employee / personnel to maintain complete and effective secrecy and confidentiality regarding any and all information whatsoever pertaining to the other Party which comes to their knowledge in the course of undertaking any work or services in pursuance of this Agreement.

Both Govt. Department and AXIS Bank agree that the terms and conditions of this Agreement shall be treated as Confidential Information and that no reference to the terms and conditions of this Agreement or to activities pertaining thereto can be made in any form without the prior written consent of the other Party; provided, however, that the general existence of this Agreement shall not be treated as Confidential

Information and that either Party may disclose the terms and conditions of this Agreement:

1. As required by any court or other governmental body
2. As required by law
3. To legal counsel of the Parties (on need to know basis)
4. In confidence, to accountants, banks, alliance partners, and financing sources and their advisors(on need to know basis);

MODIFICATION

This Agreement can only be amended by a document in writing specifically referring to this Agreement and duly signed by each of the Parties.

COUNTERPARTS

This Agreement has been executed in duplicate, each of which shall be deemed an original.

SEVERABILITY

If any provision of this Agreement is invalid or unenforceable or prohibited by law, this Agreement shall be considered divisible as to such provision and such provision shall be inoperative and shall not be part of the consideration moving from either Party to the other and the remainder of this Agreement shall be valid and binding and of like effect as though such provision was not included herein.

WAIVER

Each Party agrees that any delay or omission on the part of the other Party to excuse any right under this Agreement will not automatically operate as a waiver of such right or any other right and waiver of any right by the other Party hereunder on one occasion will not be construed as a bar to a waiver of any right on any other occasion.

APPLICABLE LAW

The validity, construction and enforceability of this Agreement shall be governed in all respects by the Laws of India.

ARBITRATION

In the event of any dispute or controversy that may arise from or relate to the remittance operations or from the interpretation or implementation of this agreement, the parties hereto undertake to first endeavor to resolve such dispute or controversy

amicably within thirty (30) days from the date when such dispute or controversy arises. Unresolved disputes arising out of or relating to this agreement or the arrangement agreed to herein shall be referred to arbitration of a sole arbitrator jointly appointed by both the parties, at Mumbai in accordance with the Indian Arbitration and Conciliation Act, 1996 as amended from time to time.

FORCE MAJEURE

Neither Party will be liable for losses, defaults, or damages under these Agreements which result from delays in performing, or inability to perform, all or any of the obligations or responsibilities imposed upon it pursuant to the terms and conditions of these Agreements, due to or because of acts of God, the public enemy, acts of government, earthquakes, floods, strikes, civil strife, fire, technical failure or any other cause beyond the reasonable control of the Party that was so delayed in performing or so unable to perform provided that such Party was not negligent and shall have used reasonable efforts to avoid and overcome such cause. Such Party will resume full performance of such obligations and responsibilities promptly upon removal of any such cause.

In case of force majeure continuing beyond a period of 6 months, the Party whose liability to perform its obligation has been affected shall be entitled to terminate this Agreement.

GENERAL

The Parties undertake that they shall execute and do and procure all necessary persons, if any, to execute and do all such further deeds, assurances, acts and things as may reasonably be requested from time to time to carry out, give effect to and confirm their rights and intended purpose of this Agreement.

The intellectual property rights of either Party shall continue to be owned and vest with Party owning it and this Agreement does not in any way confer any right on the other Party for the Ownership or use of the intellectual property rights.

ENTIRE AGREEMENT

This Agreement constitutes the entire understanding between the Parties hereto with respect to the matter dealt with herein including Annexures and supersedes any previous understanding, agreement or arrangement between the Parties in relation to such matters.

HEADINGS

The headings herein are so given for the sake of convenience and easy reference only and they do not in any way govern or interpret the meaning thereof.

MIS/REPORTS

At the request and for the convenience of the Customer, the Bank may at its sole discretion send information including data, statements and reports to the Customer relating to these Services via (a) electronic mail to an address designated by Customer or (b) any other electronic method. The Customer recognises that such information would be of a confidential nature and that the information may be intercepted, read, modified or altered by any person during such transmission and that internet communications cannot be guaranteed to be timely, secure, error or virus-free. The Bank does not accept liability for any errors or omissions and shall bear no liability whatsoever for any direct, indirect or consequential loss arising out of such information being sent over the internet whether caused by the Bank or Service Provider.

COMMERCIALS

The said services will be offered at **NIL** charges to <Govt. Department>.

NOTICE

- (1) Notices or other communications required or permitted to be given or made hereunder shall be in writing and delivered personally, or by legible fax with the original fax being sent the same day by courier addressed to the intended recipient at its address set out below or to such other address or fax number as any Party may from time to time notify to the other Party.

To : Axis Bank Limited Name, address, contact details of the Bank
Address :
Attention :
Fax :

To : Name, address, contact details of the Corporate
Address :
Attention :
Fax :

Any such notice, demand or communication shall be in English and shall, unless the contrary is proved, be deemed to have been served, if given or made by fax, together with the original fax being sent by courier service as outlined above, on the following

business day. If personally delivered, any such notice, demand or communication shall be deemed to have been served at the time it is handed over to an employee or other officer at the recipient's address. In proving the above, it shall be sufficient to show that the envelope containing the letter was correctly addressed and handed over by courier service or personal delivery respectively.

<p>SIGNED AND DELIVERED</p> <p>On behalf of _____ by its authorized signatory</p> <hr/> <p>(_____)</p> <p>In the presence of:</p> <p>A)</p> <p>B)</p>	<p>SIGNED AND DELIVERED</p> <p>On behalf of Axis Bank Ltd. by its authorized signatory</p> <hr/> <p>(_____)</p> <p>In the presence of:</p> <p>A)</p> <p>B)</p>
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