

Mr. \_\_\_\_\_

Dear Sir/ Madam,

**Re: Your appointment/reappointment as the Independent Director of IDBI Federal Life Insurance Company Limited**

We are pleased to inform you that upon recommendation of the Board of Directors of the Company, the shareholders of the Company have approved your appointment/reappointment as a independent directors of the Company's Board of Directors at \_\_ General Meeting of the Company held on \_\_\_\_\_. This letter of reappointment is issued to formalize your reappointment as Independent Director with effect from \_\_\_\_\_ till the conclusion of Annual General Meeting to be held in the calendar year \_\_\_\_\_. As an Independent Director you will not be liable to retire by rotation as per the relevant provisions of the Companies Act.

**A. Preliminary**

Your appointment is subject to the following:

1. During your tenure as an Independent Director, you will have to submit a declaration at the beginning of every Financial Year under Section 149 (7) of the Companies Act, 2013 ("Act") stating that you meet the criteria of Independence.
2. So long as you are an Independent Director of the Company, the number of companies in which you hold office as a Director or a Chairman or committee member will not exceed the limit stipulated under the Act and rules framed there under.
3. So long as you are an Independent Director of the Company, you will ensure that you do not get disqualified to act as a Director pursuant to the provisions of Section 164 or any other applicable provisions of the Companies Act, 2013.
4. You will ensure compliance with other provisions of the Act, The Insurance Act, 1938, The Insurance Laws (Amendment) Act, 2015, regulations, guidelines and circulars issued by Insurance Regulatory Development Authority of India (IRDAI) from time to time as applicable to you as an Independent Director.

**B. Committees**

The Board may, if it deems fit, invite you, for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. Your appointment on such Committee(s) will be subject to the applicable regulations.

### **C. Role and functions:**

- To bring an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct including Board best practice, in functioning of the Board and the Committees of the Board;
- To bring an objective view in the evaluation of the performance of Board and management;
- To scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- To satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- To safeguard the interests and balance the conflicting interest of all stakeholders
- To determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- To moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.
- To take decisions objectively and solely in the interests of the Company;
- To guide the Board in monitoring the effectiveness of the Company's governance practices and to recommend changes, required if any;
- To review the Company's strategy, the annual financial plan and monitor the Company's performance.
- To review management performance and compensation.

### **D. Code of Conduct and Duties and Responsibilities**

- To follow the duties as specified in the applicable laws, the Company's policies and the Articles of Association. Presently, the Companies Act, 2013 (including the Rules thereunder) and the Corporate Governance Guidelines issued by IRDAI govern your duties and liabilities;
- You will abide by the IDBI Federal Life Insurance Code of Conduct as applicable to Directors of the Company.

- You will follow the “Code for Independent Directors” as specified under Schedule IV of the Companies Act, 2013 as set out at **Annexure-A** hereto.
- To promptly inform the Company about changes, if any, in disclosure of interest and declarations furnished by you to the Company.
- To apply the highest standards of confidentiality, and not disclose to any person or company, any confidential information concerning the Company which you come into contact by virtue of your position as a Director, except as permitted by law or with prior clearance from the Chairperson.
- You shall discharge your duties with due and reasonable care, skill and diligence.
- You shall not achieve or attempt to achieve any undue gain or advantage, either to yourself or to your relatives, partners or associates.

#### **E. Time Commitment**

You will be expected to attend Board, Board Committees to which you may be appointed and to devote such time to your duties, as appropriate for you to discharge your duties effectively.

By accepting this re-appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

#### **F. Remuneration**

The Company will pay you sitting fees for attending each meeting of the Board and its Committees as may be determined by the Board from time to time. As an Independent Director of the Company you will be entitled to receive following sitting fees for the meetings of the Board or its Committee:

<b>Name of the Meeting</b>	<b>Sitting Fees</b>
<b>Board</b>	<b>Rs. 50,000/- per meeting</b>
<b>Committee Meetings</b>	<b>Rs. 30,000/- per meeting</b>

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

Pursuant to applicable law, you will not be entitled to any stock options.

## **G. Insurance**

1. The Company provides all its Directors with, and pays the premiums for, Directors and Officers insurance cover while acting in their capacities as Directors. The present amount of the Insurance cover is Rs. \_\_ crores.
2. The copy of the policy can be furnished on request to the Company Secretary.

## **H. Termination**

1. You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice on the Board.
2. Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company, from time to time, in force.

Please confirm your acceptance by signing, dating, and returning a copy of this letter to the Company.

Yours faithfully,

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**Chairman**

**Agreed and Accepted**

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**Annexure: Code of Independent Director (As provided in Schedule IV read with Section 149 (7) of the Companies Act, 2013)**