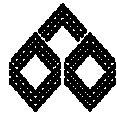


PERMANENT

INDIAN OVERSEAS BANK
CENTRAL OFFICE
CHENNAI



Misc. No: EST /62 /2010-11
Dated : 30.08.2010
Issuing Dept. : Pension Cell -
Personnel Administration Department.

Extension of another option to join the Existing Pension Scheme In terms of 9th Bi-partite settlement (Workmen Employees)/Joint note (Officers) dated 27.04.2010

A joint Note and Settlement dated 27.04.2010 was signed by IBA with Officers' Organisations and Workmen Unions respectively on extending another option for pension to the non-optees who were in the service of the Nationalised Banks prior to 29th September 1995 and continued to be in service on or after the said date and did not opt for pension earlier.

Government has consented Indian Banks' Association advising all banks that they may undertake the exercise for seeking the option from the employees both serving and retirees who did not opt for pension earlier explaining the terms and conditions for such option.

We are pleased to inform that Our Board in the meeting held on 21.08.2010 has accorded approval to extend another option to join the Pension Scheme to both the serving workmen/officers and retirees and eligible dependents of deceased workmen/officers and to circulate the terms and conditions on which another option is granted to non-optees in terms of Joint Note/ Settlement dt 27.04.2010 signed by Indian Banks' Association with Officers' Organisations and Workmen Unions, pending amendments to Indian Overseas Bank (Employees') Pension Regulations 1995.

The terms and conditions to join the existing pension scheme are furnished in the Annexure.

Branches/Regional Offices are advised to bring this Circular to the notice of all staff members working at their branch/office.

[S CHANDRASEKHARAN]
GENERAL MANAGER

Annexure to Circular No.Per/Misc/EST/62/2010-11 dated 30.08.2010

Another option for joining the existing Pension Scheme shall be extended to Officers/Workmen Employees who:

1. (i) were in the service of the bank prior to 29th Sept. 1995 and continue in the service of the bank on the date of the Joint Note /Settlement dated 27th April 2010. Workmen/Officers who are in the service of the bank as on the date of this Joint Note/Settlement who exercise the option to join the pension scheme in terms of this Joint Note/Settlement will contribute from their arrears on account of wage revision towards funding gap. The said amount is worked out at 2.8 times of the revised pay for the month of November 2007 for individual Officers/Employees.

(ii) exercise an option in writing within 60 days from the date of offer to become a member of the Pension Fund and

(iii) authorize the Trust of the Provident Fund of the bank to transfer the entire contribution of the bank along with interest accrued thereon to the credit of the pension fund.

2. (i) were in the service of the Bank prior to 29th Sept. 1995 and retired after that date and prior to the date of this Joint Note / Settlement.

(ii) exercise an option in writing within 60 days from the date of the offer to become the member of the Pension Fund and

(iii) refund within 30 days after expiry of the said period of 60 days the entire amount of the bank's contribution to the provident fund and interest accrued thereon received by the employee on retirement together with his share in contribution towards meeting the funding gap. On an individual basis, the payment over and above the bank's contribution to Provident Fund and interest thereon has been worked out at 56% of the bank's contribution to the Provident Fund and interest thereon received by the Employee/Officer on retirement.

3. (i) were in the service of the bank prior to 29th Sept. 1995 retired after that date and died, will be eligible for family pension provided,

(ii) the family of the deceased employee exercises option in writing within 60 days of the offer to become a member of the Pension Fund and

(iii) refund within 30 days after expiry of the said period of 60 days the entire amount of bank's contribution to the Provident fund and interest accrued thereon received by the deceased employee on retirement together with his share in contribution towards meeting the funding gap. On an individual basis, the payment over and above the bank's contribution to Provident Fund and interest thereon has been worked out at 56% of the bank's contribution to the Provident Fund and interest thereon received by the Employee/Officer on retirement.

4.(i) were in the service of the bank prior to 29th Sept.1995 but have died while in service of the bank after that date will be eligible for family pension provided,

(ii) the family of the deceased employee exercises option in writing within 60 days of the offer to become a member of the Pension Fund and

(iii) refund within 30 days after expiry of the said period of 60 days mentioned above the entire amount of bank's contribution to the Provident fund and interest accrued thereon received upon death of the employee together with his share in contribution towards meeting the funding gap. On an individual basis, the payment over and above the bank's contribution to Provident Fund and interest thereon has been worked out at 56% of the bank's contribution to the Provident Fund and interest thereon received on death of the Employee/Officer.

5. Officer/Workmen employees, who ceased to be in service on or after 29th September 1995 on account of voluntary retirement under special scheme [VRS-2000] after rendering service for a minimum period of 15 years, shall be eligible to exercise option to join the pension scheme subject to terms and conditions mentioned for retiring Officers/Workmen opting for joining the pension scheme.

6. (i) The existing pension scheme will not be applicable to those who joined the services of the bank on or after 01.04.2010.

(ii) Officers / Workmen employees joining the services of the bank on or after 01.04.2010 shall be eligible for the Defined Contributory Pension Scheme, the bank will be introducing for them. The Defined Contributory Pension Scheme proposed to be introduced for them will be one as governed by the provisions of New Pension System introduced for employees of Central Government with effect from 01.01.2004 and as modified from time to time. The scheme shall be regulated and administered by the Pension Fund Regulatory and Development Authority (PFRDA).

(iii) The employees joining in the services of the bank on or after 1st April 2010 shall contribute 10% of pay and dearness allowance towards the Defined Contributory Pension Scheme and the bank shall make a matching contribution in respect of these employees.

(iv) There shall be no separate Provident Fund for employees joining the services of the Bank on or after 01.04.2010.

TERMS AND CONDITIONS:

1. Pension/Family pension to those who opt to join the Pension Scheme complying with the terms of Joint note/Settlement dated 27.04.2010 shall be payable with effect from 27th November, 2009, provided that employees who retired after that date shall get pension from the respective dates of their retirement. All the regulations of the Indian Overseas Bank [Employees'] Pension Regulations 1995 shall be applicable to those who opt for the Pension Scheme in terms of joint note / settlement dated 27.04.2010.

2. The option to join the pension Scheme shall be exercised by submitting the appropriate option form prescribed hereunder:

CATEGORY	OPTION FORM
Employees/Officers who are in the service of the bank	Annexure I
Employees/Officers who retired on after 29 th September 1995	Annexure II
Family of those Employees/ Officers who are eligible for family pension	Annexure III

3. The Option forms are to be submitted within 60 days from 01.09.2010 i.e., the date of offer to 30.10.2010.

OPERATIONAL INSTRUCTIONS:

1. The Employees/Officers in service have to submit option form to the branch as per Annexure I. The branch will forward the option forms received from the employees to the respective Regional Offices. On receipt of option forms from branches, Regional Office should consolidate the option forms and forward to PAD-Pension Cell then and there.

1.1. While forwarding the option letters received from branches for those Employees/Officers who are in service, including those who were in service on 27.04.2010 but had retired on or after 27.04.2010 and also from the family members of such employees/officers, who have died on or after 27.04.2010, Regional Office should confirm having recovered 2.8 times of the revised pay for the month of Nov.2007 and furnish the details as per CO PER. Circular No. EST/57/2010-11 dated 20.05.2010 for Award Staff/TranSeries Cir No.11 of 2010 dated 10.06.2010 for Supervisory Staff to PAD-Pension Cell, Central Office.

1.2. The Employees/Officers who have retired and family of deceased retired employees eligible for pension are advised to approach any nearest branch of Indian Overseas Bank for submitting their option form as per Annexure II for retirees and Annexure III for family of the deceased employees. The said branch will forward the option forms directly to PAD-Pension Cell, Central Office.

1.3. In respect of Employees/Officers who had retired from Central Office/Regional Office also, the branch will receive pension option form and forward to PAD Pension Cell, Central Office.

1.4. Branches on being advised by PAD-Pension Cell, Central Office shall communicate in writing to the Retired Employees/Family of the deceased employees from whom option forms were received the amount to be refunded by them.

2. While remitting the amount to be refunded by retired Employees/family of the deceased employees subsequent to their exercising option to join pension scheme by them at the branch where they submitted their option forms, Branches should maintain record of refund received memberwise by mentioning the Name, Roll Number and the last branch/office attached and amount of refund received.

2.1. In terms of the provisions of the Indian Overseas Bank [Employees] Pension Regulations, 1995, medical examination is mandatory for a retired employee who seeks commutation of pension after one year from the date of his retirement and shall be permitted by submitting option form subject to the medical examination only. Such

retirees who opt for pension and seek commutation of pension shall approach PAD-Pension Cell, Central Office to the modalities to complete the medical examination as per existing guidelines. Commutation facility shall not be available for family pension.

2.2. Branches may remit the refund amount then and there to PAD-Pension Cell, Central Office by means of MANUAL IBSA DRAWN ON PAD-PENSION CELL, CENTRAL OFFICE [CODE NO.9040], furnishing full details of the retired Employees/ family of the deceased employees.

3. Branches are advised to extend necessary assistance to the retired employees/ family of the deceased employees to exercise their option to join the existing pension scheme.

3.1. Branches/Regional Offices/Central Office Departments are advised to bring the period stipulated for forwarding the option forms given below to the notice of the employees eligible to opt for pension.

1.	Date of submission of option form by existing employees, retired employees and family members of the deceased employees who are eligible for pension option.	Within 60 days from the date of pension offer (01.09.2010 to 30.10.2010)
2.	Refund of amount by the retired employees/family members of the deceased employees.	Within 30 days after expiry of the said period of 60 days. (31.10.2010 to 29.11.2010)

4. Branches may advise the employees/ family of deceased employees that an option not received within the stipulated date i.e., on or before 30.10.2010 and non refund of Bank's Contribution to Provident Fund with accrued interest and their share in contribution towards funding gap within the stipulated date i.e., on or before 29.11.2010 will render the option to join the Pension Scheme invalid.

5. Branches/Regional Office are advised to display in the notice board with regard to extension of another option for pension as per annexure-IV.

6. Branches/Regional Office are advised to forward the option forms to DGM (VCR), PAD-Pension Cell, Central Office in a separate cover superscribing "ANOTHER OPTION FOR PENSION".

7. All other terms and conditions of Indian Overseas Bank [Employees'] Pension Regulations, 1995 as amended from time to time shall remain unaltered for the purpose of this pension option.
