



## Agreement

This Agreement is executed on this day \_\_\_\_\_ (month), \_\_\_\_\_ (year) at \_\_\_\_\_ (place).

## BETWEEN

The \_\_\_\_\_ (name of agency/Member), (hereinafter referred as "**Member Agency/Member**"), and having its principal address at Post Box no. \_\_\_\_\_, \_\_\_\_\_ (Place), Bhutan;

## AND

The National Pension and Provident Fund, an autonomous agency, (hereinafter referred as "**NPPF**"), and having its principal address at Post Box no. 1046, Chang Lam, Thimphu, Bhutan.

**WHEREAS Member Agency/Member and NPPF** are hereinafter collectively referred to as "**Parties**" and individually as a "**Party**"

**AND WHEREAS**, this Agreement is formulated to ensure proper understanding of the relevant provisions of the Private Provident Fund rules and regulations and operational systems thereof by member agencies. Further, the understanding through Agreement is expected to clarify the roles and responsibilities of the member agencies/member to furnish accurate membership details, ensure timely remittance of PF contribution and smooth claim benefit processing and make necessary report concerning the membership, as and when required as per this Agreement.

**NOW, THEREFORE, THIS DOCUMENT WITNESSES AND THE PARTIES HERETO AGREE AND DECLARE ASUNDER:**

### 1. Duties and Responsibilities of the Parties

#### 1.1 Registration

- 1.1.1 Upon signing this agreement by the parties, the **NPPF** agree to create the member agency/member code.
- 1.1.2 That the **NPPF** shall issue "deposit invoice booklet", sample "recovery schedule" and "enrolment form" to be filled up by **member agencies** for new employees/self-employed members.
- 1.1.3 Upon receipt of the above-mentioned forms, the **member agency/members** shall forward to NPPF the copy of an appointment order, duly filled "Enrolment Form" of new employees (member agencies) and "Updating spouse and children details Form" of present employees for payment of Provident Fund benefits.
- 1.1.4 That the **member agency/member** shall ensure the correctness and completeness of the information provided in the above forms.
- 1.1.5 That the **NPPF** shall assign a "Private PF number" to the new employees/member in accordance with the procedures established by NPPF.



## 1.2 Remittance of contribution

- 1.2.1 That the **member agency/member** shall state the “Private PF number” issued by NPPF in the “Recovery Schedule” for employees who are already a member of NPPF and remark as “NEW EMPLOYEE” in the “Recovery Schedule” for new employees joining the service for first time.
- 1.2.2 That the **member agency/member** shall maintain and update the correct Private PF number in respect of the employees and state the Private PF and Citizenship Identity numbers of all the employees in the “Recovery Schedule”.
- 1.2.3 That the **NPPF** shall issue respective quoted deposit invoice booklet for Private Provident Fund contributions and the **member agency/member** shall use the respective deposit invoice furnished to them.
- 1.2.4 The **member agency/member** shall deposit the contribution monthly/ biannually/ annually. (Tick relevant one)
- 1.2.5 That the **member agency/member** shall remit both employers and employees’ PF contributions to NPPF account by the **10<sup>th</sup> of the following month** as per the agreed contribution deposit period.
- 1.2.6 Upon deposit of the PF contribution, the **member agency/member** shall forward or email a copy of deposit invoice with remittance schedule to NPPF. (Annexure 1)
- 1.2.7 Rate of Contributions (Please tick one)

- Member Agency:** Minimum of 5% employer contribution and 5% employee contribution of the basic salary per month.
- Self Employed:** Fixed contribution of a minimum Nu. 375/- to a maximum Nu. 25,000/-per month.

## 1.3 Claim of retirement benefits

- 1.3.1 That the member agency will refer to NPPF website ([www.nppf.org.bt](http://www.nppf.org.bt)) for claim documents checklist.
- 1.3.2 That the **member agency/member** shall furnish information in respect to employees leaving the service of employer and forward complete claim documents along with the “forwarding letter” to NPPF within 7 working days of the month end in order to receive the benefits within that month otherwise the benefit would be paid in next month.
- 1.3.3 That the **member agency/member** shall forward a copy of “Unpaid leave for more than one month “ordersto NPPF.
- 1.3.4 The **member agency** shall ensure that “Last Pay Certificate” should be in consistent with the “Relieving Order”. *(Not required for self-employed member)*

## 2. GOVERNING LAW

That this agreement shall be governed by the laws of the Kingdom of Bhutan.



### **3. DISPUTE SETTLEMENTS**

That in the event of a dispute between parties arising out of this agreement, the matter shall be resolved mutually through negotiations. If the dispute is not resolved through negotiation, the matter shall be referred to the Court of law for adjudication in accordance with the relevant laws of Kingdom of Bhutan.

### **4. INDEMNITY & LIABILITY**

That each of the Party hereto shall indemnify and/ or hold the other party harmless from and against all liabilities, damages, losses, claims, costs, penalties, suits or actions suffered in whole or in part, a default, negligence or willful misconduct or breach of the terms and conditions of this agreement or its employees, provided that damage has not been done intentionally and maliciously.

### **5. FORCE MAJEURE**

That where either of the parties are unable to fulfill the conditions of the agreement, partially or fully, due to force majeure events like, without limitation, acts of God, riots, fire, flood, earthquake, acts of the government or local authority, pandemic, or other causes beyond the reasonable control of the affected party, such a party shall not be liable or held responsible for the same.

### **6. VALIDITY OF AGREEMENT**

That this agreement shall come into effect from the day of signing and will be valid so long as the member agency/member is member of NPPF and shall be renewed upon agreement of all the parties.

### **7. COUNTERPARTS**

That this agreement shall be executed in counterparts and each of which shall be deemed to be original, but all of which together shall constitute one and the same document.

### **8. NOTICES**

That all demands, consents, or approvals under this agreement and notices authorized or required to be made under this agreement must be in writing and may be given to or served upon a Party by: being actually received at the Party's stated or notified address; or by electronic mail to the recipient Party's stated or notified address and/or such other address as one party may have furnished to the other in writing.

### **9. SEVERABILITY**

That if any part of this agreement is/or becomes illegal, invalid or unenforceable because of any reason, such illegal, invalid or unenforceable part shall not affect the validity or enforceability of other parts of the agreement.

### **10. AMENDMENT**

That no amendment or variation of this agreement shall be effective unless made in writing and signed by all the parties.



**11. LANGUAGE**

That this agreement shall be executed in two (2) sets of original copies in English versions. One set in will be kept by each party.

**IN WITNESS WHEREOF**, the parties hereto have executed this in writing on the day and year first hereinabove written.

**To be Filled by Agency/Member**

**To be Filled by NPPF**

Affix Legal  
Stamp and  
Sign on it with  
official seal

Affix Legal  
Stamp and  
Sign on it with  
official seal

**Member Agency Name** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**CID no.:** \_\_\_\_\_

**CID no.:**

*(Copy of the member agency/member business license to be attached.)*

**Signature of the witness:**

**Signature of the witness:**

**Name of the witness:**

**Name of the witness:**

**CID no.:**

**CID no.:**

**Address:**

**Address:**

**Contact No.:**

**Contact No.:**

**Note: Signature of the head of the agency and official Seal must be stamped on every page**