

May 30, 2022

Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East)
Mumbai – 400051

Scrip Code: 500271

Name of Scrip: MFSL

Sub.: Submission of copy of Trust Deed of Max Financial Employees Welfare Trust under Regulation 3(3) of SEBI (Share Based Employee Benefits) Regulations, 2014

Dear Sir/Madam,

This refers to our disclosure letter dated May 10, 2022 whereby the Company informed Stock Exchanges of the approval accorded by the shareholders of the Company through Postal ballot process for the establishment of a separate Trust for the acquisition of shares of the Company through the secondary market and matters related thereto.

Pursuant to Regulation 3(3) of SEBI (Share Based Employee Benefits) Regulations, 2014, we enclose herewith a copy of the Trust Deed of Max Financial Employees Welfare Trust.

This is for your information and records

Thanking you,

Yours faithfully,

For **Max Financial Services Limited**



V. Krishnan
Company Secretary and Compliance Officer

Encl.: As above

MAX FINANCIAL SERVICES LIMITED

CIN: L24223PB1988PLC008031

Corporate Office: L20M(21), Max Towers, Plot No. C-001/A/1, Sector-16B, Noida- 201301 | P: + 91 120 4696000 | www.maxfinancialservices.com
Regd. Office: Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Dist. Nawanshahr, Punjab - 144 533, India

Bond



**Indian-Non Judicial Stamp
Haryana Government**



Date : 11/05/2022

Certificate No. G0K2022E2754



Stamp Duty Paid : ₹ 500

GRN No. 90310827



(Rs. Only)

Penalty : ₹ 0

(Rs. Zero Only)

Deponent

Name : Max Financial Services Ltd

H.No/Floor : Na

Sector/Ward : Na

Landmark : Na

City/Village : Gurugram

District : Gurugram

State : Haryana

Phone : 95*****27



Purpose : GENERAL AGREEMENT to be submitted at Concerned office

The authenticity of this document can be verified by scanning this QR Code Through smart phone or on the website <https://egrashry.nic.in>

TRUST DEED

THIS INDENTURE OF TRUST DEED ("Deed") is made and executed at Gurugram, Haryana on this 11th May, 2022 ("hereinafter referred to as the "Effective Date")

BY AND BETWEEN:

Max Financial Services Limited, a company incorporated under the Companies Act, 1956 with CIN L24223PB1988PLC008031, PAN AABCM1204G and having its registered office at Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Dist. Nawanshahr, Punjab-144533 and having its Corporate office at L20M, Max Towers, Plot No. C-001/A/1, Sector -16B, Noida-201301, acting through its representative Mr. V. Krishnan, Company Secretary duly authorized vide Board resolution dated April 6, 2022 (hereinafter referred to as the "Settlor" or the "Company", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the ONE PART;

And

KP Corporate Solutions Limited ("ESOP Direct") a company incorporated under the Companies Act, 1956 with CIN U72200MH1997PLC107907, PAN AABCK6559L and having its registered office at Preetkamal, S.No. 256/254, Bungalow No. 2, Green Park Society, Behind Anand Park, Baner, Pune-411007 (hereinafter referred to as the "Trustee", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the SECOND PART.

The Settlor and the Trustee(s) are hereinafter collectively referred to as the "Parties" and individually as "Party".

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WHEREAS

A) The Settlor is engaged in the business of making and holding investments in its subsidiary, Max Life Insurance Company Limited and providing management consultancy services to group companies.

B) The Settlor is desirous of implementing the Plan. The Plan seeks to incentivize, reward, retain and attract critical employees and key talents of the Settlor and Max Group companies by way of alignment of their interest with that of Settlor and entitling the Option Grantee to obtain Shares of the Settlor upon exercise of Vested Options with a view to share the value they create for the organisation as well as to give them an opportunity to reap value out of organisational growth in future.

C) By the resolution passed in the Board meeting of Settlor held on April 6, 2022, the Board of Settlor has accorded formulation of a stock option scheme called Max Financial Employee Stock Option Plan 2022, which has been approved by the Settlor's Shareholders by way of a Postal Ballot Process on May 10, 2022 for the benefit of the Employees as defined under the Plan.

D) The Plan contemplates secondary acquisition of Shares through the Recognized Stock Exchange(s) with a view to acquire, hold and transfer such Shares to the Employees upon Exercise of Vested Options. Pursuant to the SEBI Regulations, the Settlor is required to implement the Plan only through the trust route in due compliance with the provisions of the Applicable Laws including the Indian Trusts Act, 1882.

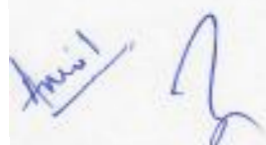
E) With a view to effectuate the same, the Board of the Settlor vide its resolution dated April 6, 2022, has accorded its consent to setup and bring into existence an irrevocable trust, namely 'Max Financial Employees Welfare Trust' ("Trust") with a view to administer the Plan through the Trust.

F) At the request of the Settlor, the Trustee(s) has consented to act as the sole Trustee of these presents, as is testified by executing these presents;

G) The Settlor is possessed of a sum of Rs.10,000/- (Rupees ten thousand only) and it desires to settle the said amount on the Trust for the purposes as specified herein.

H) The Trustee shall hold and stand possessed of the said sum of Rs.10,000/- (Rupees ten thousand only) and the conversion thereof and /or the investments for the time being held by the Trustee and /or accumulation, addition and accretion thereto and / or the investments or conversion of such accumulations, additions and accretions thereto and /or the income of the Trust Fund upon the Trust, with and subject to the powers, provisions, agreements and declarations concerning the same. The Trustee hereby admits and acknowledges the said sum as initial corpus ("Initial Corpus") of the Trust hereby constituted.

I) If the Settlor or any other person or persons pays or transfers to the Trustee any other sum of money or contribution with the intent that the same shall be held upon the Trust declared by these presents, such other sum of money or contribution shall be consolidated with and shall form a part



of the Trust Fund with the Trust, hereby created in all respects as if the same had been originally comprised in the Trust Fund.

NOW THIS TRUST DEED WITNESSETH AND IT IS HEREBY AGREED AND DECLARED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. DEFINITIONS

In this Deed unless the context otherwise requires, the following expressions shall have the meanings assigned to them respectively hereunder viz.

- (a) "**Applicable Law**" means the legal requirements relating to employee welfare trusts including, without limitation, to the Indian Trusts Act, 1982, the Companies Act, 2013 and the SEBI Regulations, read with all relevant circulars, notifications, rules and regulations issued thereunder and all relevant tax, securities, exchange control or corporate laws of India or of any Recognized Stock Exchange on which the Shares are listed or quoted.
- (b) "**Beneficiary**" means a Grantee and such other person, having such rights and obligations conferred under the Plan and this Deed as are lawfully available under the provisions of the Applicable Laws and includes where the context so requires, Nominees, heirs, executors and administrators of a deceased Beneficiary.
- (c) "**Board**" means the Board of Directors of the Settlor.
- (d) "**Board of Trustees**" means all Trustee(s) existing at any point in time during the Trust Period.
- (e) "**Committee**" means Nomination and Remuneration Committee of the Company as formulated under Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- (f) "**Deed**" means this deed and deems to include any legally effective variation, modification, amendment and substitution thereof.
- (g) "**Director**" means a member of the Board of the Settlor.
- (h) "**Effective Date**" means the date on which this Deed is executed, with effect from which the Trust has come into force.
- (i) "**Employee**" shall have the same meaning as defined under the Plan, as amended from time to time.
- (j) "**Grantee**" shall mean an Employee who is the recipient of Letter of Grant on the Grant Date and who has the right but not the obligation to exercise the Options in accordance with this Plan.

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(k) "**Max Group**" means the Company and Max Life Insurance Company Limited and its Subsidiaries.

(l) "**Option**" means an employee stock option granted to a Beneficiary, which gives such Beneficiary the right, but not an obligation, to acquire at a future date, the Shares underlying the Option at a pre-determined price from the Trust.

(m) "**Plan**" means Max Financial Employee Stock Option Plan 2022 ('ESOP Plan 2022') as amended from time to time, a copy of which is attached as Annexure 1 to this Deed.

(n) "**SEBI Regulations**" means the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and re-enacted from time to time and includes all circulars, notifications, guidelines, interpretation letters and clarifications issued thereunder.

(o) "**Settlor**" means Max Financial Services Limited, a company incorporated under the Indian Companies Act, 1956 and shall include its successors and permitted assigns.

(p) "**Share**" means an equity share of the Settlor having a face value of Rs. 2/- (Rupees Two only) each as on Effective Date.

Explanation: In the event of consolidation of Shares into Shares of a larger denomination or subdivision of Shares into shares of smaller denomination, the face value of the Share stands increased or reduced accordingly, as the case may be. Any reference to the face value in this Deed shall have reference to the then prevailing face value of Share.

(q) "**Subsidiary**" means a subsidiary as defined under the Companies Act, 2013 including the future subsidiaries.

(r) "**Trust**" means an irrevocable trust created by these presents under the name and style of "Max Financial Employees Welfare Trust" and established under the provisions of Indian Trusts Act, 1882 including any statutory modification or re-enactment thereof, settled through this Deed.

(s) "**Trust Fund**" means the aggregate of the Initial Corpus and Trust Property, including any income accruing to the Trust, donations, contributions, loans and advances lawfully received by the Trust from time to time.

(t) "**Trustee**" means any person, whether a natural individual or a corporate entity, being appointed as a trustee in this Deed but shall not include any person who is a:

- i. Director, Key Managerial Personnel or Promoter of the Company or its Holding Company, Subsidiary Company or Associate Company or any relative of such Director, Key Managerial Personnel or Promoter; or

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ii. Shareholder holding 10% or more of the paid-up share capital or voting rights of the Company.

(u) "**Trust Period**" means the period beginning from the Effective Date and enduring till the earlier of winding up of the Settlor or extinction of the Trust, or if prior thereto, the Trustee(s) are of unanimous opinion in due compliance with provisions of Applicable Laws and of this Deed that it is expedient to advance the date, then the date which the Trustee(s) may with the consent of the Settlor, specify in writing.

(v) "**Trust Property**" means all properties and assets of the Trust, including Shares held by the Trust pertaining to the Plan.

2. INTERPRETATION

Unless otherwise provided or unless the subject or context otherwise requires, in this Deed:

(a) The words and expressions not defined in this Deed but defined in the Plan and in the relevant provisions of the Applicable Laws, shall have the meanings respectively assigned to them first in the Plan and then in the Applicable Laws, as the context requires.

(b) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment (whether before or after the date of this Deed) for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions,

(c) Articles and paragraph headings are inserted for ease of reference only and shall not affect the interpretation of this Deed.

(d) Words and expressions defined in the Companies Act, 2013 shall bear the same meanings herein.

(e) Unless the context otherwise requires, words importing the singular include the plural and vice versa and pronouns importing a gender include each of the masculine, feminine and neuter genders.

(f) Reference in this Deed to any document, security or agreement includes reference to such document, security or agreement as amended, novated, supplemented, varied or replaced from time to time.

(g) References to "this Deed" mean this Deed together with its recitals and Plan framed pursuant hereto.

(h) The words "including", "include" and "in particular" shall be construed as being by way of illustration only and shall not be construed as limiting the generality of the preceding words.

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3. NAME AND PRINCIPAL OFFICE OF THE TRUST:

The name of the Trust shall be "Max Financial Employees Welfare Trust".

The principal office of the Trust shall be at situated at the office of Max Life Insurance Co. Ltd. at 11th Floor, DLF Square Building, Jacaranda Marg, DLF City Phase II, Gurugram (Haryana) - 122002

The Trust shall be an IRREVOCABLE TRUST from the Effective Date of the Deed and the Settlor does hereby release, relinquish, disclaim, surrender and determine all its rights, title, interest or powers in the Trust Property, subject to the provisions of this Deed and Applicable Laws.

4. OBJECTS OF THE TRUST:

The objects of the Trust shall include inter alia:

(a) Administering, managing, funding and implementing the Plan introduced by the Settlor from time to time and in accordance with the terms of such Plan and Applicable Laws and to carry out all acts and deeds connected or incidental thereto;

(b) To acquire Shares of the Settlor by subscribing to them or by purchasing them, for the purposes of this Trust and benefit of the Plan, in accordance with the Applicable Laws;

(c) Receive Shares of the Settlor by way of settlement and use them for the purposes of this Trust;

(d) Transfer Shares of the Settlor to the Beneficiaries, at such stages and upon such terms and conditions in accordance with the terms of the Plan and such other scheme as may be formulated by the Settlor and Applicable Laws; and

(e) Perform such other acts, deeds or things either independently or in conjunction with other matters or objects, as are, in the opinion of the Trustee(s), incidental or conducive to the welfare of the Beneficiaries or the attainment of any one or more of the objects of the Trust.

5. DETAILS OF THE PLAN ADMINISTERED BY THE TRUST:

(a) The Board of Settlor has framed the Plan for the benefit of Employees to participate in the stock ownership of the Settlor, subject to the conditions mentioned in the Plan, Letter of Grant, and provisions of the Applicable Law. The Plan and such other scheme shall form an integral part of the Trust hereby constituted and established.

(b) The Plan, inter alia, provides for grant of Options by Settlor, from time to time to such Employees of Max Group as may be approved by the Committee. The Grant of Options to

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[Signature]

Employees of Max Group shall be based upon recommendation of the nomination and remuneration committees of the respective Max Group companies. Upon satisfaction of Vesting conditions, the Employee may Exercise the Options on payment of Exercise Price together with applicable taxes and apply to the Trust for Shares of Settlor, in terms of the Plan. The Trust shall purchase Shares of Settlor, from the Initial Corpus or the loan to be provided by the Max Group or a third-party lender or other Trust Funds held by the Trust from time to time for administering the Plan. Upon realisation of the Exercise Price and recovery of applicable taxes, the Trust shall transfer Shares of Settlor held by the Trust to the Beneficiary within a time period as agreed in writing between the Parties.

(c) Max Group companies may from time to time provide loan, with or without interest, to the Trust to purchase Shares of Settlor, for administering the Plan for the benefit of their respective Employees.

6. CONSTITUTION OF THE TRUST:

(a) Number of Trustee(s): In case individual(s) are appointed as Trustee(s), the minimum number of Trustees shall be 3 (three) and in case a corporate entity is appointed as a Trustee, such entity will act as the sole corporate trustee, to be appointed by the Board of Settlor or Committee. The maximum number of Trustees shall not exceed 4 (four) or such other number as the Settlor may decide from time to time. KP Corporate Solutions Ltd. a corporate entity shall be the sole corporate trustee to the Trust.

(b) Appointment of Trustee(s): If the Trustee(s) hereby appointed or any future Trustee(s) shall become bankrupt or insolvent or desire to be discharged or refuse or become unfit or incapable to act or retiring then, and in every such case, it shall be lawful for the Settlor to appoint a new Trustee(s) in place of the Trustee(s) so becoming bankrupt or insolvent or desiring to be discharged or refusing or becoming unfit or incapable to act or retiring. A retiring Trustee(s) shall be eligible to be re-appointed.

(c) Upon any appointment or re-appointment of a new or additional Trustee, the Trust Fund shall, if and so far as may be necessary or be required, be deemed to be transferred so that the same may be vested in all the Trustees for the time being (including the re-appointed, new or additional Trustee), and such re-appointed, new or additional Trustee shall have the same powers authorities and discretion as if he had been originally appointed a Trustee of this Deed.

(d) The continuance of a Trustee in such capacity shall be at the discretion of the Settlor and his appointment as a Trustee shall forthwith be cancelled and his office vacated on receipt of written intimation from the Settlor to this effect to the concerned Trustee and other continuing Trustee(s), if any.

(e) If the office of a Trustee is vacated, either by death, insanity, resignation, insolvency, refusal or neglect to act as Trustee or on his otherwise becoming incapable or unable to act in the Trust of these presents, the Settlor shall be under no obligation to fill the vacancy occasioned in respect of any Trustee(s) so removed or any other vacancy in the number of

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Trustee(s) until it thinks fit and so long as the number of Trustee(s) shall not be less than two and pending the filling-in of any vacancy, the continuing Trustee(s) shall have power to act.

(f) If the Trustee(s) hereby appointed or any of them or any future Trustee(s) shall die or be out of India for more than one year continuously or become bankrupt or insolvent or desire to be discharged or refuse to, or become unfit or incapable to act, then, and in every such case, it shall be lawful for the surviving or continuing Trustee(s) for the time being with the approval of the Settlor, to appoint a new Trustee(s) and upon every such appointment, the Trust Property shall (if and so far the nature of the funds or other circumstances shall require or admit) be transferred so that the same shall be vested in the Trustees for the time being.

(g) Resignation of Trustee(s): A Trustee may resign from his office, at any time, by giving ninety (90) days' notice in writing to the Settlor. On acceptance of such notice by the Board of Trustees and the Settlor and intimation to the concerned Trustee of its acceptance, the Trustee giving the notice shall vacate office as Trustee.

(h) Removal of Trustee(s): The Settlor may at any time by resolution of the Board: a) remove any person from the office of Trustee(s); b) accept the resignation of any person as a Trustee(s); and c) appoint new or additional Trustee(s).

(i) Trustee(s) is/are appointed in perpetuity, unless terminated in accordance with this Deed. Upon termination of the trusteeship or of this Deed, the Trustee(s) shall automatically vacate office.

(j) If the Settlor or any company/ entity into which the Settlor is amalgamated or merged, ceases to exist on account of winding up or dissolution or otherwise, then and in such event, the Trustee(s) of the Trust shall step into the place of the Settlor and such Trustee(s) shall jointly exercise or fulfil as the case may be the rights and obligations cast upon the Settlor in this Deed.

7. DISSOLUTION OF TRUST:

Upon the expiration of the Trust Period the Trust constituted by this Deed shall cease and Trust Fund remaining with the Trust, after meeting all the obligations, if any, shall be utilised for repayment of outstanding loans of the Trust and for distribution to Beneficiaries of the relevant company as may be recommended by the Committee or Board.

In this clause and for the purpose of this Deed the date of dissolution shall mean the following:

(a) The date of expiry of a period of one year after the date on which the last surviving Beneficiary dies; or

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(b) The day which the Trustee(s) may, with the consent of the respective Max Group companies, specify in writing.

(c) The date on which the Settlor is wound up (or otherwise ceases to exist), save and except by virtue of a duly sanctioned scheme of amalgamation or arrangement involving the Settlor or corporate re-organisation of the Settlor;

8. SOURCES OF FUNDS:

The Trustee(s) shall have the power:

(a) To borrow or raise money by way of loan, deposit or otherwise for the purpose of the Trust for any stock option plan and on such terms and conditions including as to with or without interest and with or without security as the Trustee(s) may consider appropriate;

(b) To borrow monies from Max Group or any other lender to acquire the Shares, subject to applicable provisions of the Companies Act, 2013 read with Companies (Share Capital and Debenture) Rules, 2014;

(c) To mortgage, charge, pledge or otherwise encumber any property to or in favour of any lender as security for loan availed for the Trust or guarantees or any other obligation assumed by the Trust.

9. TRUST FUND AND ITS APPLICATION:

(a) The Trustee(s) shall hold and stand possessed of the Trust Fund, including any investment made out of such fund and any accumulation, addition and accretion thereof including dividend on Shares held.

(b) If any person shall lend, pay, transfer to the Trustee(s) any sum of money or contribution with the intent that the same shall be held upon the Trust and such sum of money or contribution shall be consolidated with and form one fund with the Trust in all respects as if the same had been originally comprised in the Trust Fund.

(c) The Trustee(s) shall hold, pay, apply and deal with the Trust Fund in all respects for the purposes of the Plan and as therein directed and generally to carry out the provisions of the Plan.

(d) Any monies at any time held by the Trustee(s) and not immediately required for the purposes of this Deed shall be placed on deposit with any commercial scheduled bank in India or be invested in one or more of the ways consistent with the Indian Trusts Act, 1882, or may be used to acquire Shares of the Settlor through secondary acquisition and other sources as permitted under the Plan and Applicable Laws.

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(e) The Trustee(s) shall ensure that the Trust shall not enter into any derivatives contract or purchase or sell or deal in any derivatives product either directly or through any broker or any agent in any part of the world and shall undertake only delivery-based transactions for the purposes of secondary acquisition as permitted under SEBI Regulations.

(f) Without detracting in any way from the generality of the foregoing, the Trust Fund will be applied for the purpose of distribution at the end of the Trust Period, amongst the Beneficiaries or anyone or more of them to the exclusion of the other or others in such proportion and in such manner as recommended by the Committee.

(g) The Trustee(s) shall pay from the Trust Fund: (a) all taxes, duties and any other statutory charges or levies (and any interest or penalty chargeable thereon) that may be payable in any jurisdiction by or on behalf of the Trust; and (b) expenses to fulfill the objects of the Trust, including without limitation, fees payable to auditors and other advisors and agents appointed by the Trustee(s) pursuant to the provisions of this Deed;

(h) Any Trustee being a solicitor, accountant or other person engaged in any profession or business shall be entitled to receive from Trust Fund, all usual professional or proper charges for business transacted, time expended and acts done by Trustee or any of its service providers in connection with the trusts of this Deed, including acts which a Trustee not being in any profession or business could have done personally.

(i) The Trustee(s) shall be entitled to reimbursement of all reasonable expenses incurred by it on behalf of the Trust incurred in carrying out these presents or in or about the execution of the Trust or powers of these presents. Such expenses shall be paid out of the Trust Fund. The Trustee(s) shall also be entitled to claim reimbursement of such expenses from the Max Group companies allocated in proportion of the number of the employees of each Max Group company who are Beneficiaries under this Deed.

10. TRUST PROPERTY

(a) The Trustee(s) shall henceforth hold and stand possessed of the Trust Property (which expression shall, unless repugnant to the subject or context, also include any other sum of money, property and investments of any kind whatever into which the same or any part thereof may be converted, invested or varied from time to time and those which may be acquired by the Trustee(s) or come to their hands by virtue of this presents or by operation of law or otherwise howsoever in relation to these presents including all donations, gifts, bequests and legacies either in cash or other properties movable or immovable or otherwise, howsoever which may be received by the Trustee(s) from time to time for the purpose of this presents) and all accretions thereto and income including capital gains and dividend arising therefrom or related thereto settled upon the Trust and subject to the powers, provisions, agreements and declarations hereinafter declared and contained concerning the same.

(b) The Trustee(s) shall hold the Trust Property for the exclusive purpose of the Plan. To the extent, any such property in excess of requirement of the Plan, may be applied for the

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benefit of all the Beneficiaries or any one or more of them to the exclusion of the other or others in such share and in such manner and in all respects as instructed/ recommended by the Trustees.

11. EMBARGO ON SHARES

(a) In the event the Trust is possessed of Shares, it is not permitted to sell, transfer or otherwise dispose of the same, except in compliance with a direction or permission of the Settlor, as per terms of the Plan, and in due compliance with the prevailing provisions of the SEBI Regulations, including taking pre-clearances from the Compliance Officer of the Settlor under SEBI Regulations for acquisition of Shares of the Settlor for this purpose.

(b) The Trust is required to hold the Shares acquired through Recognized Stock Exchange (s) for a minimum period of 6 (six) months or such other period as may be stipulated under Applicable laws from time to time, except where the Shares are required to be transferred in the circumstances provided in the SEBI Regulations, whether off-market or on the platform of the Recognized Stock Exchange.

(c) The Trust is permitted to undertake off-market transfer of Shares only under the following circumstances or such other circumstances as may be stipulated under Applicable laws from time to time:

- I. Transfer to the Employee pursuant to the Plan; or
- II. When participating in open offer under the Securities Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; or
- III. When participating in buy-back, delisting or any other exit offered by the Settlor, generally to its Shareholders

(d) The unappropriated inventory of Shares which are not backed by Grants under the Plan, shall be appropriated within a reasonable period which shall not extend beyond the end of the financial year subsequent to the year of acquisition.

12. RIGHTS AND OBLIGATIONS OF BENEFICIARIES:

(a) Subject to the provisions of the Plan, in the event of any Beneficiary ceasing to be an Employee, he shall ipso facto cease to be a Beneficiary of the Trust, except to the extent of benefits accrued to him (or to his legal heir/ Nominees in case of his death while in employment or legal heir/Nominees of ex-Employees to the extent of benefits accrued to ex-Employee) as per specific terms and conditions of the Plan and the Letter of Grant. Subject to the terms of the Plan, Letter of Grant and the advice of the Committee, the Trustee(s) shall be entitled from time to time to add to the list of Beneficiaries of this Trust, the name of any person who is an Employee under the Plan.

(b) The Beneficiaries shall have the right, with notice to the Trust, to inspect and take copies of this Deed, the audited and unaudited accounts of the Trust, any document relating

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to the Plan and other documents relating to the Trust, in accordance with the Applicable Law.

(c) None of the Beneficiaries shall have the right to receive any dividend, or to vote, or to enjoy any other benefits available to a Shareholder of the Settlor in respect of any Options granted to such Beneficiary, till Shares of the Settlor are transferred upon exercise of Options issued to such Beneficiary.

(d) Subject to Applicable Law, the beneficial interest of any of the Beneficiaries in the Trust shall not be encumbered, sold, transferred, or subjected to any third-party rights by the Beneficiaries, whether directly or indirectly, to any extent and in any manner whatsoever. In particular, the Beneficiaries shall not have the right to transfer, pledge, hypothecate, mortgage or otherwise alienate any Options granted to them.

13. POWER OF SETTLOR:

The Settlor may, subject to the provisions of the Applicable Laws and prior approval of its Shareholders, at any time make, suspend, extend or alter the terms of its Plan in any respect as it thinks fit, provided that such alteration or variation shall not be prejudicial to the interests of the Beneficiaries. Any change or modification in the Plan shall be intimated to the Trustee(s).

14. POWERS AND DUTIES OF TRUSTEE(S):

The Trustee(s) shall have the following powers and directions:

(a) The Trustee(s) shall manage and administer all the affairs of the Trust in accordance with the Deed and it shall act independently and not as representatives of the Settlor or its affiliates. The Trustee(s) shall ensure that all acts, deeds and things are done for the attainment of the objects of the Trust and are in compliance with the Applicable Laws, the Deed and the Plan and secure the best interests of the Beneficiaries;

(b) The Trustee(s) may, if it deems expedient, appoint any officer or any other independent entity to render infrastructural or administrative assistance as may be required by the Trustee(s) for the purpose of administration of the Trust.

(c) Opening and maintaining in the name of the Trust or in its own, bank account(s) and demat accounts and operating the same or authorising any other person to operate the same;

(d) To engage a provider of services for management of the entire life cycle of the Options online, including operationalizing dematerialized accounts and procurement/ provision of loan to the Trust.

(e) By resolution, authorise the manner in which cheques and other documents shall be signed and endorsed on the Trust's behalf;

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- (f) To appoint, suspend, punish or dismiss the salaried employees of the Trust;
- (g) To provide for benefits for the salaried employees of the Trust, if deemed necessary;
- (h) To hear and deal with complaints pertaining to the affairs of the Trust;
- (i) To hold the Trust Fund and administer the Trust Property and pay all costs, charges and expenses in any way incurred by the Trust, have custody of the records, documents, papers etc. of the Trust and examine and check the accounts and other records of the Trust;
- (j) To acquire Shares of Settlor (by acquisition of Shares from secondary market);
- (k) To accept contribution from any person for the purposes of the Trust;
- (l) From time to time appoint with or without remuneration (as may be determined) managers, secretaries, clerks and other employees as may be deemed expedient for carrying out the objects and purposes of the Trust;
- (m) To make, vary or rescind rules and orders, if any, for the administration of the objects of the Trust in accordance with the Applicable Laws and the management, control and maintenance of all properties, moneys, documents and books of account pertaining to the Trust and for the conduct of the affairs of the Trust;
- (n) To raise funds as provided in Clause 8 (Sources of Funds)
- (o) To enter into all such negotiations and contracts and rescind and vary all such contracts and execute all acts, deeds and things in the name and / or on behalf of the Trust as the Trustee(s) may consider expedient for or in relation to any of the objects or otherwise for the purposes of the Trust;
- (p) To authorize any person or persons, to sign and execute all contracts, agreements, documents, instruments, deeds and papers whatsoever relating to the administration and affairs of the Trust or any other matter in which the Trust is interested;
- (q) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Trust or its officers or otherwise concerning the affairs of the Trust and also to compound and allow time for payment or satisfaction of any dues or of any demand by or against the Trust;
- (r) To refer any dispute, difference, claims or demand or things relating to any matter in connection with, by or against the Trust to arbitration and to do all other things proper for such purpose and observe and perform the award;
- (s) To make all payments from the Trust Fund for carrying out the objects of the Trust;

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(t) To appoint sub-committee(s) or consisting of such members of their body as they deem fit for such purposes as may be considered necessary with or without powers to co-opt members;

(u) The Trustee(s) shall act in the interest of Beneficiaries of the Trust and subject to provisions of the SEBI Regulations and Companies Act, 2013, it shall not act in any manner or include any provisions in the Deed that will be detrimental to the interest of the Beneficiaries.

(v) The Trustee(s) shall not exercise voting power in respect of Shares held by the Trust¹.

(w) The Trustee(s) shall cause to be kept, minutes of proceedings and decisions and proper records and accounts of the Trust and shall submit records and accounts to the Settlor and for audits by auditor nominated in that behalf by Settlor.

(x) The Trust, when required, shall make such disclosures and comply with such other requirements as applicable to 'insiders' under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended.

(y) The Trustee(s) should ensure that appropriate approval of the members of the Settlor has been obtained, to enable the Trust to implement the Plan and acquire Shares over the Recognized Stock Exchange (s).

(z) The Trustee(s) shall ensure that the Shares acquired over the Recognized Stock Exchanges as well as held by the Trust at any time do not exceed the permissible limits prescribed under the SEBI Regulations.

(za) The Trustee(s) shall ensure that the Trust shall not become a mechanism for trading in Shares and hence shall not sell the Shares in secondary market, except in situations outlined in the SEBI Regulations.

(zb) The Trustee(s) shall allow funding of Exercise and applicable taxes along with other charges (herein also referred to as "cashless exercise") of Vested Options, as per the guidelines framed by the Committee and SEBI Regulations.

(zc) The Trustee(s) shall make disclosures as well as comply with the requirements applicable to insiders under SEBI (Prohibition of Insider Trading) Regulations, 1992, or any modification or re-enactment thereto.

(zd) The Trustee(s) shall ensure that the Trust follows the guidelines framed by the Committee with respect to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003.


¹ Clause 3(5) of SEBI Regulations

(ze) It shall be lawful for the Trustee(s) from time to time to frame such rules and regulations, in compliance with the Plan, objects of the Trust and Applicable Laws, for the management and administration of the Trust as they shall think fit and to add, alter, amend, substitute or vary the same and to make new rules and regulations provided that such rules and regulations shall not be inconsistent with the objects and interests of the Trust. However, the Trustee(s) shall not have any power under this Clause to vary the Plan nor this Deed and the said power shall rest with the Settlor.

Powers and authorities set out hereinabove may be exercised severally by any one of the authorised representatives of the Trustee(s) appointed vide resolution of the Board of the Trustee(s). The Trustee(s) may by a resolution as aforesaid, authorize its authorized representatives to exercise such powers and authorities as may be required for its day to day management, administration and affairs of the Trust and without prejudice to the generality and in particular the Trustee(s) may authorize them to sign, execute and deliver any deeds, documents, writings and pleading in the courts of law, to engage any lawyer or counsel, professional advisors and any expertise required for the administration of the Trust and such other powers and authorities as may be considered appropriate from time to time.

15. LIABILITY OF TRUSTEE(S):

(a) The Trustee(s) shall fulfil the purpose of the Trust and carry out the directions contained in this Deed.

(b) The Trustee(s) or other officer of the Trustee(s), as the case may be, shall not be under any liability on account of anything done or omitted to be done, including but not limited to investments made by the Trustee(s), in good faith and with due care and diligence and in accordance with the recommendations of the Committee or Board of the Settlor.

(c) Nothing herein contained shall exempt or indemnify the Trustee(s) for expenses incurred or losses suffered which arise out of a breach of trust or out of its (or its affiliates or its permitted assignees or its directors or officers) actual fraud, wilful misconduct, dishonesty and gross negligence of the terms and conditions of this Deed, the Plan, or the Applicable Laws, and it shall solely be responsible for such expenses and losses.

16. RIGHTS AND OBLIGATIONS OF THE TRUSTEE(S):

(a) The Trustee(s) may, in the discharge of its/his duties, act upon any advice obtained in writing from any bankers, accountants, brokers, lawyers, professionals, consultants, or other experts acting as advisers to the Trustee(s) and shall not be responsible for any loss occasioned by their so acting.

(b) The Trustee(s) shall be entitled to reimbursement of expenses as provided in Clause 9 (Trust Fund and its Application).

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(c) The Trustee(s) shall be entitled to be remunerated out of the Trust Fund for the activity carried on by it for acting as Trustee(s) of the Trust, the amount of such remuneration being determined by the Settlor.

(d) Notwithstanding anything contained to the contrary elsewhere in this Deed, the Trustee(s) shall comply with and carry out all such directions and recommendations as may be given by the Settlor (or any person or persons appointed by the Settlor, including its Board and the Committee) from time to time in relation to any matter with respect to which the Settlor has power under this Deed, under the Plan, or under Applicable Laws to direct, determine or decide. For removal of doubts, it is clarified that the Board or Committee are empowered and entitled without any further formalities or approvals to give directions and recommendations on behalf of the Settlor under this Clause.

17. MEETINGS OF TRUSTEE(S):

(a) Trustees shall form and regulate their own procedure relating to meetings of the Board of Trustees. In case of 2 (two) or more individual Trustees, the quorum shall be at least 2 (two) Trustees present in person. In case a sole corporate entity is appointed as Trustee, the quorum shall be 1 (one) Trustee. In case the requisite quorum is not present within half an hour of the meeting, it shall stand adjourned till decided again by the Trustee(s). The Trustee(s) shall, except with reference to the requirement of quorum, be entitled from time to time to alter or change the procedure so framed.

(b) Board of Trustees may call such number of meetings as thought fit in a financial year.

(c) A meeting of the Trustee(s) for the time being at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretions by or under the trust vested in the Trustees or otherwise exercisable by them.

(d) A meeting of the Board of Trustees shall be convened by any of the Trustee(s), or any officer authorised by the Board of Trustees. In case of more than one Trustee, such Trustees may from time to time elect from among the Trustees, a Chairman of the Board of Trustees and determine the period for which he is to hold office. If at any meeting of the Board of Trustees, the Chairman is not present within 30 (thirty) minutes of the time appointed for holding the same, the Trustees present may choose one of their numbers to be the Chairman of the meeting. The Chairman may preside at all meetings of the Trustees.

(e) If Trustees have a difference of opinion arising among them in all matters wherein the Trustees shall have a discretionary power, the votes of the majority of the Trustees shall prevail and shall be binding on all the Trustees including the Trustees who may not have voted. Provided, however, that if as a result of one Trustee not having voted, or if the Trustees are equally divided in opinion, the matters shall be decided according to the casting vote of the Chairman of the Board of Trustees or the Chairman of the meeting as the case may be.

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(f) The Trustees shall meet together as may be necessary for the purpose of this Trust and all decisions relating thereto taken by a majority of the Trustees present at any meeting of the Trustees of which due notice has been given to all the Trustees shall be as effective for all purposes as if such decisions had been the unanimous decision of all the Trustees.

(g) A written minute of decision of Trustees taken in a meeting held in any recognized manner shall if signed by the Chairman of the Board of Trustees or Chairman of the meeting be as effective for all purposes as if such decision had been reached in a duly convened meeting of all the Trustees.

18. DISCLOSURE OF HOLDING OF THE TRUST:

For the purpose of disclosures to Recognized Stock Exchange, the shareholding of the Trust shall be shown as non-promoter and non-public shareholding.

19. NOTICES:

All notices or communications required to be given by a Party to any other party by virtue of this Deed shall be:

(a) by hand to the relevant address set out below and shall be deemed served upon delivery if delivered during a business day, or at the start of the next business day if delivered at any other time; or

(b) by electronic mail to relevant email address set out below and shall be deemed served upon delivery;

Notices to the Settlor:

Board/ Nomination and Remuneration Committee

Max Financial Services Limited

L20M, Max Towers, Plot No. C-001/A/1, Sector -16B, Noida- 201301

Email: vkishnan@maxindia.com

Notices to the Trust:

Max Financial Employees Welfare Trust,

C/o Max Life Insurance Co. Ltd. at 11th Floor, DLF Square Building,

Jacaranda Marg, DLF City Phase II, Gurugram (Haryana) - 122002

20. GOVERNING LAW:

This Deed shall be governed by and construed in accordance with the Applicable Laws within jurisdiction of India. Subject to provisions of this Deed, the courts in New Delhi shall have exclusive jurisdiction to settle any disputes, differences, controversies and questions relating to the validity, interpretation, construction, performance and enforcement of this Deed.

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21. AMENDMENT IN TRUST DEED:


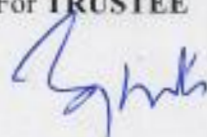
(a) Any changes in the Applicable Laws affecting the Plan and / or the Trust shall be deemed to be incorporated in the Deed.

(b) The Trust Deed may be amended from time to time with consent of the Settlor and by executing suitable deed in writing. The amendment should be in conformity with the prevailing Applicable Laws.

22. SEVERABILITY

If at any time, any provision of this Trust Deed becomes illegal, invalid or unenforceable in any respect, neither the legality nor validity nor enforceability of the remaining provisions of this Trust Deed shall in any way be affected or impaired thereby.

THE SETTLOR AND THE TRUSTEES HAVE SUBSCRIBED THEIR RESPECTIVE HANDS HEREUNTO, ON THE DAY, MONTH AND YEAR FIRST MENTIONED HEREINABOVE.

Signed and delivered by the authorized representative Mr. Amrit Singh, Chief Financial Officer for and on behalf of the Max Financial Services Limited	For SETTLOR 
Signed and delivered by the authorized representative Mr. Shriharsh Ghate, Managing Director for and on behalf of the ESOP Direct	For TRUSTEE 

-----End of Trust Deed-----

Annexure 1

Max Financial Employee Stock Option Plan 2022

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Max Financial Services Limited (MFS)
Max Financial Employee Stock Option Plan 2022

MAX FINANCIAL EMPLOYEE STOCK OPTION PLAN 2022

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1 NAME OF THIS PLAN

This stock option plan shall be termed the 'Max Financial Employee Stock Option Plan 2022' ("Plan" or "ESOP Plan-2022"). This Plan has been formulated by the Committee (*as defined below*) of Max Financial Services Limited, a company incorporated under the Companies Act, 2013 and having its registered office at Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Dist. Nawanshahr Punjab – 144 533 ("the Company") and received approvals of Shareholders (*as defined below*) by way of a special resolution passed on May 9, 2022 through postal ballot process.

The approval of shareholders by way of separate resolution passed on May 9, 2022 has been obtained by the Company in order to Grant Options to Employees (as defined below).

2 PURPOSE

The Company has structured this Plan for Employees, whose present and potential contributions are important to the success of the Max Group (as defined below), by offering them an opportunity to participate in the Company's future and also acquire a proprietary interest in the Company by award of Options. Key objectives of this Plan are as under:

- a) Create sense of ownership amongst Employees through equity-based compensation and provide them an opportunity to partner in the success of business
- b) Promote long-term financial interest of the Company
- c) Attract premium talent to join the Company
- d) Retention of key talent within the Company
- e) Recognizing contributions of the Employees who are crucial for the success of the Company in the long run.
- f) Provide an opportunity for wealth sharing with Employees

These objectives/ purposes are sought to be achieved through the Grant of Options to Eligible Employees (as defined below) under this Plan.

3 APPLICABILITY, TERM AND CONDITIONALITY

3.1 This ESOP Plan-2022 applies only to Eligible Employees (*as defined below*) and as selected by the Committee (*as defined below*) as the case may be, from time to time.

3.2 This ESOP Plan-2022 shall become effective from May 9, 2022 ("**Effective Date**") and shall terminate upon the date on which all the Options available for issuance under this ESOP Plan-2022 have been issued pursuant to the Grant of Options and have been Exercised by the Grantee (*all terms defined below*). Notwithstanding anything contained herein, this ESOP Plan-2022 shall subsist or continue purely at the discretion of the Board and/or the Committee and can be terminated at any time at the sole discretion of the Board and/or the Committee in accordance with Applicable Law but without the consent of and without notice to the Eligible Employees.

3.3 The Board or the Committee may, subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate this ESOP Plan-2022. Unless otherwise determined by the Board and/or the Committee, termination of this ESOP Plan-2022 shall not affect the Grant, Vesting or Exercise (*all terms defined below*) of the Options already issued under this ESOP Plan-2022.

4 DEFINITIONS

In this Plan, except where the context otherwise requires, the following expressions or terms when capitalized shall have the meanings indicated there against:

4.1 "Abandonment" shall have meaning as defined in the Company's policies

Or in the absence of any definition under the Company's policies,

"Abandonment" shall mean discontinuation of employment by a Grantee without giving notice or

without serving a period of notice as specified by the Company from time to time and in accordance with Clause 15.6 of this Plan.

- 4.2 “Act” shall mean the relevant Sections of the Companies Act, 2013 and includes any statutory modifications, amendments, or re-enactments thereof, and the rules issued thereunder.
- 4.3 “Applicable Laws” shall mean to the extent applicable, all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, circulars, guidelines, policies, treaties, codes, directions, notices, directives and orders of any government, statutory authority, tribunal, board, or court of competent authority, or Recognized Stock Exchange including, without limitation, the Act, the Income Tax Act, 1961 and all other relevant securities, exchange control or corporate laws of India and rules made thereunder including SEBI Regulations, including any regulations issued by the stock exchange on which the Shares (as defined hereinafter) of the Company are listed or quoted and includes any amendment, modification, alteration or re-enactment made to such laws, rules, regulations or bye-laws, each as amended, modified, re-enacted from time to time.
- 4.4 “Articles of Association” shall mean the articles of association of the Company, as amended from time to time.
- 4.5 “Associate Company” shall have the same meaning as defined under section 2(6) of the Companies Act, 2013 (18 of 2013).
- 4.6 “Beneficiary” or “Nominee” shall mean the person or persons, trust or trusts designated by the Grantee, or in the absence of any designation by the Grantee, a person or persons who is/are entitled by the will or probate of the Grantee to receive the benefits specified in this Plan, the legal heirs of the Grantee, if the Grantee dies intestate and includes the Grantee's executors or administrator, if no Beneficiary is designated and able to act under the circumstances and such other persons as may be added from time to time to the class of Beneficiaries by notice in writing and by the nomination form in the illustrative format specified in appendix 3 (“Nomination Form”) in the exercise of any powers conferred under this Plan or any other agreements forming part thereof.
- 4.7 “Board” shall mean the board of directors of the Company, constituted in accordance with the incorporation documents of the Company and as may be constituted/re-constituted in accordance with the Applicable Laws from time to time.
- 4.8 “Cause” shall have meaning as defined in the Company’s policies.

Or in the absence of any definition under the Company’s policies,

“Cause” shall mean (a) the continued failure of an Eligible Employee to substantially perform his/her duties in the Max Group (other than any such failure resulting from Retirement, death or Permanent Disability as provided in this Plan) as determined by the Company or its Subsidiary Company, as the case may be; (b) any act or omission by an Eligible Employee amounting to misconduct, fraud, breach of any contract with the Max Group or any of its Subsidiary Companies, as the case may be, including breach of a non-compete covenant, negligence, unethical practices, breach of trust or wrongful disclosure by the Eligible Employee of any secret or Confidential Information disclosed by the Company or its Subsidiary Company to the Eligible Employee or any other non-compliance or violation of any Applicable Laws in India, and includes any misconduct under the Company’s policies and/or under labour laws or any act as determined by the Board or the Committee to be detrimental to the Max Group, its financial position and interests, in any manner.

- 4.9 “Closing Date” shall mean the last date on which the offer of Options by the Company to a Grantee can be accepted. In case the last date is a non-working day, then it shall be the immediately following working day.
- 4.10 “Company” shall mean Max Financial Services Limited (CIN: L24223PB1988PLC008031), a company incorporated and registered under the Companies Act, 2013, having its registered office at *Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Dist. Nawanshahr Punjab – 144 533, India.*

- 4.11 “Control” shall have the same meaning as defined under Para 2(1)(e) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- 4.12 “Committee” shall mean Nomination and Remuneration Committee as formulated under Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. The Company may also designate its Nomination and Remuneration committee as Compensation Committee for the purposes of SEBI Regulations.
- 4.13 “Corporate Action” shall mean and include:
- 4.13.1 Rights / bonus issue;
 - 4.13.2 Reorganisation of the Shares;
 - 4.13.3 Restructuring of the share capital of the Company;
 - 4.13.4 Other reorganization of the Company in which the Shares are converted into or exchanged for:
 - (i) a different class of securities of the Company, or
 - (ii) any securities of any other issuer, or
 - (iii) cash, or
 - (iv) other property;
 - 4.13.5 Sale, lease or exchange of all or substantially whole of the assets / undertaking of the Company to any other company or entity;
 - 4.13.6 Bankruptcy proceedings against the Company;
 - 4.13.7 Adoption by the shareholders of the Company of a scheme of liquidation, dissolution or winding up;
 - 4.13.8 Adoption by the shareholders of the Company of a scheme of merger or demerger of the Company;
 - 4.13.9 Sale of Shares of the Company resulting in a change of Control; and
 - 4.13.10 Any other corporate action as designated by the Company, including any event resulting in a change of Control.
- 4.14 “Director” shall mean a member of the Board from time to time.
- 4.15 “Eligible Employee” for the purpose of this Plan shall mean an Employee (*as defined below*) and as identified in accordance with Clause 6 of this Plan.
- 4.16 “Employee” shall mean:
- (i) an employee, as designated by the Company who is exclusively working in India or outside India; or
 - (ii) a Director of the Company, being a whole time Director excluding independent Director or other Director excluded by Applicable Law
 - (iii) an employee as defined in Clauses (i) or (ii) of a company of Max Group including Subsidiary Company or its Associate Company, in India or outside India, but shall not include:

- (i) an Employee who is a promoter or a person belonging to the Promoter Group; or
 - (ii) a Director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding Shares of the Company.
- 4.17 “Exercise” shall mean making of an application by the Grantee/ Beneficiary to the Trust for transfer of Shares, against Vested Options in pursuance of this Plan on payment of Exercise Price.
- 4.18 “Exercise Date” shall mean the date on which the Grantee/ Beneficiary exercises his Vested Options and in case of partial Exercise, shall mean each date on which the Grantee/ Beneficiary exercises part of his Vested Options.
- 4.19 “Exercise Application” shall mean the application form for the purpose of enabling the Grantee/ Beneficiary to apply to the Trust for exercising the Vested Options in accordance with Clause 13.5 and Clause 13.6 of this Plan and substantially in the form provided in Appendix 2 hereto for the Options issued in pursuance of this ESOP Plan-2022.
- 4.20 “Exercise Period” shall mean a period of 3 years, after Vesting of each tranche, within which the Grantee/Beneficiary should Exercise his right to apply for Shares against the Vested Option in pursuance of this ESOP Plan-2022, as applicable.
- 4.21 “Exercise Price” shall mean the price per Option payable by the Grantee/Beneficiary for Exercise of each Option as stipulated in Clause 12 of this ESOP Plan-2022.
- 4.22 “General Meeting” shall mean a general meeting (including an Extraordinary General Meeting) of the Shareholders held in accordance with the Articles of Association and Applicable Laws.
- 4.23 “Grant” shall mean the process by which the Company issues Options to Eligible Employees in pursuance of this Plan
- 4.24 “Grant Date” shall mean the date on which the Options are approved and granted to the Grantee by the Company in pursuance of this Plan.
- 4.25 “Grantee” shall mean an Eligible Employee who is the recipient of Letter of Grant on the Grant Date and who has the right but not the obligation to Exercise the Options in accordance with this Plan.
- 4.26 “Holding Company” shall have the meaning as defined under the Companies Act, 2013.
- 4.27 “Independent Director” shall have the meaning as defined under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 4.28 “INR” or “Rupee” shall mean Indian Rupee, the currency of the Republic of India for the time being in force.
- 4.29 “Letter of Acceptance” shall mean the letter required to be submitted by a Grantee, substantially in the form provided in appendix 1, to accept the Options granted pursuant to a Letter of Grant and to acknowledge acceptance of the terms and conditions of this ESOP Plan-2022.
- 4.30 “Letter of Grant” shall mean the letter issued by the Company, substantially in the form provided in appendix 1, intimating an Eligible Employee of the Options granted to such Eligible Employee for acquiring a specified number of Shares at the Exercise Price and as per the Vesting Period described therein.
- 4.31 “Long Leave” shall mean leave availed by an Employee with express approval / sanction by the Company/Subsidiary Company with full / partial wages and such leave of absence is beyond leave entitlement prescribed by the internal policy of the Company/Subsidiary Company (or in the absence of such internal policy, as decided by the Committee) and shall include the following:

- (i) absenceduetoextendedmaternityleavesupportedbymedicalrecords,tothesatisfactionoftheCompany/Subsidiary Company;or
 - (ii) longsickleavesupportedbymedicalevidence,tothesatisfactionoftheCompany/Subsidiary Company;or
 - (iii) leave/ absence asa result oftemporary, partial disablement duly backedbymedicalrecords,tothesatisfactionoftheCompany/Subsidiary Company;or
 - (iv) longabsencedueto bereavement/temporaryillnessofafamilymember;or
 - (v) sabbaticaldulyapprovedbytheCompany/Subsidiary Company.
- 4.32 “Max Group” for the purpose of ESOP Plan-2022 means the Company and Max Life Insurance Company Limited, and its Subsidiary Companies.
- 4.33 “Option” shall mean a right (subject to fulfillment of conditions stipulated hereunder), but not an obligation, granted to an Eligible Employee, in the form of a stock option in pursuance of this ESOP Plan-2022, which may be exercised by the Eligible Employee at a future date subject to terms of this ESOP Plan-2022, only during the Exercise Period or such other period as specified under this ESOP Plan-2022.
- 4.34 “Permanent Disability” shall mean any disability of whatsoever nature, be it physical, mental, or otherwise, which in the opinion of the Committee (as the case may be), incapacitates or prevents or handicaps an Employee from being able to continue performing the duties he had performed before such disablement/impairment, based on a certificate of a medical expert identified by the Committee or its authorized representative.
- 4.35 “Plan” shall mean the Max Financial Employee Stock Option Plan 2022 under which the Company grants the Options to the Grantees, and shall include any alterations, amendments, additions, deletions, modifications, or variations thereof from time to time.
- 4.36 “Promoter” shall mean a promoter as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
- 4.37 “Promoter Group” shall mean promoter group as defined under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
- 4.38 “Recognized Stock Exchange” means a stock exchange which has been granted recognition under Section 4 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956).
- 4.39 “Relative” shall mean a relative defined under Section 2(77) of the Companies Act, 2013.
- 4.40 “Retirement” shall mean retirement as per the Company’s internal policy from time to time.
- 4.41 “SEBI Regulations” shall mean the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended.
- 4.42 “Secondary Acquisition” means acquisition of existing shares of the Company by the Trust on the platform of a Recognized Stock Exchange for cash consideration.
- 4.43 “Share” shall mean an equity share of the Company.
- 4.44 “Shareholder” shall mean the registered holder of a Share from time to time.
- 4.45 “Subsidiary Company” shall have the meaning as defined under the Companies Act, 2013.
- 4.46 “Tax” or “Taxes” shall mean any income tax, perquisite tax, fringe benefits tax or any other taxes or any levy or any contribution or any sums due (by whatever name it is called) imposed on the Max Group or on an Eligible Employee, with respect to the Grant, Vesting and/or Exercise of the Options in pursuance of this ESOP Plan-2022.
- 4.47 “Termination Date” shall mean the last date of termination of employment of the Grantee with the Max Group.

- 4.48 “Trust” means an irrevocable trust established under the provisions of Indian Trusts Act, 1882, by the name and nomenclature of Max Financial Employees Welfare Trust, including any statutory modification or re-enactment thereof, for implementing the Plan.
- 4.49 “Trustee” means trustee of the Trust.
- 4.50 “Unvested Option” shall mean an Option in respect of which relevant Vesting conditions have not been satisfied and which the Grantee is not currently eligible to Exercise.
- 4.51 “Vested Option” shall mean an Option in respect of which, relevant Vesting conditions have been satisfied and the Grantee has become eligible to Exercise the Option.
- 4.52 “Vesting” shall mean the process by which the Grantee Beneficiary is entitled to apply for Shares against the Options granted in accordance with Clause 9 of this Plan.
- 4.53 “Vesting Date” shall mean the respective dates on and from which the Option vests with the Grantee/Beneficiary and thereby becomes exercisable.
- 4.54 “Vesting Period” shall mean. The period during which the Vesting of Options takes place in accordance with Clause 11 (Vesting of Options) of this Plan.

All other expressions unless defined herein shall have the same meaning as have been assigned to them under the Act, the Securities and Exchange Board of India Act, 1992, SEBI Regulations (read with applicable circulars, notifications etc.), as amended from time to time, the Securities Contracts (Regulation) Act, 1956, or the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any statutory modification or re-enactment thereof, as the case may be.

5 INTERPRETATION:

- 5.1 In this ESOP Plan-2022, unless the context thereof otherwise requires:
- 5.1.1 words importing a particular gender include any other gender.
- 5.1.2 words using the singular or plural number also include the plural or singular number, respectively.
- 5.1.3 the terms “hereof,” “herein,” “hereby” and derivative or similar words refer to this entire ESOP Plan-2022 and not to any particular Clause, sub-Clause or section of this ESOP Plan-2022.
- 5.1.4 whenever this ESOP Plan-2022 refers to number of days, such number shall refer to calendar days unless otherwise specified.
- 5.1.5 any reference to any statute or statutory provision shall include:
- (i) all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated); and
- (ii) such statute or provision as may be amended, modified, re-enacted or consolidated.
- 5.1.6 headings and captions are used for convenience only and shall not affect the interpretation of this ESOP Plan-2022.
- 5.1.7 references to Recitals, Clauses, sub-Clauses and Appendices shall be deemed to be a reference to the recitals, clauses, sub-clauses, and schedules/appendices of this ESOP Plan-2022.
- 5.1.8 reference to a Clause number shall also include reference to all its sub-Clauses; and

- 5.1.9 reference to any Appendix hereto includes a reference to any part of that Appendix which is incorporated by reference.
- 5.2 In the event of any inconsistency between the provisions of this ESOP Plan-2022 and the provisions of the employment offer letter or employment agreement of the Eligible Employee, the provisions of this ESOP Plan-2022 shall prevail.
- 5.3 In the event of any inconsistency between the provisions of this ESOP Plan-2022 and the Articles of Association, the provisions of the Articles of Association shall prevail and be deemed to have been incorporated herein by reference.

6 ELIGIBILITY

- 6.1 The eligibility to participate in this Plan is subject to such criteria as may be decided by the Committee at its own discretion, including, but not limited to the band of the Employee, criticality of the role, period of service with Max Group, future potential, or any other criteria, as the Committee determines. It is clarified that Employees working abroad (if any) will be entitled to participate in this ESOP Plan-2022 subject to compliance with Applicable Laws including applicable laws of the jurisdiction in which such Employee is working.
- 6.2 Based on the eligibility criteria as described in Clause 6.1 of this Plan, the Committee will decidethe Employees eligible for Grant of Options under this Plan and accordingly, the Company acting through the Committee would Grant the Options to the identified Employees.

7 ADMINISTRATION OF THIS PLAN

- 7.1 This ESOP Plan-2022 shall be administered by the Committee working under the powers delegated by the Board, whichshall delegate its duties and powers in whole or in part as it may determine, to the Trust. Pursuant to resolution of the Shareholders dated May 9, 2022, the Committee is authorized to interpret this Plan, to establish, amend and rescind any rules and regulations relating to this Plan, and to make any other determinations that it deems necessary or desirable for the administration and implementation of this Plan. The Committee may correct any defect, omission or reconcile any inconsistency in this Plan in the manner and to the extent the Committee deems necessary or desirable and to resolve any difficulty in relation to implementation of this Plan and take any action which the Committee is entitled to take in relation thereto. The acts of a majority of the members of the Committee present at any meeting (at which the quorum is present) or acts approved in writing by a majority of the members of the entire Committee shall be the acts of the Committee for the purpose of this Plan.
- 7.2 Any decision of the Committee in the interpretation and administration of this Plan, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Employee, Grantee, Nominee and their Beneficiaries and successors). The Company (including the Board and/or the Committee) or the Trustees shall not be liable for any action or determination made in good faith with respect to this Plan or any Option granted thereunder.
- 7.3 The Committee shall, subject to compliance with Applicable Laws and the limitations set out in the Plan, inter alia, do the following:
- a) Adopt rules and regulations for implementing the Plan from time to time, such that they are more beneficial to the Eligible Employees.
 - b) Identify the Employees eligible to participate under the Plan.
 - c) Grant Options to the identified Employees and determine the Grant Date.
 - d) Determine the quantum of the Options, Sharesor benefits as the case may be, to be granted under the Plan per Employee and in aggregate.
 - e) Determine the number of additional Options to be granted to the Employees from time to time.
 - f) Determine the conditions under which Options, Sharesor other benefits as the case may be, may vest in Employees and may lapse in case of termination of employment for misconduct.
 - g) Determine the Vesting Period.
 - h) Accelerate the vesting of Options for the select Eligible Employees as may be deemed expedient.
 - i) Notify the Grantees if the Options become eligible for Exercise.

- j) Determine the right of a Grantee to Exercise all the Vested Options at one time or various points in time when the Options have become capable of being Exercised.
 - k) Determine and notify the Exercise Period within which the Employee can Exercise the Options and when the Options would lapse on failure to Exercise the same within the Exercise Period.
 - l) Determine the specified time period within which Employees shall Exercise the vested Options in the event of termination or resignation but such time shall not exceed the total Exercise Period.
 - m) Formulate procedure for cashless Exercise of Options.
 - n) Where any Corporate Actions may warrant adjustment to the number of Options and/ or the Exercise Price, refer such matters to the Board.
 - o) Determine the procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of Options and to the Exercise price in case of Corporate Actions such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall, *inter alia*, be taken into consideration by the Committee:
 - i. the number and price of Options shall be adjusted in a manner such that total value to the Employee of the options remains the same after the Corporate Action.
 - ii. the Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Employee(s) who is granted such Options.
 - p) Determine the Grant, Vesting and Exercise of Options in case of Employees who are on Long Leave.
 - q) Determine amendment to the Grant, Vesting and/ or Exercise of Options for Employees who are on Long Leave.
 - r) Determine alteration/ modification of the Vesting Period and/ or Exercise Price for subsequent Grants such that such alternation/modification shall not be detrimental to the interest of the Eligible Employees.
 - s) Determine alteration / amendment to the Plan subject to Clause 26 of the Plan.
 - t) Determine the procedure for funding the Exercise of Options.
 - u) Take any other actions and make any other determinations or decisions that it deems necessary or appropriate in connection with the Plan or the administration or interpretation thereof.
 - v) Decide all other matters that must be determined in connection with a Grant under the Plan.
 - w) Construe and interpret the terms of the Plan and the Options granted pursuant to the Plan and overcome impediments in implementing the Plan.
 - x) Refer to the Board any issue arising as a result of any inconsistency in the Plan, unless such inconsistency is of an administrative nature only; and
 - y) Perform such other functions and duties as shall be required under the Applicable Laws, including but not limited to deciding on the Vesting of Options on whole-time directors upon cessation of their employment contracts with the respective companies.
- 7.4 The Committee before conducting any activities/taking decisions as provided in Clause 7.3 of the Plan with respect to the employees of Max Group who are covered under the Plan, shall take recommendation from the board / nomination and remuneration committee formed by such Max Group company.
- 7.5 For the purposes of this Plan, the Committee shall frame suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 by the Company, the Trust and the Employees, as applicable.
- 7.6 For the purposes of this Plan, the Committee shall, *inter alia*, formulate the detailed terms and conditions of the Plan which shall include the provisions to the extent it is not in violation of the Companies Act, 2013.
- 7.7 The Board / Committee shall implement the Plan, through a Trust(s) for which a separate Shareholder approval would be obtained. In case of multiple plans being implemented through the Trust, the Trust shall keep and maintain proper books of accounts, records and documents, for each of the plan.
- 7.8 If circumstances warrant, the Company may change the mode of implementation of the Plan, by obtaining a fresh approval of the Shareholders by a special resolution, prior to implementing such a change. Such change shall not be prejudicial to the interest of the Employees.

- 7.9 The Trust shall transfer the Shares to the Grantees in the manner specified by the Committee. The Trustee(s) of the Trust shall administer the transfer of Shares to the Grantee as per the directions of the Board/Committee and as stipulated in the Plan.
- 7.10 The Trust shall be governed by the Trust Deed to be formulated by the Committee and shall contain the minimum provisions as specified in SEBI Regulations. The Trust Deed and any modifications thereto shall be filed with the stock exchanges where the Shares of the Company are listed.
- 7.11 The Trustees shall ensure that appropriate approvals of the Shareholders are obtained by the Company to administer the Plan through the Trust. The Trustee shall undertake Secondary Acquisition of Shares.
- 7.12 The Trustees shall be shown a non-promoter and non-public shareholder in the disclosure to the Recognised Stock Exchanges and the Trustees shall not vote in respect of the shares held by the Trust.
- 7.13 Subject to the provisions of the Applicable Laws, the Company / Max Group companies/other lenders may provide loan to the Trust to acquire the Shares by means of Secondary Acquisition and such other terms and conditions as may be provided in the Loan Agreement to be entered into with the Trust, for the purpose of implementing the Plan. The Trust shall only undertake delivery-based transactions and not deal in derivatives. Further, the Trust shall not become a mechanism for trading in the Shares and shall not sell the shares in the secondary market except for situations provided in sub-regulation 15 of Regulation 3 the SEBI Regulations.
- 7.14 The Trust and the Company shall ensure that the Shares acquired through Secondary Acquisition are within the limits provided in the SEBI Regulations. The Shares acquired by the Trust through Secondary Acquisition shall be appropriated and backed-up by Grants under the Plan within the timeframe provided under the SEBI Regulations.
- 7.15 The Trust shall hold the Shares acquired through Secondary Acquisition for a minimum period of 6 months except where they are required to be transferred in the circumstances enumerated in clause (b) of sub-regulation (14) of Regulation 3 of SEBI Regulations, whether off-market or on the platform of Recognised Stock Exchanges.
- 7.16 The Trust shall make disclosures and comply with the other requirements applicable to insiders or promoters under the SEBI (Prohibition of Insider Trading) Regulations, 2015 or any modifications or re-enactment thereto.

8 SHARE POOL

- 8.1 Subject to Clause 21 of this Plan, the maximum number of Shares that may be acquired by the Trust by Secondary Acquisition under this Plan shall not exceed 1,72,55,738 Options (i.e., 5% of the paid-up equity capital of the Company as on March 31, 2022). Subject to Applicable Law, the Company reserves the right to increase or reduce such number of Shares as it deems fit. Notwithstanding the foregoing, Shares with respect to which an Option is granted under this Plan that remain unaccepted or unexercised at the expiration or are not entitled for vesting or forfeited or lapsed or cancelled shall be added back to the number of Options that are pending to be granted. The Company through the Board or the Committee may, at their discretion, Grant such Options within the overall limit determined in accordance with this Plan.
- 8.2 In case of a Share-split where the face value of the Shares is reduced below INR2 or in case of consolidation of Shares or bonus issue, the maximum number of Options available for being granted under this Plan shall stand modified accordingly, so as to ensure that the cumulative paid-up value (No. of Shares X Face value per Share) of the total Shares arising out of Exercise of Options pursuant to this Plan remains unchanged.
- 8.3 It is specifically to be noted that in the event of a split, consolidation, re-capitalization, sub-division, combination, re-classification of Shares, the Grants, Exercise Price and the Shares transferred/to be transferred pursuant to the Exercise may, at the sole discretion of the Committee, be proportionately adjusted from time to time. Subject to compliance with the Applicable Laws

pertaining to the Shares, decision of the Committee in this matter including but not restricted to dealing with fractions, rounding off etc., will be final.

9 GRANT OF OPTIONS UNDER THIS ESOP PLAN-2022

- 9.1 The Company, through the Committee, may offer the Options to an Eligible Employee in accordance with the terms and conditions under this Plan for the time being in force. The Committee will decide the number of Options to be granted to each Eligible Employee.
- 9.2 Subject to the conditions stipulated herein, each Option issued to a Grantee would be eligible for transfer of 1 (one) Share by payment of Exercise Price.
- 9.3 The Options shall be granted to Eligible Employees as decided by the Committee from time to time. Such Options shall be subject to all applicable terms and conditions stipulated herein.
- 9.4 During any one year, no Employee shall be granted Options equal to or exceeding 1% of the issued share capital excluding outstanding warrants and conversions (as understood under SEBI Regulations) of the Company at the time of Grant of Options unless an approval from the Shareholders is taken by way of special resolution in a General Meeting.
- 9.5 Subject to the overall limit prescribed in Clause 8.1 of this Plan, the Options may be granted in one or more tranches.
- 9.6 The Grant of the Options by the Company through the Committee to the Grantee shall be made in writing and communicated to the Grantee by a Letter of Grant. The Letter of Grant shall specify the Grant date, number of Options, the Vesting Period, schedule of Vesting, conditions for Vesting, the Exercise Price, Exercise Period and any other terms and conditions that the Committee may deem necessary.
- 9.7 The Eligible Employees will be required to consent to and submit the Letter of Acceptance to the Trust to acknowledge acceptance of the terms and conditions of this ESOP Plan-2022 within the period prescribed in the Letter of Grant, or such extended time as the Committee may determine in its sole discretion.
- 9.8 The Closing Date of accepting the offer shall be as specified in the Letter of Grant. Unless provided otherwise in the Letter of Grant, the Closing Date shall not be more than 7 days from the Grant Date.
- 9.9 The Grant of Options under the Plan does not guarantee any entitlement to any future Grant of Options under the Plan.
- 9.10 The Grant of Options is of an occasional and extraordinary nature and constitutes a gratuitous and discretionary act by the Company. Consequently, no benefit derived from the Options granted under the Plan forms or shall form a part of any Grantee's normal, habitual or expected remuneration.

10 METHOD OF ACCEPTANCE

- 10.1 The method of acceptance of the Grant, shall be determined in accordance with the terms stipulated in this Plan.
- 10.2 Subject to the terms contained herein, acceptance of a Grant by a Grantee shall conclude a contract between the Grantee and the Company.

11 VESTING OF OPTIONS

- 11.1 Options granted under Plan shall Vest not before one (1) year and not after the maximum Vesting Period of 4 years, from the date of Grant of such Options, as specified in the Letter of Grant issued

to the Employees. In the event of death or Permanent Disability, the minimum Vesting Period of one (1) year shall not apply and in such instances, the Options shall vest in terms of Clause 15.1 of this Plan.

- 11.2 Subject to Clause 11.5 and Clause 15, the Unvested Options shall Vest with the Grantee in accordance with the vesting conditions stipulated under this ESOP Plan-2022.
- 11.3 Subject to Applicable Laws, Clause 11.5, Clause 15, the Options shall Vest in the time and manner as determined by the Committee and set out in the Letter of Grant. The Vesting of Options under this ESOP Plan-2022 would be subject to compliance with terms and conditions set forth under the Plan and continued employment or directorship (as the case may be) with a Max Group company.
- 11.4 Subject to Applicable Laws, the Committee may prescribe varying Vesting Period for different Grantees, and/or for different Options under the Plan.
- 11.5 Subject to Applicable Laws, unless the Committee decides otherwise, no Option shall Vest or allowed to be exercised by a Grantee, if such Grantee carries on or engages, directly or indirectly, whether through partnership or as a shareholder, joint venture partner, collaborator, consultant or agent or in any other manner whatsoever, whether for profit or otherwise, any business which competes directly or indirectly with the whole or any part of the business carried on by the Max Group or any activity related to the business carried on by the Max Group. Decision of the Committee in this regard shall be final and conclusive and cannot be called in question by the Grantee. For the sake of clarity, the restriction contained in this Clause shall not apply to any investment held as a portfolio by the Grantee or any activity/ business carried out by the Grantee pursuant to his duties as an Employee or Director and shall not apply to the Nominee of the Grantee.

12 EXERCISE PRICE

The Exercise Price of the Vested Options shall be as determined by the Committee which shall be equivalent to the volume weighted average share price of the Company during any time period ranging upto 90 trading days immediately preceding three days prior to the date of Grant, on the stock exchange with the higher trading volume for the Company's Shares or such other equivalent price as may be decided by the Committee. The Exercise Price shall be provided in the Letter of Grant in pursuance of this Plan.

13 EXERCISE OF OPTIONS/ TRANSFER OF SHARES

- 13.1 Subject to terms of this Plan and subject to Applicable Laws, a Grantee/Beneficiary can Exercise (as per the schedule of Vesting contained in the Letter of Grant) by applying to the Trust during the Exercise Period, by way of an Exercise Application and upon payment of the Exercise Price.
- 13.2 The Committee can decide the procedure for the Exercise of Options and Transfer of Shares.

No Vested Option shall be exercisable in its fractional form and each Option entitles the Grantee thereof to apply for and be transferred 1 (one) Share each on the payment of the Exercise Price to the Trust during the Exercise Period, subject to the terms and conditions specified in the Letter of Grant. The unexercised portion of the Option will continue to be available to the Employee or the Nominee, for Exercise, in case of specified circumstances such as death, disability, etc., up to such time as provided for in the Letter of Grant.

- 13.3 Exercise of the Vested Options shall take place at the time and place designated by the Committee and/or the Trust and by executing such documents as may be required under the Applicable Laws or by The Trust to pass a valid title of the relevant Shares to the Grantee/ Nominee, free and clear of any liens, encumbrances and transfer restrictions save for those set out therein.
- 13.4 A Vested Option shall be deemed to be validly exercised only when the Committee and/or the Trust or any other person authorized by the Committee in this regard, receives written and signed notice of Exercise Application from the Grantee/ Beneficiary and, subject to Clause 12 of this Plan, the full payment of the Exercise Price, taxes (wherever arising) and any other sums due referred to in Clause 22 to the Company as per this Plan in respect of Exercise of the Option ('Aggregate Exercise Price').

- 13.5 The Aggregate Exercise Price shall be paid in full upon the Exercise of the Vested Options. Payment must be made by one of the following methods:
- (i) Cheque or demand draft issued in the name of the Trust; or
 - (ii) Remittance directly from the Grantee's bank to the bank account of the Trust (wire transfer) as the Trust may specify; or
 - (iii) Any combination of such methods of payment or any other method acceptable to the Trust at its sole discretion.
- 13.6 At the time of transfer of Shares pursuant to a valid Exercise, the Grantee/ Nominee will be required to sign such papers as may be considered necessary by the Committee and/or the Trust to lawfully execute/ enforce various provisions of this Plan.
- 13.7 The Committee and/or the Trust shall endeavor to ensure that the process of transfer of Shares to the Grantee who has validly exercised his Vested Options is completed within a reasonable period of time from the time of receiving the Exercise Application by the Trust. No adjustment will be made for dividend or any other right for which record date is prior to the date the Shares are transferred.
- 13.8 Notwithstanding anything else contained in this Plan, if the Grantee/ Nominee does not Exercise his Vested Options within the time period as specified by terms of this Plan, the Options shall automatically lapse at the end of the aforesaid period.
- 13.9 If the Exercise of Options within the Exercise Period is prevented by any law or regulation in force, the Board or Committee shall defer or not permit the Exercise of Options till such time as it is prohibited by the applicable laws or regulations and in such an event the Company shall not be liable to pay any compensation or similar payment to the Grantee for any loss suffered due to such refusal.
- 13.10 Only upon transfer of the Shares, the Grantees/Nominees shall become Shareholders. The Shares to be transferred shall rank *pari-passu* in all respects with the outstanding Shares of the Company.
- 13.11 All such unexercised Options that so lapse, shall revert to the share pool as referred in Clause 8 of this Plan and may be granted at the discretion of the Board or the Committee to any other Eligible Employee.
- 13.12 In the event that a Grantee fails to Exercise the Option within the Exercise Period, the amount paid/payable (if any) by the Grantee at the time of Grant, may be forfeited by the Company.
- 13.13 Subject to the Exercise Period, the Vested Options may be Exercised during the lifetime of the Grantee, only by the Grantee and after his demise, by his Nominee.
- 13.14 Under this Plan, the Trust will transfer existing shares held by it, as and when the Vested Options are exercised by the Grantees.
- 13.15 The Trust shall not purchase or sell shares of the Company through any other method that has been prohibited as per the Applicable Laws.
- 13.16 The respective Max Group companies, at their sole discretion and subject to Applicable Laws and Articles of Association of the Company, may extend financial assistance or facilitate such assistance through a third party to the extent as permitted under the Applicable Laws and in any mode or manner it deems fit, to enable the Grantee to Exercise the Options within the Exercise Period. The mode, manner and amount of the financial assistance, applicable rate of interest (if any) and recovery of principal and interest shall be communicated by the respective Max Group companies in due course.

14 TRANSFER OF SHARES UPON EXERCISE

- 14.1 Upon Exercise, the number of Shares proportionate to the number of Vested Options Exercised will be transferred in the name of the Grantee.
- 14.2 All stamp duty or other taxes imposed by Applicable Laws payable on transfer of Shares shall be borne by the Grantee.
- 14.3 Neither the Grantee nor any person entitled to Exercise the Grantee's rights in the event of death of the Grantee, shall have any right or status of any kind as a Shareholder, including the right to receive any dividend or to vote or in any manner enjoy benefits of a shareholder in respect of any Options covered by the Grant unless the Grantee/ Beneficiary exercises the Vested Options and becomes a registered holder of the Shares. Upon becoming a registered holder of the Shares by the Exercise, the Grantee shall be entitled to all rights and obligations as a Shareholder from the date of issue and transfer of Shares pursuant to the Exercise under this ESOP Plan-2022 and in accordance with the Articles of Association.
- 14.4 Subject to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the code of conduct to regulate, monitor and report trading by insiders, the Committee shall also have the right to impose a 'quiet period' at its discretion, during which period any Grantee who has been transferred Shares (on the Exercise of Vested Options) shall not be permitted to transfer, sell or dispose-off his/her Shares acquired under this ESOP Plan-2022 in any manner whatsoever, other than as may be determined by the Committee.

14.5 Non-transferability of Options

Except as provided herein under this ESOP Plan-2022, the Options held by a Grantee are not transferable to any Person except the Beneficiary or Nominee as the case may be, and as specified in the Nomination Form in the event of death of the Grantee. Beneficiary or Nominee will have to complete all legal formalities mentioned in Applicable Laws and produce requisite documents to prove his/her/their right within 90 days from the event of death of the Grantee. The Options cannot be pledged, hypothecated, charged, mortgaged, assigned, alienated or disposed of in any other manner.

15 TERMINATION OR CESSATION

15.1 On death of a Grantee

In case of cessation of employment in the event of death of a Grantee while in employment or while serving as a Director, all Unvested Options granted to the Grantee shall immediately vest on that day in the Beneficiaries or Nominees of the deceased Grantee as indicated in the Nomination Form. All the Vested Options, including the Options vested in accordance with the preceding sentence, may be exercised by the Nominee or Beneficiary, in no event later than 180 (one hundred eighty) days from the date of death. Vested Options that are not Exercised within the aforementioned period shall lapse upon the expiry of the period specified or the expiry of the Exercise Period, whichever is earlier. Any Vested Options not exercised by the Nominee or Beneficiary within the period specified herein shall automatically lapse at the end of the aforesaid period

All such unexercised Options that so lapse shall revert to the Share Pool, as referred in Clause 8 of this Plan and may be granted at the discretion of the Board or the Committee to any other Eligible Employee.

15.2 On Permanent disability of Grantee

In case of Permanent Disability of a Grantee, whilst he is still employed with the Max Group or serving as a Director, resulting in the cessation of employment or directorship (as the case maybe) of such Grantee, (i) all Unvested Options shall Vest in such Grantee immediately on the day of suffering the Permanent Disability and (ii) the Grantee or the Nominee or Beneficiary may Exercise his or her Vested Options immediately after suffering the Permanent Disability, but in no event, later than 90 (ninety) days from the date of Permanent Disability. Vested Options that are not exercised within the aforementioned period shall lapse upon the expiry of the period specified

herein or the expiry of the Exercise Period, whichever is earlier. Any Vested Options not exercised within the time by the Nominee or Beneficiaries within the period specified herein shall automatically lapse at the end of the aforesaid period.

All such unexercised Options that so lapse shall revert to the Share Pool, as referred in Clause 8 of this Plan and may be granted at the discretion of the Board or the Committee to any other Eligible Employee.

15.3 **On Resignation**

Other than those Grantees covered in Clause 15.4, if (a) the Grantee voluntarily resigns from his employment or directorship (other than cases where Grantee resigns as Director, but remains an Employee), or (b) the Grantee retires under a voluntary retirement scheme of Max Group, if any, or (c) the Max Group and the Grantee mutually separate from an employment relationship, then:

- (i) all Unvested Options held by such Grantee shall immediately and automatically lapse on the date of resignation/voluntary retirement from employment/directorship;
- (ii) all Unvested Options that lapse shall revert to the Share Pool, as referred in Clause 8 of this Plan and may be granted at the discretion of the Board or the Committee to any other Eligible Employee;
- (iii) all Vested Options which have not been Exercised by such Grantee need to be exercised before the last day of employment or directorship (as the case may be);
- (iv) all such Vested Options that remain unexercised at the expiry of the said last effective date of employment, shall automatically lapse; and
- (v) all such Vested Options that lapse shall revert to the Share Pool, as referred in Clause 8 of this Plan and may be granted at the discretion of the Board or the Committee to any Eligible Employee.

15.4 **Termination with Cause**

In the event the employment of a Grantee has been terminated by the Max Group for Cause, all outstanding Options i.e., Vested Options not Exercised and Unvested Options, shall immediately stand cancelled and all rights of the Grantee thereunder shall extinguish with immediate effect.

All such Options (Vested Options or Unvested Options) that so lapse or are terminated or cancelled shall revert to the Share Pool, as referred in Clause 8 of this Plan and may be granted at the sole discretion of the Committee to any Eligible Employee.

15.5 **On Retirement**

In case the employment of the Grantee with the Max Group is terminated due to the Grantee's Retirement on attaining the superannuation age or onwards, the Unvested Options will continue to Vest in accordance with the Vesting schedule as prescribed in Clause 11 of this Plan. In case of death of Grantee after Retirement, the Unvested Options immediately Vest on that day. The Vested Options shall be permitted to be Exercised no later than 90 (ninety) days from the date of separation from the Max Group, unless the Committee decides otherwise. Any Vested Options not Exercised within this aforesaid period shall lapse and stand forfeited at the end of the aforesaid period.

In case of death of a Grantee post his Retirement, all the Options Vested in him shall automatically Vest in the Beneficiaries or Nominees, who shall be entitled to Exercise such Vested Options within 90 (ninety) days from the date of his death, failing which the Options shall lapse.

15.6 **On Abandonment**

In the event a Grantee abandons employment or his office (i.e., absents himself) for a continuous period of 30 (thirty) days or as specified by the relevant internal policy or as specified by the

Committee, all Options granted to the Grantee, including the Vested Options, which were not exercised at the time of abandonment of employment, shall stand terminated with immediate effect. The Committee, at its sole discretion shall decide the date of abandonment by the Grantee and such decision shall be binding on all concerned parties.

All such Options (Vested Options or Unvested Options) so terminated/cancelled shall revert to the Share Pool, as referred in Clause 8 of this Plan, and may be granted at the sole discretion of the Committee to any Eligible Employee.

15.7 Other terminations

In case the employment of the Grantee is terminated for any reason other than specified in Clauses 15.1 to 15.6 of this Plan, all Unvested Options with the Grantee on the Termination Date shall lapse, unless the Committee otherwise decides. The Vested Options can be exercised by the Grantee within the Exercise Period or not later than 30 (thirty) days from the date of separation from the Max Group, whichever is earlier, only at the discretion of the Committee. Any Vested Options not exercised within this aforesaid period shall lapse and stand forfeited at the end of the aforesaid period.

All such Options (Vested Options or Unvested Options) so terminated/cancelled shall revert to the Share Pool, as referred to in Clause 8 of this Plan and may be granted at the sole discretion the Committee to any Eligible Employee.

15.8 On Transfer

In case the Employee is transferred to any company within the Max Group, all Unvested Options with the Grantee will continue to Vest in accordance with the Vesting Period as prescribed in Clause 11 of this Plan. The Vested Options shall be permitted to be Exercised as per the terms of Letter of Grant, unless the Committee decides otherwise. Any Vested Options not exercised within this aforesaid Vesting Period shall lapse.

16 RANKING OF SHARES AND RIGHTS OF SHAREHOLDERS

The Shares transferred on the Exercise of Vested Options shall rank *pari-passu* with all the existing Shares subject to such exceptions and restrictions as may be specified in Articles of Association and this ESOP Plan-2022. At the time of transfer of Shares pursuant to a valid Exercise, the Eligible Employee will be required to sign such document as may be considered necessary by the Committee/ Company / Trust to lawfully execute/ enforce various provisions of this ESOP Plan-2022.

17 NOTICES AND CORRESPONDENCE

17.1 Any notice required to be given by a Grantee/ Nominee to the Board and/or the Committee and/or the Trust or any correspondence to be made between a Grantee/ Nominee and the Board and/or the Committee and/or the Trust may be given or made to the Board and/or the Committee and/or the Trust at the registered office of the Company or at a place as may be notified by the Board and/or the Committee and/or the Trust in writing.

17.2 Any notice required to be given by the Board and/or the Committee and/or the Trust to a Grantee/ Nominee or any correspondence to be made between the Board and/or the Committee and/or the Trust and a Grantee/ Nominee shall be given or made by the Board and/or the Committee and/or the Trust on behalf of the Company at the address provided by the Grantee in the Letter of Acceptance or Nomination Form.

18 LOCK-IN

The Shares transferred pursuant to the Exercise of the Vested Options under Clause 3 of this Plan shall not be subject to a lock-in as specified under the Plan unless the Committee decides otherwise.

19 BENEFICIARY/ NOMINEE DESIGNATION

Each Grantee under this Plan may nominate, from time to time, any Beneficiary or Beneficiaries to whom any benefit accrued to such Grantee under this Plan is to be delivered in case of his or her death before he or she receives all of such benefit. Each such nomination shall revoke all prior nominations by the same Grantee, shall be in a form prescribed by the Company and will be effective only when filed by the Grantee in writing with the Trust during the Grantee's lifetime.

20 TRANSFERABILITY OF SHARES

20.1 Subject to Clause 14.4, Clause 18, Clause 27.6 and Clause 27.9 of this Plan, any Grantee (Employee/ex-Employee/Beneficiary) who wishes to sell the Shares acquired pursuant to Exercise of Grants can sell the Shares freely over the Recognised Stock Exchange in India where Shares are listed.

21 CORPORATE ACTIONS

21.1 In case of Corporate Action, the Committee in accordance with Applicable Laws shall ensure while taking into consideration the global best practices in this area that adjustment to Exercise Price, number of Options granted, accelerated Vesting etc., shall be appropriately made/ settled in cash without prejudice to the interest of the Grantee. The decision of the Committee on whether such action is necessary and the extent of such action by the Committee shall be final and binding.

21.2 In the event that a Grantee who has been granted Options under this Plan, is transferred pursuant to scheme of arrangement, amalgamation, merger or demerger or continued in the existing company, prior to the Vesting or Exercise, the treatment of Options in such case shall be specified in such scheme of arrangement, amalgamation, merger or demerger provided that such treatment shall not be prejudicial to the interest of the Employee.

22 WITHHOLDING TAX OR ANY OTHER SUMS

22.1 All Shares transferred to the Grantee on Exercise of Options granted under this Plan shall be subject to all applicable taxes, withholding tax and/ or any levy and/ or any contribution and/ or any sums due (by whatever name it is called) arising due to participation in this Plan (in or outside India), if any, and the Max Group company or Committee or the Trust, accordingly, may withhold / recover such taxes and/ or levy and/ or contribution and/ or payment in full unless Committee decides to withhold in part.

22.2 Notwithstanding anything contained in other Clauses of this Plan, if the Grant of the Option and/ or the Vesting of Option and/ or the Exercise of the Options and/ or transfer of the Shares under the Plan and or at any time while this Plan is in operation shall be subject to any levy and/ or taxes or contribution or payment (by whatever name called), if any, that is levied on or payable by the Max Group (in or outside India), then such taxes and/ or levy and/ or contribution and/ or payment shall be recovered in full by the Trust.

22.3 Notwithstanding anything else contained in this Plan, no Shares/ sale proceeds therefrom, as the case may be, shall be transferred/ disbursed to the Grantee/ Nominee, on Exercise of the Options under the Plan, unless appropriate levies/ taxes/ contributions/ payments as given in this Clause are recovered in full by the Trust.

23 DISPUTE RESOLUTION

Any dispute or difference or question of any nature arising under or relating to the Plan shall be referred to the nomination and remuneration committee of the respective Max Group company and its decision shall be final and binding in all respects.

24 GOVERNING LAW

24.1 This Plan and all agreements thereunder shall be governed by and construed in accordance with the Applicable Laws of India. The Grant of Options and transfer of Shares under this ESOP Plan-2022 shall entitle the Company to require the Grantees to comply with such requirements of Applicable Laws as may be necessary in the opinion of the Committee. In case of any conflict between the

provisions of this ESOP Plan-2022 and any provisions, rules, regulations or guidelines issued under Applicable Laws, the provisions of the Applicable Laws shall override the provisions of this ESOP Plan-2022 to the extent of such conflict.

- 24.2 The Grantee agrees and acknowledges that the Grantee has received and read a copy of this Plan. In the event that any Applicable Laws render this ESOP Plan-2022 as illegal or void, this ESOP Plan-2022 shall automatically be treated as withdrawn and cancelled and the Company / the Trust shall have no obligation or liability whatsoever towards any Grantee including in relation to any Vested Options or Unvested Options. The inability of the Company / the Trust to obtain approval from any regulatory body having jurisdiction over the Company / the Trust, or under any Applicable Laws, for the lawful issuance and sale of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of the failure to Grant the Options or transfer the Shares.
- 24.3 In order to comply with regulations of any other country or to avail any tax or other benefits, Committee may at its sole discretion and in compliance with Applicable Laws, may formulate an addendum to this Plan for Employees employed in that country and make it applicable to such Employees from the date determined by the Committee/ Board.

25 REGULATORY APPROVALS

- 25.1 The implementation of this Plan, the Grant of any Option as per terms of the Plan and the issuance/transfer of any Shares under this Plan shall be subject to the procurement by the Company and the Grantee/ Beneficiary of all approvals and permits required by any regulatory authorities having jurisdiction over this Plan, the Options and the Shares transferred pursuant thereto. The Grantee/ Beneficiary under this Plan will, if requested by the Board and/or the Committee, provide such assurances and representations, as the Board and/or the Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.
- 25.2 The Board shall make all the relevant disclosures in the Director's Report in relation to this Plan as are required under the Companies Act, 2013 and as per Regulation 14 of SEBI Regulations.
- 25.3 The Company shall follow and confirm to applicable accounting policies as per applicable laws.

For accounting purposes, the Grant Date will be determined in accordance with applicable accounting standards.

26 MODIFICATION OF PLAN

- 26.1 The Board and/or the Committee may, subject to a special resolution passed by the members of the Company at any time and from time to time and Applicable Laws:
- 26.1.1 Revoke, add to, alter, amend or vary all or any of the terms and conditions of this Plan or all or any of the rights and obligations of the Grantee/ Grantee/ Beneficiary;
- 26.1.2 Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the Grantee/ Grantee/ Beneficiary. Each of such set of special terms and conditions shall be restricted in its application to those Grantee/ Grantee/ Beneficiary;
- 26.1.3 Formulate separate sets of special terms and conditions in addition to those set out herein, to apply to each class or category of Grantee/ Grantee/ Beneficiary separately and each of such set of special terms and conditions shall be restricted in its applications to such Grantee/ Grantee/ Beneficiary;
- 26.1.4 Alter the Exercise Price, if the Option becomes unattractive due to fall in market price of the Shares. Provided that no variation, alteration, addition or amendment to this Plan can be made if it is detrimental to the interests of the Grantee/ Grantee/ Beneficiary and the approval of the shareholders by special resolution in General Meeting has been obtained.
- 26.2 Subject to this Plan, the Company may by special resolution in a General Meeting vary the terms of the Plan offered pursuant to an earlier resolution of the general body but not yet exercised by the Employee provided such variation is not prejudicial to the interests of the Employees.

- 26.3 Notwithstanding the provisions of Clause 26.1, a company shall be entitled to vary the terms of the Plan to meet any regulatory requirement without seeking shareholders' approval by special resolutions such that they are not detrimental to the Eligible Employees.

27 MISCELLANEOUS PROVISIONS

- 27.1 No right to a Grant: Neither the adoption of this Plan, nor any action of the Board and/or the Committee and/or the Trust shall be deemed to give an Employee any right to be granted an Option to acquire Shares or to any other rights hereunder except as may be evidenced by a Letter of Grant, and only to the extent of and on the terms and conditions expressly set forth therein, or in this Plan as the case may be.

- 27.2 No employment rights conferred: Nothing contained in this Plan or in any Grant made hereunder shall (i) confer upon any Employee any right with respect to continuation of employment with the Max Group, or (ii) interfere in any way with the right of the Max Group to terminate his employment at any time.

The rights granted to a Grantee upon the Grant of an Option shall not afford the Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with any present or past member of the Max Group for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

Transfer or Deputation: In the event a Grantee is transferred or deputed to a Max Group company, prior to Vesting or Exercise, the Vesting and/or Exercise as per the terms of Grant shall continue in case of such transferred or deputed Grantee even after the transfer or deputation, subject to the internal policies of the respective Max Group companies.

- 27.3 Adherence to Applicable Laws: The Grantee/ Nominee shall comply with all Applicable Laws.
- 27.4 This Plan shall not confer on any person any legal or equitable rights against the Company (including the Board and/or the Committee and/or the Trust and/or the Trustees) directly or indirectly or give rise to any cause of action at law or in equity against the Company (including the Board and/or the Committee and/or the Trust and/or the Trustees).
- 27.5 The Company shall bear the costs of establishing and administering this Plan, including any costs of the Company's auditors or any independent financial adviser in relation to the preparation of any confirmation by them or provision of any other service in relation to this Plan.
- 27.6 The Grantee shall comply with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations 2003, as amended from time to time, to the extent applicable, or other applicable regulations notified in accordance with Applicable Laws as well as any code of conduct or such similar policy procedure or system formulated or adopted by the Board and communicated to the Grantee from time to time. Any violation of the Applicable Laws or code of conduct may result in cancellation of all Vested and Unvested Options as well as subject the Grantee to disciplinary action at the discretion of the Company.
- 27.7 The acceptance of the Grant is entirely voluntary and the Company (including the Board and/or the Committee) does not guarantee any return on Shares or Options.
- 27.8 This Plan constitutes the entire document in relation to its subject matter and supersedes all prior agreements and understandings whether oral or written with respect to such subject matter.
- 27.9 Inability to obtain authority: The inability of the Company / Trust to obtain authority from any regulatory body having jurisdiction over the Company / Trust, or under any Applicable Laws, for the lawful issuance and sale of any Shares hereunder shall relieve and wholly discharge the Company / Trust of any and all liability in respect of the failure to transfer or sell such Shares.
- 27.10 No member of the Board may act upon matters under this Plan specifically relating to such member of the Board.

27.11 In the event of dissolution or liquidation of the Company, the Company, subject to Applicable Laws, may notify each Employee as soon as practicable prior to the effective date of such proposed event. The Company, at its discretion, may provide for an Employee to have a right to Exercise his / her Option prior to such event taking place on such terms and conditions as may be approved and all the Options which are not Vested shall lapse and rights there under shall extinguish.

28 SET-OFF

28.1 It is the Trust's obligation to convey to the Grantee/ Nominee that the Shares shall be subject to set-off or counterclaim of amounts owed by the Grantee/ Nominee to the Company/Subsidiary Company and/or the Trust, to the extent permitted under Applicable Laws.

29 SEVERABILITY

29.1 If any of the provisions mentioned in this Plan are determined to be invalid or unenforceable, the remaining provisions shall remain in effect and binding on the parties to the fullest extent permitted by Applicable Laws.

30 CONFIDENTIALITY

30.1 The Grantee specifically confirms and covenants to the Company that the Grantee is aware that the information regarding his/her ESOP entitlements to this Plan is strictly confidential and that the Grantee cannot reveal/share the information with any of his/her peers, colleagues, co-Employees or with any Employee and/ or associate of the Company or Holding Company or Subsidiary Company or any other company. In case Grantee is found in breach of this Confidentiality Undertaking, the Company has an undisputed right to forfeit the Options granted and all Vested Options and Unvested Options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this confidentiality undertaking shall be final and binding upon the Grantee.

30.2 "Confidential Information" includes all trade related information, trade secrets, confidential and privileged information, customer information, employment related information, strategies, administration, research in connection with the Company or Promoters of the Max Group and commercial, legal, scientific, technical data that are either provided to or made available to the Grantee by the Company or developed by the Grantee to facilitate his/her work or that the Grantee is able to know or has obtained access to, by virtue of his/her employment or position with the Company, as the case may be. To illustrate, the following is an indicative list of Confidential Information: -

- (i) computer programs, inventions, samples, designs, drawings, machines, tools, photographs, source codes, object codes, methods, concepts, formulas, algorithms, processes, technical specifications, analyses, discoveries, improvements, marketing methods, manufacturing processes, research and development information.
- (ii) organizational matters, business plans, company policies, sales forecasts, employee and personnel information (including information pertaining to their terms of employment, experience, contact details, appraisals, performance, competencies, specialized skills / expertise, medical information, etc.).
- (iii) non-public financial information relating to the Company or Promoters of the Max Group including their financial results for any period.
- (iv) business plans of the Company or Promoters of the Max Group including its monthly reports and estimates.
- (v) Current and prospective customer lists and information on customers and their Employees.
- (vi) Information relating to existing and potential intellectual property of the Company or

Promoters of the Max Group.

- (vii) Dividend policy of the Company or Promoters of the Max Group including the intended declaration of dividend.
- (viii) Issue of Shares of the Company or Promoters of the Max Group by way of public offers, rights issues, bonus issue, employee stock options.
- (ix) Major expansion plans or execution of new projects including information concerning amalgamations, mergers, acquisitions and takeovers being planned or contemplated by the Company or Promoters of the Max Group and information concerning the purchase of major equipment or property and the disposal of any undertakings of the Company or Promoters of the Max Group.
- (x) Information relating to the Max Group or Promoters of the Max Group regarding acquisition or loss of significant contracts, significant disputes with major suppliers, consumers or any Governmental or regulatory agency.
- (xi) Any information that may affect the earnings/ profitability of the Company or Promoters of the Max Group.
- (xii) Any other change in policies, plans or operations of the Company or Promoters of the Max Group.

30.3 In furtherance of this Plan, the Grantee confirms that:

- (i) the Grantee shall not engage himself / herself in activities that have or will have an adverse impact on the reputation of the Company or Promoters of the Max Group.
- (ii) while during employment with the Max Group, the Grantee shall engage exclusively in the work assigned by the Company and shall not take up any independent or individual assignments, whether the same is part time or full time, (in an advisory capacity or otherwise) and whether directly or indirectly.
- (iii) the Grantee shall not, directly or indirectly, engage in any activity or have any interest in, or perform any services for any person who is involved in activities which are or shall be (in the sole opinion of the Board) in conflict with the interests of the Company or Promoters of the Max Group.
- (iv) in consideration of the Options granted to the Grantee, as also, opportunities, training and access to new techniques and know-how that has been made available to the Grantee, the Grantee shall also strictly abide by any and all of the terms of the employment applicable to the Grantee.
- (v) the Grantee shall maintain secrecy and confidentiality of all Confidential Information and shall not use, or divulge or disclose any such Confidential Information except as may be required under any obligation of law (subject to obtaining the consent of the Company) or as may be required by the Company.
- (vi) the Grantee understands that the Grant of the Option is limited only to the Shares of the Company and the Grantee shall have no recourse to the shares of any other company in any manner whatsoever.
- (vii) the Grantee understands that “Confidential Information” means any or all information about the Company or Promoters of the Max Group that satisfies one or more of the following conditions:
 - (a) such information which has not been made generally available to the public, save and except for information disclosed to the public with its consent; or
 - (b) such information which is critical, in its opinion, to its current or anticipated business activities or those of its customer or supplier or associate or channel

partner and the disclosure of the same would affect their competitiveness; or

- (c) such information which either has been identified as confidential by it (either orally or in writing) or has been maintained as confidential from outside parties and is recognized as intended for internal disclosures only; or
- (d) such information which either is of a nature that it gives a distinct edge to the it over competition when not shared with the competition, or is likely to give any advantage to the competition or any other organization / person / group of persons when shared with the organization / person / group of persons; or
- (e) such information which is required to be kept confidential by any requirement of law.

APPENDIX 1

Illustrative format of LETTER OF GRANT

Date: <<please fill date>>

Dear

Mr. / Ms.: <<please fill>>

Designation: <<please fill>>

Employee Code: <<please fill>>

Address: <<please fill>>

Pursuant to the terms of Max Financial Employee Stock Option Plan 2022 (“ESOP Plan-2022” or “Plan”), the Board of Directors and/or the Committee of Max Financial Services Limited (“Company”) based on the recommendation of Max Life Insurance Company Limited is pleased to offer you <<please fill number>> (in words) number of Options of the Company which shall Vest in accordance with the schedules provided below:

Grant Date	No. of Options Granted	Percentage of Units Vesting	Vesting Date	Exercise price per option
		25% of units granted	Please mention date	Rs.<<please fill price>> per option
		25% of units granted	Please mention date	
		25% of units granted	Please mention date	
		25% of units granted	Please mention date	

A copy of the Plan, specifying the terms and conditions applicable to the Grant of Options hereunder, has been enclosed as Exhibit 1

Each Option entitles you to apply for and be transferred 1 (one) fully paid up Share of the Company at the Exercise Price, during the Exercise Period. Subject to and in accordance with the provisions of ESOP Plan-2022, Vested Options may be exercised during the Exercise Period or such other period as may be specified under or pursuant to ESOP Plan-2022.

Should you wish to avail the benefit of ESOP Plan-2022, kindly convey your acceptance in writing in the format of Letter of Acceptance as enclosed. This Grant is subject to the provisions of ESOP Plan-2022, including in relation to payment of taxes. Additionally, capitalized terms specifically not defined herein shall have the meaning ascribed to such terms in ESOP Plan-2022.

You shall at all times comply with the provisions of the Company’s Code of Conduct and Company’s Code of Personal Trading in Securities (as amended from time to time). Further, note that the Company may declare a blackout period during which time you will not be entitled to Exercise your Vested Options. Please contact your Human Resources Department to find out about blackout period (s).

This notice and the Plan, along with the documents envisaged therein, constitute the entire agreement between you and the Company in connection with the Grant of Options and supersede all previous communication or commitments made to you, whether in writing or otherwise, on this matter.

All taxation of your income resulting from the Plan shall be for your account and no assurance or advice

has been provided by the Company or the Promoters with respect to tax.

This offer is being made to you on following terms and conditions:

1. The Grant is made to you personally and can be accepted only by you, on or before the Closing Date i.e. <<please fill date>>.
2. By your acceptance, you agree to be bound by all the provisions of the Plan.
3. The offer may be accepted by you by completing the Letter of Acceptance (enclosed herewith) and delivery of the same to the Trust on or before the Closing Date stated above.
4. Any failure to return the duly completed Letter of Acceptance on or before the Closing Date shall, unless, the Nomination and Remuneration Committee determines otherwise, be deemed to be a rejection of the offer by you and any acceptance received after the Closing date shall not be valid.
5. On delivery of the duly completed Letter of Acceptance, a Grantee shall be deemed to have irrevocably waived any entitlement, by way of compensation for loss of office or otherwise howsoever, to any sum or other benefit to compensate him for loss of any rights under the Plan.

Yours sincerely,
For, Max Financial Services Limited

Authorised signatory
Enclosed: As above

CC:
The Trustees
Max Financial Employees Welfare Trust

(For information and for follow up actions)

Illustrative format of LETTER OF ACCEPTANCE

Date: <<please fill date>>

KP Corporate Solutions Limited – Trustee for
Max Financial Employees Welfare Trust
11th Floor, DLF Square Building, Jacaranda Marg,
DLF City, Phase – 2,
Gurugram – 122 002, Haryana

Dear Sirs,

This refers to your Letter of Grant dated <<please fill date>> offering me Options under ESOP Plan-2022. Capitalized terms specifically not defined herein shall have the meaning ascribed to such terms in ESOP Plan-2022.

I accept the above offer to participate in the Plan. Further, I declare and accept that:

1. I have been provided with a copy of the Plan and I have read and understood the provisions of the Plan and disclosures in the disclosure documents in their entirety. I agree to abide by the terms and conditions set out in the Plan.
2. The Grant of Options is of an occasional and extraordinary nature and constitutes a gratuitous and discretionary act by the Company and Subsidiary Company. Consequently, no benefit derived from the Options granted under the Plan, or any further offer, forms or shall form a part of my normal, habitual or expected remuneration.
3. The Grant of Options under the Plan does not guarantee any entitlement to any future Grant of Options under the Plan.
4. I hereby accept that no Shares/ sale proceeds therefrom, as the case may be, shall be transferred/disbursed to me or my Beneficiary, on Exercise of the Options under the Plan unless appropriate levies/ taxes/ contributions/payments are recovered from me.
5. I will not carry on or engage directly or indirectly, whether through partnership or as a Shareholder, joint venture partner, collaborator, consultant or agent or in any other manner whatsoever, whether for profit or otherwise any business which competes directly or indirectly with the whole or any part of the business of or any other business carried on by the Company/ Subsidiary Company.

I hereby accept :

The Letter of Grant dated ____ and Options granted therein, under the Max Financial Employee Stock Option Plan 2022.

Date: _____

Signed by the Grantee: _____

Address for communication: _____
(Kindly intimate us upon any change in this address)

APPENDIX 2

Illustrative format of EXERCISE APPLICATION

Please find enclosed the exercise application in the spreadsheet given below

*Personal details	
Title (tick box as appropriate)	Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Miss <input type="checkbox"/> Ms <input type="checkbox"/>
<u>Full name</u>	
First Name, Middle Name, Surname	<input type="text"/>
<u>Full name of the first joint holder if applicable</u>	
First Name, Middle Name, Surname	<input type="text"/>
<u>Full name of the second joint holder if applicable</u>	
First Name, Middle Name, Surname	<input type="text"/>
Full Postal Address	<input type="text"/>
	<input type="text"/>
	<input type="text"/>
Pin code	<input type="text"/>
	Tel no <input type="text"/>
Age	<input type="text"/>
	PAN <input type="text"/>

Employee Number

Employer Name

Residential Status as per the Income-tax Act, 1961

e-mail ID:

Date of termination (for ex-employees):

***Options Details**

Number of options

Options exercised till date

Options exercised vide this application

Exercise Price

Total Exercise Price

No. of Options accepted

vide letter dated

Total

Total options accepted (in words)

No. of options vested

vide letter dated

Total

Total options vested (in words)

Total Exercise Price Payable

Manner of Payment of Exercise Price

Payment by Cheque for full Exercise Price (tick box as appropriate)

***Payment details**

Amount Rs (in figures)

Amount Rs (in words)

Details of payment

Cheque No.

dated

Bank & Branch

The cheque should be crossed 'A/C Payee' and drawn payable to "*<< to be inserted >>*"

Manner of Payment of tax amount

Payment by Cheque for full tax amount (tick box as appropriate)

***Payment details**

Amount Rs (in figures)

Amount Rs (in words)

Details of payment

Cheque No.

dated

Bank & Branch

The cheque should be crossed 'A/C Payee' and drawn payable to " << *to be inserted* >> "

***Demat Account details, if applicable**

Please credit the equity shares transferred to my undermentioned account, which is held by me in the same order of names, as the application made to the Company. I attach herewith my account statement / copy of delivery instruction slip to enable the company to verify my account details.

Depository Participant (DP) Name

DP ID

Client ID

***Signature**

I accept that no shares shall be transferred to me, if applicable, on exercise of the options unless appropriate taxes as required under the applicable tax laws and the Plan are discharged.

I declare that I have not been carrying on or engaged directly or indirectly, whether through partnership or as a shareholder, joint venture partner, collaborator, consultant or agent or in any other manner whatsoever, whether for profit or otherwise any business which competes directly or indirectly with the whole or any part of the Business of or any other business carried on by the Company or any activity related to the business carried on by the Company.

I, the Participant / Beneficiary solemnly declare that the above information is correct and complete to the best of my belief and knowledge.

Date:

(Signature of the Grantee/
Beneficiary)

Place:

In presence of :

APPENDIX 3

Illustrative format of NOMINATION FORM

Date: <<please fill date>>

KP Corporate Solutions Limited – Trustee for
Max Financial Employees Welfare Trust
11th Floor, DLF Square Building, Jacaranda Marg,
DLF City, Phase – 2,
Gurugram – 122 002, Haryana

I, <<please fill name>> son/daughter of <<please fill name>> residing at <<please fill address>> hereby nominate the below persons more particularly described hereunder in respect of the Options granted to me by the Company under ‘Max Financial Employee Stock Option Plan 2022’ (“ESOP Plan-2022”), to be transferred the Shares against the Vested Options which I am entitled to in the event of my death.

Details of the Nominee (s)

Name																	
Sex																	
Age																	
Relationship																	
Address																	
Date of birth	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>D</td><td>D</td><td>M</td><td>M</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr></table>									D	D	M	M	Y	Y	Y	Y
D	D	M	M	Y	Y	Y	Y										
Name of Guardian (In case the nominee is a minor)																	
Address of the guardian																	
Signature of guardian																	

The above nominated beneficiaries shall supersede, revoke and replace any nomination made by me previously and shall remain in force unless suspended, revoked and replaced by subsequent nomination made by me in writing.

Additionally, capitalized terms specifically not defined herein shall have the meaning ascribed to such terms in ESOP Plan-2022.

Thanking you,

Yours faithfully,
(Name, Designation and Signature of Employee)