

Define the term "LEGACY". What do you understand by recoupment of short working.

Legacy Account means a Participant's entire bookkeeping account under the Plan as of the date immediately prior to the Restatement Date, as adjusted for hypothetical earnings and losses based on the terms of the Plan immediately prior to the Restatement Date, and further adjusted for any Legacy Account Earnings thereon. Sample 1 Based on 1 documents

An amount received by a non profit organization as per will is called as legacy. It should be considered as receipts and to be recorded in the receipts and payment account. Legacy should be recorded as capital receipt because it is received for a specific purpose. This has to be added to capital fund and to be taken in the balance sheet.

Examples of Legacy Account in a sentence If the Participant has not submitted an effective distribution election with regard to amounts that are credited to the Participant's Legacy Account Balance at the time of his Retirement, the distribution of the amounts that are credited to the Participant's Legacy Account Balance shall be in the form of a single lump sum payment made within 60 days after the Participant's Retirement.

Deferred Incentive Compensation that had been earned and vested prior to January 1, 2005 has been credited to the Participant's Legacy Account Balance. Each Participant shall be provided the opportunity to select the form of distribution [as set forth in paragraph (A)] and benefit commencement date [as set forth in paragraph (B)] with regard to the

amounts that are credited to the Participant's Legacy Account Balance when the Participant first elects to participate in the Plan. No additional amounts of Incentive Compensation that is deferred under the terms of this Plan shall be credited to a Legacy Account Balance. Notwithstanding the preceding sentence, distribution to a Participant who was an Executive Officer at the time of his Retirement, but who has not submitted an effective distribution election with regard to amounts that are credited to the Participant's Legacy Account Balance at the time of his Retirement, shall be in the form of a single lump sum payment within 60 days after the December 31 of the calendar year of the Participant's Retirement.

*Recoupment of short working.:*

It is the excess of Minimum Rent over the Actual Royalty payable. It is calculated only when it is allowed to be adjusted against the future royalties by the lessor.  $\text{Short-workings} = \text{Minimum Rent} - \text{Actual Royalty}$

The right of Recoupment means the right given to the lessee by the lessor to carry-forward and set-off the short-workings from the surplus of royalties over the Minimum Rent. It can be of two types:

*Fixed Right of Recoupment:* When the lessor allows the lessee to adjust the short-workings only for a fixed period of time, it is known as Fixed Right of Recoupment.

*Floating Right of Recoupment:* When the lessor allows the lessee to adjust the short-working of any year in the next two or three years, it is known