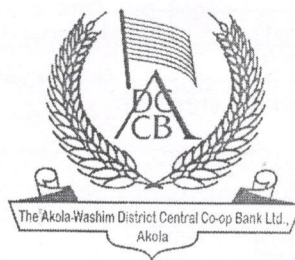


**THE AKOLA-WASHIM DISTRICT
CENTRAL CO-OPERATIVE BANK
LTD., AKOLA.**



**POLICY AND STANDARD OPERATING
PROCEDURE (SOP)
ON SAFE DEPOSIT LOCKER**

Version (V-2.0)

INDEX

Sr No.	Particulars	Page No.
I	Introduction	1
II	Ownership	1
III	Validity of the policy	1
IV	Basis for allotment of lockers to public	1
V	Types of locker hirers	3
VI	Infrastructure, amenities and upkeep of locker rooms	4
VII	Locker Rent & Security deposit	5
VIII	Surrender of a locker	6
IX	Break open of a locker	6
X	Nomination facility	9
XI	Settlement of claims	10
XII	Liability of the Bank	12
XIII	Insurance of Locker contents	13
XIV	Secrecy and confidentiality	13
XV	Customer guidance and publicity	13
XVI	Internal Controls by bank	13

The Akola-Washim District Central Cooperative Bank Ltd., Akola

POLICY AND SOP ON SAFE DEPOSIT LOCKERS

I. INTRODUCTION-

- Safe deposit lockers are the facilities provided by the Bank to their customers to keep their valuables.
- Extension of Safe Deposit Locker facilities to the customer plays a pivotal role in meeting the growing demands of the customers, expanding the customer base and augmenting the non-interest income of the Bank.
- Relationship between a banker and the locker holder is that of Lessor and Lessee. Although the Bank has no knowledge of the contents of the locker, it shall exercise reasonable care and precaution of the vault and the lockers, as a man of ordinary prudence would take of his own locker.
- It is therefore imperative that the Bank shall put in place a Comprehensive policy on Safe Deposit Lockers so as to enable the customers to avail these facilities with ease. It is expected that this document will impart greater transparency in dealing with the individual customers and create awareness among customers.
- Although this facility may not be offered through all bank branches, wherever the facility is offered, allotment of safe deposit vault will be subject to availability and compliance with other terms and conditions as specified by the Bank in accordance with RBI guidelines issued from time to time.
- The policy on Safe Deposit Lockers has been drawn up within the broad guidelines issued by Reserve Bank of India vide circular ref no RBI/2021-2022/86 DOR.LEG.REC/40.09.07.005/2021-22 dated 18th August,2021.
- The Locker-hirer shall not keep anything illegal or any hazardous substance in safe Deposit locker. If, the bank suspects the deposit of any illegal or hazardous substance by any customer in safe deposit locker the bank shall have the right to take appropriate action against such customer as it deems fit and proper in the circumstances.

II. OWNERSHIP-

The ownership of the Policy on Safe Deposit Lockers will rest with **The Akola-Washim District Central Cooperative Bank Ltd., Akola.**

III. VALIDITY OF THE POLICY

The policy on Safe Deposit lockers will become operative from the date of approval by the Board of Directors and shall remain valid till amendment. Further, need based changes, if required, will be made from time to time with the approval of the Board.

IV. BASIS FOR ALLOTMENT OF LOCKERS TO PUBLIC

A. Issuance of lockers:

- The Bank shall allot locker facilities to existing customers of the bank as well as new customers who have made an application for locker facility and which are fully compliant with the CDD criteria under the Master Direction – Know Your Customer (KYC) Directions, 2016 (as updated from time to time) subject to on-going compliance.

- In order to facilitate customers making informed choices, the Bank shall maintain a branch wise list of vacant lockers as well as a waitlist for the purpose of allotment of lockers and ensure transparency in the allotment of lockers. The banks shall acknowledge the receipt of all applications for allotment of locker and provide a wait list number to the customers, if the lockers are not available for allotment.
- A locker shall be made available to a customer who has satisfactory banking relations with the Bank. New customers desiring to avail locker facility shall be required to open new savings account (for individuals) and Current Account (for Entities). This will enable the Bank to recover safe deposit locker rent by executing standing instruction from the customers to auto debit the operative account towards recovery of annual locker rental charges. Security deposit may not be insisted from existing locker holders who have satisfactory, live banking relations.
- At the time of allotment of the locker to a customer, the bank shall enter into an agreement with the customer to whom the locker facility is provided, on a paper duly stamped. A copy of the locker agreement (in conformity with IBA guidelines) signed by both the parties shall be furnished to the locker hirer to know his/her rights and responsibilities.
- Original Agreement shall be retained with the bank's branch where the locker is situated. The stamp duty charges pertaining to locker agreement shall be borne by the locker hirer/s. In addition to the agreement, a separate Locker Application form (as per Banks prescribed format) shall be obtained from the locker hirer which shall be duly filled and signed by all locker hirer/s.
- The Bank shall obtain recent passport size photographs of locker-hirer(s) to operate the locker and the same shall be pasted on Locker application form.
- The locker hirer shall be insisted to avail Nomination facility.
- To ensure prompt payment of locker rent, the Bank shall obtain a security deposit, at the time of allotment of new lockers, which would cover three years rent and applicable charges for breaking open the locker (subject to revision by the Bank) in case of eventuality. However,
- At the time of issuance of locker to the customer, one-time Locker registration charges of Rs.1000/- plus GST shall be collected from the locker holder/s and locker holders are permitted to operate the locker maximum 8 times in a month. The entire schedule of service charges pertaining to lockers shall be informed to locker hirer at the time of allotment of new lockers (details of service charges pertaining to lockers is made available on the website of the Bank for public viewing)
- All rentals are payable strictly in advance. Rent is collected in advance in the month of April every year for the entire financial year. If any locker is rented out in between the financial year, proportionate rent shall be collected till 31st March and thereafter rent shall be collected in advance every year as mentioned above. The locker holder shall be intimated by way of SMS/ Email alert regarding the recovery of locker rent and therefore no separate receipt shall be issued to the locker hirer. It is to be noted that if the locker rent is in arrears, the locker hirer shall not be allowed to operate the locker.
- On completion of the above necessary formalities, the locker hirer/s shall be allotted the locker and necessary locker details shall be marked in CBS.
- The locker hirer/s shall be acquainted with the conditions based on which the lockers are rented out such as schedule of service charges, banking hours of locker

operations, importance of the password and the need for safekeeping of the locker key.

B. Locker Operations-

➤ The locker hirer/s shall be permitted to operate the locker after proper verification of their identity, signatures of the locker hirer/s and recording of the authorization by the custodians of the Bank before allowing locker operations.

➤ The key of the Locker shall be tested i.e., to check whether it opens and locks the assigned Locker smoothly, before handing over to the hirer.

➤ The Bank shall maintain a record (entry in Visit register as well as CBS) of all locker hirers, who have accessed the lockers and the date and time (both check-in and check-out time) on which they have opened and closed the locker and obtain their signature.

➤ Bank shall send an email and SMS alert to the registered email ID and mobile number of the locker holder before the end of the day as a positive confirmation intimating the date and time of the locker operation and the redressal mechanism available in case of unauthorized locker access.

➤ The Branch custodian holding the Master Key shall accompany the locker hirer/s to the locker. The key to operate the locker is with the help of the Master Key and "Hirer's Key" i.e., opening the locker with both the keys simultaneously. However, the hirer shall close the locker with his/her key alone. The lock closes automatically and thus there is no necessity to use the Master Key for closing the locker.

➤ The locker hirer(s) is/ are permitted to operate the locker with the key provided by the Bank and no operation of the locker shall be permitted with a key other than the key provided by the Bank at the time of executing the Agreement. If the key of the locker, supplied by the Bank is lost by the locker hirer(s), it shall be notified in writing without delay by the locker hirer to the branch. All charges for opening the locker, replacing the lost key and of changing the lock, shall be borne by the locker hirer(s).

➤ The custodian official authorizing the locker-hirer to access the locker, after unlocking the master key and renters key shall not remain present when the locker is opened by the locker-hirer.

➤ The Bank shall ensure that there is adequate privacy to the locker-hirers in the operations when customers access the lockers at the same time.

➤ The Bank custodian shall check whether the lockers are properly closed post locker operation. In case, if lockers are not closed properly, the lockers must be immediately closed, and the locker hirer shall be promptly intimated by the Bank. The Bank custodian shall record the fact of not closing the locker properly in the register and its closure by the bank with the date and time.

➤ In addition to the above precautions, at the end of each working day, before closing the vault doors, the custodian of locker shall carry out a physical check of the locker room to verify that no one is left inside the Locker room and that all the lockers which were operated during that day have been properly locked by the hirers and no article / valuables are left behind by the Locker hirers in the strong / Locker room.

V. TYPES OF LOCKER HIRERS-

A. Locker in Individual names:

➤ Lockers may be hired to an individual (single hirer) or two or more individuals (joint hirers). In case of a locker rented to an individual in single name, the locker holder shall be allowed to operate the locker. The bank does not allow the locker holder to give an authority to another person to operate the locker. But in case of registered power of attorney holder it will be permissible under the following circumstances.

- a. The person who owns the locker has to do KYC once a year.
- b. If the locker holder dies, the power of attorney will no longer be valid.
- c. Power of Attorney should specifically mention the bank name, branch name, locker number and the scope of power of attorney holder.
- d. The power of attorney holder can operate the locker, but cannot surrender it.

➤ In case locker is rented to 2 or more individuals, appropriate instructions regarding the operations of the locker shall be incorporated in clear and unambiguous terms in the Locker agreement as well as Locker application form. If the operative instructions indicate “Jointly “then in no case the locker shall be allowed to be operated individually by either of the joint locker hirers.

➤ All KYC documents pertaining to individual customers shall be applicable as per KYC and AML policy of the Bank and shall be obtained on record, (if not obtained)

B. Limited Companies, Associations, Partnership Firms, Societies as Renters

➤ Lockers may be let out to Partnership firms, Public/ Private Limited companies’ /Societies/ Associations or Clubs/ Trust etc in special cases and genuine requirements of the organization.

➤ KYC documents as applicable under KYC -AML policy of the Bank shall be obtained, if not obtained on record

➤ A certified copy of the necessary resolution authorizing hiring of a locker and giving the names and designations of the persons authorized to operate the locker shall be obtained and kept on record.

➤ In case of change in the names of the authorized persons suitable resolutions, properly certified shall be obtained and kept on record. Fresh specimen signature of all the authorized persons duly attested by the authorized person of the society/association/club shall be taken. The same Agreement will continue, and the transaction will not be in the nature of a new locker.

If, all types of customers are not complying KYC and AML guideline, bank has right to inform customer by written three-month notice to closed the locker.

VI. INFRASTRUCTURE, AMENITIES AND UPKEEP OF LOCKER ROOMS

A. Security of the Strong Room/Vault-

➤ Bank shall take necessary steps to ensure that the area in which the locker facility is housed is properly secured to prevent criminal break-ins.

➤ Necessary amenities shall be provided in the vault for the convenience of the locker holder when they visit the vault for operating the lockers.

➤ Bank shall have a single defined point of entry and exit to the locker room/vault.

➤ The place where the lockers are housed is secured enough to protect against hazard of rain / flood water entering and damaging the lockers in contingent situations.

- There shall be periodical checkups to prevent the appearance of insects or other pests in the vault and the vault premises shall be subjected to treatment against termite menace at regular intervals. It shall be ensured that there is no dampness or seepage of subsoil water in the vault.
- The fire hazard risks of the area shall also be assessed and minimized.
- The Bank, as per the policy, shall conduct necessary engineering / safety verification regularly to identify the risks and carry out necessary rectification.
- As per the internal security policy, the Bank shall cover the entry and exit of the strong room and the common areas of operation under CCTV camera and preserve its recording for a period of not less than 180 days. In case any locker holder has complained to the bank that his/her locker is opened without his/her knowledge and authority, or any theft or security breach is noticed/observed, the bank shall preserve the CCTV recording till the police investigation is completed and the dispute is settled.

B. Locker Standards-

- All the new mechanical lockers installed by the Bank are conformed to basic standards / benchmarks for safety and security as prescribed by Bureau of Indian Standards (BIS) or any other enhanced industry standards applicable in this regard.
- The Bank shall ensure that identification Code of the bank / branch is embossed on all the locker keys with a view to facilitating identification of lockers / locker ownership by law enforcement agencies in case of need and as per RBI directives.
- Further, the custodian of the locker shall periodically check the keys maintained in the branch to ensure that they are in proper condition.
- The Bank shall permit the locker-hirer to operate the locker only with the key provided by the Bank, although there is no restriction in allowing the locker holder to use an additional padlock of her /his own if there are such provisions in lockers.

VII LOCKER RENT & SECURITY DEPOSIT

The Rent/ charges will be decided by Board of Directors or Executive Committee and it shall be applicable to customers time to time. The Bank will have right to write-off long time overdue rent.

- The Bank may face potential situations where the locker-hirer neither operates the locker nor pays the rent. To ensure prompt payment of locker rent, the Bank shall obtain a Fixed deposit as a security deposit, at the time of allotment, which would cover minimum of three years' rent and the charges for breaking open the locker in case of such eventuality.
- The Fixed deposits shall be pledged with the Bank and the same shall be lien marked.
- The said Fixed Deposit receipt duly discharged need be in the possession of the Bank.
- The Bank shall have the right to liquidate the Fixed deposit for adjusting towards unpaid locker rental charges and other incidental charges in the event of breaking open of locker, in case the lessee fails to pay the locker rentals.

VIII. SURRENDER OF A LOCKER-

- For surrendering the locker, all locker holders must visit the branch personally and submit a written request for surrendering the locker which shall be duly signed by all locker holders.
- If locker holder/s desires to surrender the locker, the overdue rent, if any, shall be recovered first and then the locker holder/s may be permitted to remove the contents.
- The normal procedure for giving access to the locker holder to the locker may be followed for this purpose.
- After removing the contents of the locker, the locker holder shall hand over the renter's key to the Custodian. The Custodian shall verify the key number from the record, seal it and keep in the key cabinet.
- If the locker is surrendered in the middle of the financial year, the proportionate amount of advance rent collected shall be refunded to the locker hirer.
- The security deposit kept with the Bank under Lien shall be released to the locker holder at the time of surrender of locker.
- As a precautionary measure, the Bank custodian shall carry out a physical check of the locker to ensure that the lockers are properly closed. If the same is not done, the lockers shall be immediately closed and the locker holder shall be promptly intimated.
- If there is any event such as merger / closure / shifting of branch warranting physical relocation of the lockers, the Bank shall give notice to all such locker holders at least 2 months in advance intimating about shifting of lockers to new premises and to vacate the locker before shifting.
- The Bank shall also send a public notice in two newspapers (including one local daily in vernacular language) in this regard and the locker holder shall be intimated at least two months in advance along with options for them to change or close the facility. In case of unplanned shifting due to natural calamities or any other such emergency situation, the Bank shall make efforts to intimate their locker holders suitably at the earliest.

IX. BREAK OPEN OF A LOCKER-

Break opening of a locker may happen under the following circumstances-

- (i) If the hirer loses the key and requests for breaking open the locker at his/her cost- If the key reported lost, is not found by the locker holder despite diligent search, the locker hirer shall notify the Bank immediately. A letter signed by all the lockers holders shall be obtained together with the requisite amount of break open charges and other applicable bank charges. All the locker holders shall remain present at the time of break open of the locker unless they jointly authorize one or more of them to be present on their behalf.
- An undertaking may also be obtained from the locker hirer that the key lost, if found in future, will be handed over to the Bank.
- Arrangements shall be made for the authorised dealer of locker to break open the locker in the presence of the locker holder/s and the custodian and for changing the lever of the lock and making a new key by the authorised dealer of locker.
- The entire cost involved in this connection regarding opening the locker, changing the lock and replacing the lost key shall be communicated and recovered from the locker holder in advance. The Bank shall arrange with the authorised dealer of locker to break open the locker. If the locker holder fails to attend the

vault at the appointed time and the authorized dealer of locker charge again for their mechanic to call at the Bank, the extra charge shall also be recovered from the locker holder.

- The opening of the locker shall be carried out by the Bank or its authorized technician only after proper identification of the hirer, proper recording of the fact of loss and written authorization by the locker holder for breaking open the locker.

- It has to be ensured that the adjoining lockers are not impacted by any such operations and the contents of the lockers are not exposed to any individual other than the locker hirer during the break-up or restoration process.

- After the locker is broke opened, the authorized dealer of locker shall be entrusted with the task of changing the levers and cutting a new key. The locker holder shall be requested to take away all the contents of the locker.

- If the lost key is found by the hirer or a third party and returned to the Bank after the locker has been broke opened, it shall be effectively destroyed in the presence of the Custodian and the Branch Head / Manager and a note to his effect shall be made in the Safe Deposit Locker Register.

(ii) If the Government enforcement agencies have approached the Bank with orders from the Court or appropriate competent authority to seize lockers and requested for access to the lockers-

- In case of any attachment orders received from Law enforcement authorities, the Banks shall co-operate in execution and implementation of the orders.

- The Bank shall verify and satisfy itself about the orders and the connected documents received for attachment and recovery of the contents in a locker.

- At the same time, the locker holder shall be notified that the Government Authorities have approached for attachment and recovery or seizure of the locker. The Bank shall send an e-mail and SMS to the registered e-mail ID and mobile number of the locker holder about the same.

- An inventory of the contents of the locker and articles seized and recovered by the Authority shall be prepared in the presence of such government authorities, two independent witnesses, 2 Bank officials and shall be signed by all.

- A copy of the inventory may be forwarded to the locker holder to the address available in the Bank's record or handed over to the locker holder against acknowledgement.

- The Bank shall record a video of the break open process on his/ her mobile and the inventory assessment, wherever legally permissible, and preserve the video to produce as evidence in case of any dispute or Court/ fraud case in future.

(iii) If the bank is of the view that there is a need to take back the locker as the locker hirer is not co-operating or not complying with the terms and conditions of the agreement- A. Locker Rent is in arrears and not recoverable.

- The Bank shall have the discretion to break open any locker following due procedure if the rent has not been paid by the locker holder for 3 years in a row. The Bank shall notify such locker-hirer and give him/her reasonable time of 15 Days to withdraw the articles deposited by him/her.

- The Bank shall give due notice to the locker-hirer by sending notifications on the registered contact details of the locker hirer if rental of a locker is not paid on due date. Reminder notices shall be sent at periodic intervals to all such locker hirers for payment of rental in arrears.

- In case of non-recovery of overdue rent, further action such as sending a branch official again to see the locker holder and obtain a promise to pay, shall however, be taken only after serving the final Notice.
- In spite of diligent efforts, the locker-hirer is not traceable, and rent is overdue for 3 years in a row, then such lockers will go for break open. Before proceeding for break open exercise, a suitable note shall be placed before the appropriate authority. Thereafter a notice shall be published in two newspapers (one in English and another in local language) giving reasonable time of three months to the locker-hirer or to any other person/s who has interest in the contents of locker to respond.
- In the absence of the locker holder/s, the locker shall be broke opened in the presence of: Branch Manager, Custodian, Bank's lawyer / Notary Public, authorized dealer of locker, two more person - other than branch employee, shall be present, as witness.
- Upon breaking open of the locker, having followed the procedure as set out above, the Bank shall prepare inventory of the contents of the locker and get valuation of the contents done by the Bank's approved valuer and the contents of the locker shall be kept in sealed envelop along with detailed inventory inside a fire proof safe in a tamper proof way.
- During the process of break open of lockers, the branch shall record a video of the break open process together with inventory assessment and its safe keep and preserve the same so as to provide evidence in case of any dispute or Court case in future.
- An inventory of the articles found in a broke opened locker shall be made in triplicate and recorded by way of Panchanama which shall be signed by the Branch Manager, Banks lawyer/ Notary public, Custodian, two more person acting as witness shall be present at the time of opening the locker.
- Articles found in a broke opened locker shall be placed in a packet which shall be sealed with the seals of the Bank and Bank's lawyer/Notary Public as the case may be and kept in the safe under joint custody after entry in the Valuables Other than Cash Register.
- After break open of a locker, the contents shall be kept in sealed envelope with detailed inventory inside fireproof safe in a tamper-proof way until the locker hirer/s claims it. A record of access to the fireproof safe shall invariably be maintained.
- After the locker is broke opened, the lock shall be sent to the authorized dealer of locker for changing the levers and preparing a new key with the same number. This locker shall then be treated as a surrendered locker and the locker shall be closed in the system. Necessary updations shall be recorded in the system.
- While returning the contents of the locker, the Bank shall obtain acknowledgement of the locker holder on the inventory list to avoid any dispute in future.
- Further, the Bank shall not open sealed/closed packets found in locker while releasing them to the nominee(s) and surviving locker hirers / depositor of safe custody article, unless required by law.

C. If the locker remains inoperative for a period of one year or more (as per customer genuine reason) time-

- The Bank shall carry out customer due diligence for both new and existing customers to all the levels prescribed under risk categorization.
- In case locker are not operated for considerable period of one year, Bank shall notify the locker holder and ask the locker holder to give in writing the reason why he/she has not operated the locker. In case the locker holder has some genuine reasons, as in the case of NRIs or persons who are out of town due to a transferable job etc, branches may allow the locker holder to continue with the locker.
- In case the locker holder neither responds / operates the locker nor is traceable, and lockers remaining inoperative for a period of seven years, the Bank shall be at liberty to transfer the contents of the locker to their nominees/legal heir or dispose of the articles in a transparent manner, as the case may be even if rent is being paid regularly.
- Before breaking open the locker, the Bank shall follow the same procedure as prescribed in the above cases.

X. NOMINATION FACILITY –

➤ The Bank shall offer nomination facility in case of safe deposit lockers in accordance with the provisions of section 45-ZC to 45-ZF of the Banking Regulation Act, 1949 and Banking Companies (Nomination) Rules, 1985/Co-operative Banks (Nomination) Rules, 1985.

➤ Nomination enables the Bank to release the contents of a locker to the nominee of the locker holder, after making an inventory of the contents of the locker.

➤ Addition / Variation/ Cancellation in the nomination in case of safe deposit lockers shall be made only by all the locker holders jointly at any time during which the locker is under hire. The following forms shall be utilized for making, cancellation or variation of nomination.

Form SL1 For making nomination by an individual who is sole renter of the locker

Form SL1A For making nomination by individuals who are joint renters of locker

Form SL2 For cancellation of the nomination made

Form SL 3 For variation of nomination made by the individual who is sole renter of locker

Form SL 3 A For variation of nomination made by individuals who are joint renters of lockers

The relevant guidelines in respect of safe deposit lockers are given below:

- Nomination can be made in respect of lockers which are held in the individual capacity of the renters and not in a representative capacity as the holder of any office or otherwise.
- Nomination facility is intended only for individuals, and hence a nominee cannot be an Entity-Association, Trust, Society or any other Organization or any office-bearer thereof in his official capacity.
- Bank shall generally insist that the person/s opening a Safe deposit Locker makes a nomination. Under no circumstances, the branch official shall refuse to allot Safe deposit Locker facility solely on the ground that the person opening the Locker has refused to nominate.

- Nomination or its cancellation or variation, can be made by the sole locker holder in case it is hired by sole locker holder and by all the locker holders jointly in case, locker is hired by more than one locker holder.
- In case of sole locker hirer of the locker, nomination can be made in favour of only one person.
- When nomination is made in favour of a minor, the locker holder, while making the nomination, would appoint another individual, not being a minor, to receive the contents on behalf of the minor nominee in the event of the death of the locker holder during the minority of the nominee.
- A passport size photograph of the nominee attested by the locker holder may be obtained as per his/ her option and preserved on record.
- The Bank shall acknowledge, in writing, to the concerned locker holder, the filing of relevant duly completed form of nomination, its cancellation or variation as the case may be whether the same is demanded by the locker holder or not.

XI. SETTLEMENT OF CLAIMS

XI.1 Access to the articles in case of death of locker hirer-

A. Death of sole locker hirer- If the sole locker hirer nominates an individual to receive the contents in the locker, in case of his death, after verification of the death certificate and satisfying the identity and genuineness of such individual approached, the Bank shall give access of the locker to such nominee with liberty to remove the contents of the locker, after an inventory was taken in the prescribed manner.

B. Locker is hired jointly with the instructions to operate it under joint signatures- In case the locker is hired jointly with the instructions to operate it under joint signatures, and the locker hirer(s) nominates any other individual(s), in the event of death of any of the locker hirers, the Bank shall give access of the locker and the liberty to remove the contents jointly to the survivor(s) and the nominee(s) after an inventory is taken in the prescribed manner.

C. Locker is hired jointly with survivorship clause- In case the locker is hired jointly with survivorship clause and the hirers instructed that the access of the locker shall be given to "either or survivor", "anyone or survivor" or "former or survivor" or according to any other survivorship clause permissible under the provisions of the Banking Regulation Act, 1949, the Bank shall follow the mandate in the event of death of one or more of the joint locker-hirers. In the case of lockers hired jointly with and with any of the above mode of operations, nomination would be permissible. However, such nomination would be in favor of only one person. Bank shall, however, ensure the following before giving access of the contents to the nominee / survivor:

(i) Exercise due care and caution in establishing the identity of the survivor(s) / nominee(s) and the fact of death of the locker hirer by obtaining appropriate documentary evidence.

(ii) Make diligent effort to find out whether there is any order or direction from Courts/Forums restraining it from giving access to the locker of the deceased; and

(iii) Make it clear to the survivor(s) / nominee(s) that access to articles in the locker / safe custody articles is given to them only as a trustee of the legal heirs of the deceased locker hirer i.e., such access given to them shall not affect the right or claim which any person may have against the survivor(s) / nominee(s) to whom the access is given. The Bank shall ensure that, the contents of locker, when

sought to be removed on behalf of a minor nominee, are handed over to a person who is, in law, competent to receive the articles on behalf of such minor.

XI.2 Death claim settlement process wherein nomination is registered-

- The nominee shall have the access and the liberty to remove the contents of the locker upon the death of sole locker holder or in the event of death of all surviving locker holders under survivorship clause.
- Upon death of a locker holder who has made a nomination, the death certificate shall be obtained along with KYC of nominee who is the claimant.
- The Bank shall prepare an inventory of the articles in the presence of two independent witnesses, one official of the bank and the claimant, who may be a nominee or an individual receiving the articles, on behalf of a minor.
- A copy of the inventory shall be kept on record and the other shall be handed over to the nominee.
- In case the key is not traceable or lost, the locker will be broke opened in the presence of the nominee, 2 witnesses one each from both sides, authorized dealer of locker and Banks's lawyer. The contents of the locker will be recorded by way of Panchnama which shall be signed by all the parties and witness. A copy of the same shall be given to the Nominee along with the contents of the locker. The charges of break open shall be borne by the nominee. When a nominee (with or without any joint survivor) wishes to continue to hold the locker, a fresh agreement shall be entered, and other formalities followed as in the of case of renting a new locker.
- The Bank shall obtain a separate letter from the nominee or the person competent to receive articles on behalf of the minor, as the case may be, that all the contents in the locker are received and the locker is empty, and they have no objection to allotment of the locker to any other locker holder as per norms. The nominee shall surrender the key of the locker and hand over the letter of discharge to the Bank officials.
- As access given to the survivors / nominees, as above constitutes a full discharge of the Bank's liability and hence production of legal representation, Succession Certificate, Letter of Administration or Probate, any bond of indemnity or surety etc. from the survivors / nominees shall not therefore be asked for giving them access to the locker, unless there is any discrepancy in nomination.
- It shall be made clear to the nominee(s) that access to the locker is given to them only as a trustee of the legal heirs of the deceased locker hirer i.e., such access given to him/them shall not affect the right or claim which any person may have against the survivors / nominees to whom the access is given.

XI.3 Death claim settlement process wherein nomination is not registered.

- In the event of death of sole locker hirer or all the locker hirers, where nomination is not registered and in absence of any surviving locker hirer/s, access to the locker can be allowed to known legal heirs of the deceased for making an inventory of the contents of the locker for the purpose of

obtaining necessary legal representation (by way of Succession certificate/ Probate/ Letter of Administration, etc) in the presence of Banks advocate/ Notary public or the persons authorized by the court of law in this regard.

- A request to prepare an inventory of the contents of the locker to obtain legal representation to the estate of a deceased locker holder may be acceded to upon proper identification and production of proof of death of the locker holder/s.
- The Inventory of the contents of the locker shall be made in the presence of the person claiming to obtain legal representation, Bank's lawyer/ Notary public, Valuer, 2 independent witness and 2 branch officials (Custodian and other official). The contents shall then be kept back in the locker after verifying with the inventory and the locker shall be locked. The contents of the locker shall be recorded by way of Pachanama in triplicate which will be signed by all the above persons. One copy shall be furnished to the claimant and other copies will be kept with the Bank.
- Before settling the claim, the branch shall recover arrears of rent and locker break open charges and other applicable charges if any, from the claimant.

XI.4 Time limit for settlement of claims:

- Banks shall settle the claims in respect of deceased locker hirers and shall release contents of the locker to survivor(s) / nominee(s), as the case may be, within a period not exceeding 15 days from the date of receipt of the claim subject to the production of proof of death of the depositor and suitable identification of the claimant(s) with reference to nomination, to the bank's satisfaction.
- Bank shall report to the Board, at appropriate intervals, on an ongoing basis, the details of the number of claims received pertaining to deceased locker-hirers / depositors of safe custody article accounts and those pending beyond the stipulated period, with reasons, therefore. The Board of the banks shall review the settlement of claims and make suggestions to ensure that the claims are settled as early as possible unless there is any litigation pending before the Courts or any difficulty is being faced in identifying the true claimant with reference to nomination.

XII. LIABILITY OF THE BANK-

- The Bank shall exercise due diligence in maintaining and operating their locker or safe deposit system. The Bank shall ensure proper functioning of the locker system, guarding against unauthorized access to the lockers and providing appropriate safeguards against theft and robbery. Further, the Bank shall adhere to the Master directions on frauds for reporting requirements about the instances of robberies, dacoities, thefts and burglaries.
- The Bank shall not be liable for any damage and/or loss of contents of locker arising from natural calamities or Acts of God like earthquake, floods, lightning and thunderstorm or any act that is attributable to the sole fault or negligence of the locker holder. Bank shall, however, exercise appropriate care to their locker systems to protect their premises from such catastrophes.
- The Bank shall take all the steps for the safety and security of the premises in which the safe deposit vaults are housed. Although the Bank has no knowledge of the contents of the locker, it shall exercise reasonable care and precaution of the

vault and the lockers, as a man of ordinary prudence would take of his own locker. Entry of unauthorized persons in the vault shall be carefully prevented to obviate any risk. The Bank will, in no way, be responsible / liable for the contents kept in the locker by the hirer. It has the responsibility to ensure that incidents like fire, theft/ burglary/ robbery, dacoity, building collapse do not occur in the bank's premises due to its own shortcomings, negligence and by any act of omission/commission.

➤ For instance, where loss of contents of locker are due to incidents mentioned above or attributable to fraud committed by its employee(s), the banks' liability shall be for an amount equivalent to one hundred times the prevailing annual rent of the safe deposit locker.

XIII. INSURANCE OF LOCKER CONTENTS:

Since Bank do not have access to the contents of locker and they do not keep a record of the contents of the locker or of any articles removed therefrom or placed therein by the locker hirer, the Bank, would not be under any liability to insure the contents of the locker against any risk whatsoever. Bank shall under no circumstances offer, directly or indirectly, any insurance product to its locker hirers for insurance of locker contents.

XIV. SECRECY AND CONFIDENTIALITY:

The Bank will ensure utmost secrecy of the Safe Deposit Lockers hired by the locker holder and will not divulge any information about hiring of lockers, mode of operation etc. to anyone, except when the disclosure is required to be made with the clear consent of the hirer(s) or in compliance of the orders of a competent authority having statutory powers.

XV. CUSTOMER GUIDANCE AND PUBLICITY-

The Bank shall display the model locker agreement with all the Terms & Conditions and the Policy and SOP on Safe deposit locker on the website for public viewing. The Bank shall ensure that the customers are made aware of the Bank's terms and conditions and rent /service charges to avail safe deposit locker facilities.

The lessee shall abide and shall be bound by the terms and conditions as mentioned in locker agreement and the schedule of service charges displayed by the Bank on the website from time to time.

XVI. INTERNAL CONTROLS BY BANK: -

- The security procedures shall be well-documented and the staff concerned shall be properly trained in the procedure. The internal auditors shall verify and report the compliance to ensure that the procedures are strictly adhered to.
- Whenever the locker is surrendered by the hirer. The keys of vacant lockers shall be kept in sealed envelopes. The duplicate master keys shall be deposited with another branch of the bank. There shall be proper record of joint custody of master keys. Banks shall conduct surprise periodic verification of surrendered/vacant lockers and their keys by an officer of the bank who is not connected with their custody and proper record shall be maintained as a proof of such verification.
- The Flowing Forms SC1, SC2 and SC3 are used for Articles left in Safe Custody and Forms SL1, SL1A, SL2, SL3 and SL3A for Safety Lockers, prescribed under Banking Companies (Nomination) Rules, 1985/Co-operative

Banks (Nomination) Rules, 1985. Signatures of the account holders need not be attested by witnesses.

=@=@=@=@=@=

FORM SL1

[Vide para 1.5.2 (i) (a)]

Nomination under section 45ZE of the Banking Regulation Act, 1949, and the Rule 4(1) of the Banking Companies (Nomination) Rules, 1985, by **Sole Hirer in respect of Safety Lockers**

I, _____
(name and address)

_____ nominate the following person to whom in the event of my/minor's death _____

_____ (name and address of branch/office in which the locker is situated)
may give access to the locker and liberty to remove the contents of locker, particulars whereof are given below.

Locker			Nominee			
Type of Locker	Locker No.	Additional Details, if any	Name, Address & Contact No.	Relationship with Hirer, if any	Age	Nominee's date of birth (if minor)

Place:

Date:

Signature/Thumb impression of hirer*

Name(s) Signature(s) and Address(es) of witness(es) @ _____

* Where the locker is hired solely in the name of a minor, the nomination should be signed by a person lawfully entitled to act on behalf of the minor

@ Thumb impression(s) shall be attested by two witnesses

----- tear here -----

ACKNOWLEDGEMENT – SL1

We acknowledge receipt of nomination made by you in favour of _____
(name of nominee)
_____, age _____ years, in respect of the Locker
(address of nominee)
no. _____ hired by you.

Yours faithfully,

Date:

Signature of Bank official with seal

FORM SL1A

[Vide para 1.5.2 (i) (a)]

Nomination under section 45ZE of the Banking Regulation Act, 1949, and the Rule 4(2) of the Banking Companies (Nomination) Rules, 1985, by **Joint Hirers in respect of Safety Lockers**

We, _____
(name and address)

(name and address)

nominate the following person(s) to whom in the event of death of one or more of us _____

(name and address of branch/office in which the locker is situated)

may give access to the locker and liberty to remove the contents of locker, particulars whereof are given below, jointly with the survivor(s) of us.

Locker			Nominee			
Type of Locker	Locker No.	Additional Details, if any	Name, Address & Contact No.	Relationship with Hirer, if any	Age	Nominee's date of birth (if minor)

Place:

Date:

Signatures/Thumb impressions of hirers

Name(s) Signature(s) and Address(es) of witness(es) @

@ Thumb impression(s) shall be attested by two witnesses

----- tear here -----

ACKNOWLEDGEMENT – SL1A

We acknowledge receipt of nomination made by you in favor of _____

(name, address and age of nominee(s)) in respect of the Locker no. _____ hired by you.

Yours faithfully,

Date:

Signature of Bank official with seal

FORM SL2

Cancellation of Nomination under section 45ZE of the Banking Regulation Act, 1949, and the Rule 4(5) of the Banking Companies (Nomination) Rules, 1985, **in respect of Safety Lockers**

We, _____
(name and address)

_____ (name and address)
hereby cancel the nomination made by me/us in favor of _____

_____ (name (s) and address(s) of nominee(s))

in respect of safety locker, the particulars whereof are given below.

Locker			Nominee			
Type of Locker	Locker No.	Additional Details, if any	Name, Address & Contact No.	Relationship with Hirer, if any	Age	Nominee's date of birth (if minor)

Place:

Date: _____ Signatures/Thumb impressions of hirers *

Name(s) Signature(s) and Address(es) of witness(es) @

*Where the locker is hired solely in the name of a minor, the nomination should be signed by a person lawfully entitled to act on behalf of the minor.

@ Thumb impression(s) shall be attested by two witnesses

----- tear here -----

ACKNOWLEDGEMENT – SL2

We acknowledge receipt of cancellation of nomination made by you in favor of _____

(name, address and age of nominee(s)) in respect of the Locker no. _____ hired by you.

Yours faithfully,

Date:

Signature of Bank official with seal

FORM SL3

Variation of nomination under sections 45ZE and 52 of the Banking Regulation Act, 1949 and Rule 4(6) of the Banking Companies (Nomination) Rules, 1985 **by sole hirer in respect of safety locker**

I, _____

(name and address)

cancel the nomination made by me in favor of _____

(name and address)

and hereby nominate the following person to whom in the event of my / minor's death, _____ may

(name and address of branch / office in which the locker is situated)

give access to the locker and liberty to remove the contents of the locker, particulars whereof are given below.

Locker			Nominee			
Type of Locker	Locker No.	Additional Details, if any	Name, Address & Contact No.	Relationship with Hirer, if any	Age	Nominee's date of birth (if minor)

Place :

Date :

Signature / Thumb impressions of hirer*

Name(s), signature(s) and *Signature(s) / Thumb Impression(s)

address(es) of witness(es) @ of hirer

*Where the locker is hired solely in the name of a minor, the nomination should be signed by a person lawfully entitled to act on behalf of the minor.

@ Thumb impression shall be attested by two witnesses.

----- tear here -----

ACKNOWLEDGEMENT – SL3

We acknowledge receipt of nomination made by you in favor of _____

(name, address and age of nominee(s)) in respect of the Locker no. _____ hired by you.

Yours faithfully,

Date:

Signature of Bank official with seal

FORM SL3A

Variation of nomination under sections 45ZE of the Banking Regulation Act, 1949 and Rule 4(7) of the Banking Companies (Nomination) Rules, 1985 by **Joint Hirers in respect of safety locker**

I, _____
(name and address)

cancel the nomination made by me in favor of _____
(name and address)

and hereby nominate the following person to whom in the event of my / minor's death, _____ may

(name and address of branch / office in which the locker is situated)

give access to the locker and liberty to remove the contents of the locker, particulars whereof are given below, jointly with the survivor(s) of us.

Locker			Nominee			
Type of Locker	Locker No.	Additional Details, if any	Name, Address & Contact No.	Relationship with Hirer, if any	Age	Nominee's date of birth (if minor)

Place :

Date :

Signature / Thumb impressions of hirer*

Name(s), signature(s) and *Signature(s) / Thumb Impression(s)
address(es) of witness(es) @ of hirer

*Where the locker is hired solely in the name of a minor, the nomination should be signed by a person lawfully entitled to act on behalf of the minor.

@ Thumb impression shall be attested by two witnesses.

----- tear here -----

ACKNOWLEDGEMENT – SL3A

We acknowledge receipt of nomination made by you in favor of _____

(name, address and age of nominee(s)) in respect of the Locker no. _____ hired by you.

Yours faithfully,

Date:

Signature of Bank official with seal