

The Vaidyanath Urban co-op Bank Ltd.

Parli Vaijnath Dist.Beed

Locker Policy :2021-22

Passed on Board of Directors meeting Dt. 24.12.2021

Resolution No. 23(24)

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1. BASIS FOR ALLOTMENT OF LOCKER TO PUBLIC

- Bank's lockers will be available to any person, having contractual capacity i.e. capacity to enter into a contract. When the Bank lets a Safe Deposit Locker on hire to any person, the contractual relationship between them is established that of a Bailor and a Bailee.
- The existing customers of a bank who have made an application for locker facility and who are fully compliant with the Customer Due Diligence (CDD) criteria under Know Your Customer (KYC) Directions may be given the facilities of safe deposit lockers subject to on-going compliance.
- Customers who are not having any other banking relationship with the bank may be given the facilities of safe deposit locker after complying with the CDD criteria under the Know Your Customer (KYC) Directions and subject to on-going compliance.
- In order to facilitate customers with lockers, bank shall maintain a branch wise list of vacant lockers as well as a wait-list in Core Banking System (CBS) or any other computerized system compliant with Cyber Security Framework issued by RBI, for the purpose of allotment of lockers and ensure transparency in allotment of lockers.
- The bank 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. At least, 80% lockers are to be allotted on 'FIRST COME FIRST SERVE' Basis.
- The due diligence shall be carried out for all the customers in whatever rights and capacities they may be hiring the locker.
- Lockers may be hired by providing Necessary KYC Documents as per KYC policy.

A locker should not be hired out to a minor. The Bank will not allow locker to be let out in the single name of a minor as the minor does not possess contractual capacity.

2. LOCKER SPECIFICATIONS

The Bank is associated with different vendors to supply Lockers. The various types and their sizes along with other specifications are mentioned as per Locker Tariffs and Security Deposits with areas.

3. RENTALS:

- Rent for each type of Locker (as per size of the Locker) will vary. The rent rates & Penalty charges will be fixed and revised from time to time by the HO.
- Locker rent will be recovered on annual basis. The lease period of one year will start from the date of hiring the locker and will continue till the preceding day of the corresponding date in the subsequent year.
- Locker Rents shall be recovered in advance for a minimum period of one year, at the time of hiring out the locker.
- To facilitate recovery of rent on yearly basis, it is necessary to obtain Letter of Authority to debit this S.B./C.D. Account on the due date by using prescribed form for this purpose at the time of allotment of locker.

4. LOCKER ALLOTMENT PROCEDURE

The desiring customers should submit an application, in Bank's form, furnishing complete particulars like:

Name and full address of the applicant with phone number.

- Occupation and Business address.
- Mode of Operation - Singly / "EorS" / "AorS" / Jointly
- Full names and specimen signatures of all Joint Holders
- Latest Photographs.
- KYC Proof as per 'Annexure I'.
- Locker Agreement
- Letter for Standing Instructions if required
- Security Deposit

5. FIXED DEPOSIT AS SECURITY FOR LOCKERS:

- Bank may face potential situations where the locker-hirer neither operates the locker nor pays the rent. To ensure prompt payment of locker rent, Bank will obtain a Term Deposit, at the time of allotment, which would cover three years' rent and the charges for re-keeping of the locker in case of such eventuality.

Bank, however, shall not insist on such Term Deposits from the existing locker holders or those who have satisfactory operative accounts.

- Such Term Deposit receipt shall be pledged with the Bank and the same shall be lien marked, as per the RBI Policy. To comply with this condition, the following should be observed:
 - ✓ Fixed Deposit Receipt shall be in the name of only All Locker Holders. It should be duly discharged on revenue stamp and a Letter of Discharge should be taken from the customer.
 - ✓ Letter of lien signed by all the Locker holder
 - ✓ FDR's to be marked lien in the CBS system.
 - ✓ Acknowledgement to be given to locker hirer, if required.

6. PROCEDURE AT THE TIME OF FIRST OPERATION OF THE LOCKER:

- Application cum Specimen Signature Form / "Memorandum of Hiring" should be kept under lock and key under the custody of the Officer-in-Charge of Lockers.
- The key of the Locker should be tested i.e. to check whether it opens and locks the assigned Locker smoothly, before handing over to the hirer.
- As and when a Locker is rented out, the sealed packet relating to that Locker should be taken out and the seal removed in the presence of the hirer and the key has to be tested to check whether it opens & locks the particular Locker. While doing so the officers should explain to the hirer how the Locker could be opened only with both the keys (the key of the respective Locker & the Master key) and how it could not be opened by solely by the Locker key or by the Master key.
- When a locker is allotted to more than one person, clear instructions regarding operation

and surrender of the locker must be taken at the very beginning to avoid future complications. It should be ascertained whether the locker will be operated by anyone or more or all persons and whether, in the event of death of one of the parties, access may be given to the survivors without reference to the legal heirs of the deceased, and such instructions should be got signed by all the persons. Also, special instructions should be recorded on the specimen signature cards.

7. ADDITION AND DELETION OF NAMES:

- Deletion / Additions of new names to the hired Lockers can be made only when all the existing hirers agree in writing to such a proposal.
- The Locker holder may at any point of time approach the Bank Officials for addition / deletion of names to operate the Locker. The Bank Officials should take out most care and obtain a Letter signed by all the locker holders to either add / delete the name of the concerned person.

ADDITION OF NAMES

- a. The Branch Officials should obtain a letter in writing signed by all the existing Locker holders.
- b. All attested KYC proof's to be taken on record.
- c. Also, a fresh Agreement with regard to additions should be executed by all the locker holders including the new / inducted member.
- d. Thereafter, the mode of operations instruction to be recorded.
- e. Branch Officials to obtain a new specimen form signed by all the Locker holders.

DELETION OF NAMES

- a. The Branch Officials should obtain a letter in writing signed by all the existing Locker holders, except in case of death of one of the locker holders.
- b. Request for deletion of names should be recorded on the Specimen Form along with reference of letter dated addressed by the Locker holder /s.
- c. The Branch Officials should affix the stamp and put his signature on the Specimen Form.
- d. The Letters should be attached to the Specimen Form itself.

8. 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. In case the nominee is a minor, the same procedure as prescribed for the bank accounts shall be followed by the Bank. A passport size photo of the nominee attested by the customer may be obtained from the customer, at his / her option and preserved in the records.

- Nominee means Entity named or appointed by another (the nominator) to act on its behalf in a limited capacity or in a specific matter. In other words, he is an agent or a trustee.
- Nomination facility is intended only for individuals, and hence, is not available for sole proprietorship concerns, officials etc. Nominee should also be an individual.
- A nominee cannot be an Association, Trust, Society or any other Organization or any office-bearer thereof in his official capacity.
- Addition / Variation/ Cancellation in the nomination in case of safety lockers hired shall be made only by all the safety locker hirers jointly.
- Nomination can be changed any time during the currency and should be signed by all the locker holders.

NOMINATION PROCEDURE

- Branch shall generally insist that the person/s opening a Safe deposit Locker makes a nomination.
- In case the person/s opening Safe deposit Locker declines to fill in nomination, the Bank shall explain the advantages of nomination facility.
- If the person/s opening Safe deposit Locker still does not want to nominate, the Bank shall ask him to give a specific letter to the effect that he does not want to make nomination.
- In case the person/s opening Safe deposit Locker declines to give such a letter, the Bank shall record the fact on the opening form and proceed with opening of the Locker if otherwise found eligible.
- Under no circumstances, a Bank shall refuse to open Safe deposit Locker solely on the ground that the person opening the Locker refused to nominate.
- This procedure is applicable even in respect of Safe deposit Locker in the name of Sole Proprietary Concerns.
- As per Companies (Nomination) Rules, 1985/Co-operative Banks (Nomination) Rules, 1985, only Thumb-impression(s) shall be required to be attested by two witnesses. Signatures of the Safe deposit Locker holders need not be attested by witnesses.

CHANGE/CANCELLATION OF A SUBSISTING NOMINATION

- Bank shall allow change/cancellation of a subsisting nomination by all the surviving depositor(s) acting together. This is also applicable to Safe deposit Locker holder having operating instructions "Either or Survivor".
- Bank shall acknowledge in writing to the depositor(s)/ locker hirers (s) the filing of the relevant duly completed Form of nomination, cancellation and/or change of the nomination, if required.

9. SETTLEMENT OF CLAIMS IN CASE OF DEATH OF A CUSTOMER

- **Time limit for settlement of claims:** Bank 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

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periodnotexceeding15daysfromthedateofreceiptoftheclaimssubjecttotheproduction ofproofofdeathofthedepositorandsuitableidentificationoftheclaimant(s)withreferen cetonomination,tothebank'ssatisfaction.

- **ReportingtoBoD** :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. BoDshall 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.

CLAIMSWITHNOMINATIONS:

Nomineewillingtocontinue the lockerfacility:

- TheNomineeshouldsubmitthe‘TransmissionClaimFormWithnominee’totheBank alongwithhis/herKYCproofs.
- TheBankOfficialswillascertaintheKYC’sprovidedandshallallowthenomineetoacc esstheSafeDepositLocker.
- If the Nominee desires to continue the said Locker in his/her name, he / she shouldrepresent his desire to continue the same locker in his/her surrender letter cumapplication.
- The Nominee should further complete all the required formalities afresh, to thesatisfaction of the Bank Officials as per Bank’s Policy with regards issuance of newLockers.

Nomineenotwillingtocontinuethelockerfacility:

- The Nominee should submit the ‘Transmission Claim Form – With nominee’ to theBankalongwithhis/herKYCproofs.
- The Bank Officials will ascertain the KYC’s provided and shall allow the nominee toaccessstheSafeDepositLocker.
- The Nominee shall surrender the Key of the locker and hand over the letter ofdischargetotheBankOfficials.
- Incasethekeyisnottraceableorlost,thelockerwillbeprotectedinthe presence oftheNominee,2witnessesoneeachfrombothsidesandthecontentsofthelockerwill berecordedbywayofPanchnamatobesignedbyallthepartiesandwitness.Acopy ofthe sametobegiven to theNomineealongwiththe contents of thelocker.ThechargesofbreakopenoflockershallberecoveredfromtheNominee.

CLAIMSWITHOUTNOMINATIONS:

Willingtocontinuethelockerfacility:

- Bank Officials shall guide the legal heirs of the locker holder, of our Bank’s

policy and also the required formalities to be completed before the Bank accedes to their request.

- Legal representative/s should submit 'Transmission claim forms - Without Nominee' along with all the KYC proofs.
- Bank Officials should be guided by your Transmission Policy to settle the claims.
- In case of death of any one of the joint hirers, the case should be examined on the basis of the condition no.2 of the Memorandum of Letting of Locker/ access should be allowed to the surviving hirer jointly with the legal heirs of the deceased hirer.

Not Willing to continue the locker facility

- The Nominee should submit the 'Transmission Claim Form - Without Nominee' to the Bank along with his/her KYC proofs.
- The Bank Officials will ascertain the KYC's provided and shall allow the claimant to access the Safe Deposit Locker.
- The Claimant shall surrender the Key of the locker and hand over the letter of discharge to the Bank Officials.

ACCESS TO THE ARTICLES IN THE SAFE DEPOSIT LOCKER/ RETURN OF SAFE CUSTODY ARTICLES:

- 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.
- In case the locker was 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 was taken in the prescribed manner.
- In case the locker was hired jointly with survivorship clause and the hirers instructed that the access of the lockers should be given to "either or survivor", "any one 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.
- Bank shall, however, ensure the following before giving access to the contents to nominee/ survivor
- Exercised 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 appropriated documentary evidence
- Make diligent effort to find out whether there is any order or direction from Courts/ Forum restraining it from giving access to the locker of the deceased
- Make it clear to the survivor(s) / nominee(s) that access to articles in the locker /

safecustodyarticlesisgiventothemonlyasatrusteeofthelegalheirsofthedeceasedlocker hirer i.e., such access given to them shall not affect the right or claim which anypersonmayhaveagainstthesurvivor(s)/nominee(s)towhomtheaccessisgiven.

- 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. Further, the bank shall prepare an inventory of the articles in the presence of two independent witnesses, one officer of the bank who is not associated with the locker facility or safe deposit of articles and the claimant (s), who may be a nominee or an individual receiving the articles, on behalf of a minor.
- The bank shall obtain a separate statement from the nominee (claimant) or the person competent to receive articles on behalf of the minor, as the case may be, that all the contents in the locker or in the safe custody of the bank, as the case may be, are receivedand the locker is empty and they have no objection to allotment of the locker to any other customer as per norms.
- While giving access tothesurvivor(s)/nominee(s)ofthedeceasedlockerhirer/depositorofthesafecustodyarticles,banksmayavoidinsistingontheproductionofsuccessioncertificate,letterofadministrati onorprobate,etc.,orobtainanybondofindemnity or surety from the survivor(s)/nominee(s), unless there is any discrepancy innomination.

10. INFRASTRUCTURE AND SECURITY

STANDARDS SecurityoftheStrong Room/Vault

- Bankshalltakenecessarystepstoensurethattheareainwhichthelockerfacilityishousedis properly secured to prevent criminal break-ins. The risks of accessibility of an allottedlocker from any side without involvement of the locker-hirer concerned may be assessedandkeptonrecord.
- Bankshallhaveasingledefinedpointofentryandexittothelockerroom/vault.
- The place where the lockers are housed must be secured enough to protect againsthazardofrain/floodwaterenteringanddamagingthelockersin contingentsituations.
- Thefirehazardrisksoftheareashouldalsobeassessedandminimized.
- The banks, as per their policy, shall conduct necessary engineering / safety verificationregularlyto identify the risks and carryoutnecessaryrectification.
- Theareahousingthelockersshouldremainadequatelyguardedatalltimes.
- Bankshallcoverthe entryand exitof the strongroom and the common areasofoperation under CCTV camera and preserve its recording for a period of not less than180 days. In case any customer has complained to the bank that his/her locker isopened 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.

- The internal auditor shall verify and report the compliance to ensure that the procedures are strictly adhered to.

Locker Standards

- All the new mechanical lockers to be installed by the bank shall conform 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.
- Banks 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.
- The custodian of the locker i.e. Branch Manager shall, regularly/periodically, check the keys maintained in the branch to ensure that they are in proper condition.
- 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 customer to use an additional padlock of her/his own if there are such provisions in lockers.
- When the Locker Units are installed by the supplier, the keys of the individual Locker units and the Master key (to be used by the Bank) will be handed over to the Branch Manager by the company.
- The Manager shall first check whether all the keys open & lock the respective Lockers smoothly prior to renting out the Locker to customers. The each key must be kept in a small cover and sealed, noting on it the Locker number & key number. These sealed covers (keys) should be kept in a box arranged in the order of Locker number and this box should be kept in a vacant Locker or inside cash safe.

Master Key

- A locker is operated by dual lock system. The first key is considered as 'Master Key' which is in the possession of the Bank. And the second key being the Hirer's Key should be carefully kept/preserved by the hirer.
- The 'Master Key' is common to all lockers in a cabinet in a particular branch. This is issued by the manufacturing company in duplicate. The original key is to be used by the Officer and the duplicate key is lodged with ADM Department of H.O.
- During office hours, the Manager / Officer in charge of Locker should hold the Master key and he should not part with it. It should never be carried out of officer premises.
- The Master key should be kept in the cash safe under double lock except during

office hours.

11. OPERATIONAL INSTRUCTIONS AND PROCEDURE:

Regular Operations by Customers

The locker hirer and/or the persons duly authorized by him/ her only shall be permitted to operate the locker after proper verification of their identity and recording of the authorization by the officials concerned of the bank.

The bank shall maintain a record of all individuals in the Locker Register, including the 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.

Locker No.	Name of the Locker Holder	Signature of hirer operating	Time of Entry in Locker Room	Time of Checking out	Signature of Officer

Branch Official shall verify customer's signature properly and promptly, before allowing him/herto operate the locker. The verifying Branch Official will put his signature in front of the locker entry made in the register as a token of satisfactory verification of signatures.

The Branch shall make data entry of each visit of the customer to operate the locker in the Locker Software immediately at the time of entry and exit of the customer.

The ingress and egress register for access to Vault Room by locker-hirers or any other individual including the banks' staff shall be maintained to record the movement of individuals in the Vault Room areawith their signatures at appropriate place in the records.

The Branch Officials holding the Master Key/First Key shall accompany the locker holder 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 can 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 bank's officer authorizing the locker-hirer to access the locker, after unlocking the first key/password shall not remain present when the locker is opened by the locker-hirer.

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

Banks shall send an email and SMS alert to the registered email ID and mobile number of the customer 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.

Locker left open by the Hirer:

The bank custodians shall check whether the lockers are properly closed post locker operation. If the same is not done, the lockers must be immediately closed, and the locker-hirer shall be promptly intimated through e-mail, if registered or through SMS, if mobile number is registered or through letters so that they may verify any resulting discrepancy in the content of the locker. The bank custodians shall record the fact of not closing the locker properly in the register and its closure by the bank with the date and time.

At times, the hirer may go out of Vault/Locker Room without properly locking his Locker / leaving the locker key to the locker. The Bank Officials may have no knowledge of the same making it difficult to take cognizance of the contents of the Lockers.

In addition to the above precautions, at the end of each working day, before closing the vault doors, the officer in charge of Lockers (CUSTODIAN) should first check that no one is still inside the Locker room (vault) and then should check with reference to the "Locker Access Register" all the Lockers which were operated during that day to ensure that they have been properly locked by the hirers and no article / valuables are left behind by the Locker hirers in the strong/Locker room. Valuable/articles found in locker room:

Customer (hirer) by mistake or in a hurry, may leave certain valuable articles in the Locker room. Such valuable articles found inside the Vault or "Safe Deposit Locker Room" must be kept under proper Safe Custody as per the following guidelines:

A Register with title "Valuable Articles Found in The Locker Room" shall be maintained by the Branch with the following columns.

Date	Description of Valuables with Shop/Maker's name and address, if available	Signatures of Manager & Officer-in charge of Lockers

- The valuable articles found inside the Locker room should be kept in a cover, which should be properly sealed with the date of finding the article noted on this cover. The Manager, office in charge of Lockers and the cashier all will have to affix their full signatures on this cover.
- Efforts should be taken, through discreet enquiries of all those Locker customers who operated their Lockers on that particular day, to trace the true owner of the valuable articles found inside the Locker room.

- Excepting the Manager, officer in charge of the Locker and the cashier (if he is also included) no other staff in the Branch should be allowed to know the details and description of the valuables found in the Locker room. Utmost secrecy should be maintained to ensure that the information does not leak out to anyone else.
- The Manager will have to, in all such cases, inform the appropriate officer at HO, through a confidential letter in the Branch Letter Head, giving full particulars of date & time of finding the valuables inside the Locker room, their full description and number of items found. This letter must be prepared in "triplicate", first copy of which will be retained with the sealed cover, second copy will be kept in a separate file maintained for this purpose titled as "Valuables / Documents found inside Locker room" and the third copy to be sent to the appropriate officer at HO [e.g. GM/DGM (Admin/Dev.)].
- In case any claim is received or a reference to this loss is made by any of the Locker customers, the Manager will have to satisfy himself beyond any doubt that the person claiming is the genuine person. This should be possible if the person gives the correct description of each article he had misplaced in the Locker Room with the shop / maker from whom he had purchased them (if he is able to produce the purchase bill it will serve the purpose of identification of the article).
- After identifying the genuine person (Locker hirer) the Manager will get the permission from the appropriate officer of HO to release the articles against indemnity bond (on stamp paper of appropriate value as per directions of Legal Department).
- An acknowledgement should be obtained from the hirer, in writing giving full description of the articles received back by him.
- At the time of releasing the articles to the hirer all necessary details should be recorded in the Register maintained for this purpose with the following columns.

Name & address of the claimant	Description of articles found & now restored to the Locker hirer	Indemnity Bond date	HO order dated

Date of releasing the articles to the claimant	Signature of the claimant	Compliance report sent to HO on Date	Initials of officers (Manager & Custodian)

Unclaimed articles:

Whenever articles/valuables are left in the branch premises unclaimed, they are to be kept in safe custody and the matters should be reported to Head Office.

12. DEFAULT OF RENTALS:

- In the event of locker rent remaining unpaid for more than three months, TWO reminders should be sent to the Locker holder with at an interval of 10 days under certificate of posting, requesting him/her to pay the amount immediately. This letter should be delivered by way of Registered AD to maintain the record.
- In event, this letter remains unaddressed by way of non-payment of the locker rent, a Final Demand Notice Letter should be sent to the Locker Hirer by the Hand Delivery and RAD.
- In case, if the Locker rent is still not paid, the Bank shall have the right to refuse access to the locker without prejudice to Bank's right to break open the locker.
- In case of sticky accounts, Branch should adopt the following measure:
 - A sticker should be affixed on the locker to easily identify and advise, to pay the rent immediately.
- The Bank Officials are under obligation to freeze opening of the Locker under the following circumstances:
 - Dispute amongst the Locker Holders/Specific request from either or anyone of the Locker holders.

FREEZE AND UNFREEZE

Freeze Locker Operations

- On receipt of a letter from any of the locker holder with a request to freeze the locker operations under the circumstances as mentioned above, the Branch Officials should prima facie observe the following:
 - To record the date and the time of the receipt of the letter.
 - To verify the signature of the locker holder before acceding to the request to freeze the operations of the locker
 - To attach the letter to the locker form.
 - Instructions to be written in the locker register and in CBS.

Unfreeze Locker Operations

- To unfreeze/allow the operations in the Locker account, the Branch Officials should prima facie observe the following:
 - To obtain a letter bearing signature of all the locker holders with a request to allow operations in the account.
 - On receipt of the letter to record the date and time thereupon
 - To verify the signatures of all the locker holders.

- To attach this letter also to the locker form.
- Instructions accordingly to be modified and recorded in the locker register and in CBS.
- Injunction Order from Competent Authorities to stop access.
- The Bank Officials should take on record a letter signed by all the locker holder to unfreeze and allow operations in the account.

Recovery and followup:

- Details of follow up done are required to be recorded in the Locker Register. This should show the following
- Expiry date, Renewal date in respect of the lockers, S.B. Account Number and Address in detail.
- Date of issue of Notices/Reminders sent etc.
- Branches should maintain a record of the steps taken for proper follow up done for recovery of rent.
- A letter for Locker Rent due through system should be sent to the hirer fifteen days before the expiry period. Locker number should not be indicated in this letter. Despite, sending a letter to him/her, if he/she refuses to pay the rent.
- In the event of locker rent remaining unpaid for more than three months, TWO reminders should be sent to the Locker holder with an interval of 10 days under certificate of posting, requesting him/her to pay the amount immediately. This letter should be delivered by way of Registered AD to maintain the record.
- A Final Demand Notice Letter should be sent by Registered Post Acknowledgement Due specifically stating that if he is not inclined to renew the agreement by paying rent, he / she should surrender the locker within fifteen days from the date of notice failing which the same should be broken open by the Bank Officials.
- In case of default, if the registered letter / notice served is returned undelivered on any ground / reason (not found / not refused etc.), the returned envelope containing the above remarks should be kept safely along with Memorandum of Letting of Locker. Notation to this effect may be made on the Locker Register.
- Notice charges should be recovered by debiting the amount to the hirer's account.
- These details should be recorded in the Locker Register. This record should be maintained so as to bring clarity in the status / position of availability of Lockers at any point of time.

13. PROHIBITORY ORDERS:

- Access should not be allowed to the hirer of a Locker on which a valid prohibitory order from a competent authority or a Court appointing a Receiver in respect of the Locker is received.
- In the event of the competent authority bringing an order for making an inventory

of the content of the Locker and accompanied by the hirer, the access of the Lockers should be allowed. However, the hirer should be made to sign the Locker Access Register as usual.

14. INOPERATED LOCKERS:

- Where the lockers have not been operated for more than three years for medium risk category or one year for a high risk category, the Branch Officials should immediately take steps to contact the locker hirer and advise him / her / them to either operate the locker or surrender it.
- This exercise should be carried out even if the locker hirer is paying the rent regularly.
- Further, the Bank Officials should ask the locker hirer to give in writing, the reasons why he / she did not operate the locker.
- In case the locker hirer has some genuine reasons as in the case of NRIs or persons who are out of town due to a transferable job etc., Bank Officials may allow the locker hirer to continue with the locker. A letter / mail to this effect should be taken on record.
- In case the locker hirer does not respond nor operate the locker, Bank Officials should consider opening the lockers after giving due notice to him.
- If the locker remains inoperative for a period of seven years and the locker-hirer cannot be located, even if rent is being paid regularly, 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. Before breaking open the locker, the bank official shall follow the procedure. Bank official shall ensure that the procedure to be followed by them for disposal of the articles left unclaimed for a reasonably long period of time as mentioned above is incorporated in their locker agreement.

15. SURRENDERING LOCKERS

- Either party (Bank / Hirer), may terminate the Agreement on giving to the other seven days advance notice of such intention in writing prior to the date on which the agreed period of renting terminates and the key of the locker shall in such case be delivered by the Hirer / to the Bank.
- Lockers are to be surrendered only on the basis of a written request from the Customer (in person) duly signed by all Locker holders. Any exceptions will be handled on a case-to-case basis. Thereafter, the locker holder should submit a letter bearing contents to denote clearly that the locker has been vacated & all the belongings have been removed.

- Further, the Bank Officials shall seek signature of all the Locker holders in the Column mentioned Surrender of Locker on the Specimen Form.
- The Bank Officials shall further levy surrender charges along with service tax, as applicable from time to time.
- The Deposit Receipt kept with the Bank under Liens shall be released to the locker holder on obtaining his/her/their signature on the register where it is recorded.
- If the locker is surrendered in the middle of the financial year, rent collected for six months will be retained and balance may be refunded in case of genuine surrender of lockers.
- If locker rent is collected in advance, in the event of surrender of a locker by a customer, the proportionate amount of advance rent collected shall be refunded to the customer.
- If there is any event such as merger / closure / shifting of branch warranting physical relocation of the lockers, the bank shall give public notice in two newspapers (including one local daily in vernacular language) in this regard and the customers 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, banks shall make effort to intimate their customers suitably at the earliest.
- If a hirer surrenders the locker before the due date of Security Deposit, the deposit will be refunded by treating it as a prepayment. The hirer may also decide for continuance of deposit till its maturity to avoid loss of interest.
- **The lock of the surrendered Locker must be inter-changed with that of a vacant Locker. In case no vacant Locker is available in the branch then a spare lock should be procured from the company which supplied the Locker units and the same should be fitted in the surrendered Locker retaining the lock of that Locker as a spare one. These costs will be borne by the Bank.**
- Only after changing the lock of the surrendered Locker the same could be hired out to another customer.

16. CLOSURE AND DISCHARGE OF LOCKER

ITEMS: PROCEDURE FOR BREAKING OPEN

THE LOCKER:

This part refers to the breaking open of the locker in a manner other than through the normal access by the customer using her/his original key under any one of the following circumstances:

- i) if the hirer loses the key and requests for breaking open the locker at her/his cost; or
- 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; or
- 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.

Before breaking open the locker, prior permission from Head Office should be obtained. A note for the same should be put up mentioning the details of efforts taken and all the correspondence and proofs attached.

i) Discharge of locker contents at the request of customer (If Key is lost):

- If the key of the locker, supplied by bank is lost by the locker-hirer, the customer (locker hirer) shall notify the bank immediately in writings signed by all account/locker holders.
- An undertaking may also be obtained from the customer that the key lost, if found in future, will be handed over to the bank.
- On receipt of such letter, the Officials should make a note of the same and in consultation with the hirer/s, and the manufacturers arrange for a date to break open the locker.
- All charges for opening the locker, changing the lock and replacing the lost key may be recovered from the hirer. The charges applicable for replacement of lost keys shall be communicated to the locker hirer.
- The opening of the locker has to 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 customer for breaking open the locker.
- On the appointed day, the locker should be broken open in the presence of the hirer/s and the Officials. The hirers should take possession of the contents and sign acknowledgement for having received the same. Notation to this effect should be made in the record.
- In case, where a locker is hired by more than one person jointly and the same is operated singly then if only one person is to be present at the time of break open of the locker, the joint hirer/s should give letter of authority to supervise the operation in favour of that person. However, in case where the locker operation is jointly, all the hirers should be present.
- Separate Resolutions shall be required in case of Private Limited Companies
- In case of Blind/ Illiterate person further precautions shall be taken as per Banks Policy from time to time.
- It shall 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.

ii) Attachment and recovery of contents in a Locker and the Articles in the safe custody of the bank by any Law Enforcement Authority

- In case of attachment and recovery of the contents in a locker of a customer or the articles left by a customer for safe custody of the bank by any Authority acting either under the orders of a Court or any other competent authority vested with the power to pass such orders, 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 or articles in the safe custody of the bank.
- The customer (locker-hirer) shall be informed by letter as well as by email/SMS to

theregisteredemailid/mobilephonenumberthattheGovernmentAuthoritieshaveapproach edforattachmentandrecoveryorseizureofthelockerorarticlesdepositedforsafecustody.

- AninventoryofthecontentsoflockerandarticleseizedandrecoveredbytheAuthoritysh allbepreparedinthepresenceofsuchGovernmentAuthorities,twoindependentwitness esandanofficerofthebankandshallbesignedbyall.
- A copy of the inventory may be forwarded to the customer to the address available inthebank'srecordsorhandedovertothecustomeragainstacknowledgement.
- Bankshallalsorecordavideoofthebreak-openprocessandtheinventoryassessment, whereverlegallypermissible,andpreservethevideotoproduceevidenceincaseofany disputeorCourtorfraudcaseinfuture.

iii) Dischargeoflockercontentsbybanksdue tonon-paymentoflockerrent

- Bank shall have the discretion to break open any locker following due procedure if therenthasnotbeen paidbythecustomerforthreeyearsinarow.
- Thebankshallnotifytheexistinglocker-hirerpriortoanychangesintheallotmentandgivehim/herreasonableopportunitytowit hdrawthearticlesdepositedbyhim/her.
- Before breaking open the locker, the bank shall give due notice to the locker-hirerthrough a letter and through email and SMS alert to the registered email id and mobilephonenumberdemandingtopaytherentimmediately.
- If the rent is still unpaid, at least Three Reminders should be sent at an interval of 10days,undercertificateofposting.
- Even after the reminders the hirer does not pay up the rent, then issue a final lettergiving notice that the Bank would break open the Locker. This letter should be sent byRegisterPostwithAcknowledgementdue.
- If there is no response for the Registered letter the Branch shoulddepute a responsiblestaffmembertoascertainthefollowinginformationofthehirer.
 - latestaddressofthehirer,
 - whetherthehirerisavailableatthisaddress,and
 - ifnot,whatdotheenquiriesattheaddressreveal.
- Iftheletterisreturnedundeliveredorthelocker-hirerisnottraceable,thebankshallissuepublicnoticeintwonewspaperdailies(oneinEnglish andanotherinlocallanguage) giving reasonable time to the locker-hirer or to any other person/s who hasinterestinthecontentsoflockertorespond.
- If all the above efforts to collect the Locker rent fail then the Bank may wait for a furtherperiodof3months.
- After expiry of this 3 months period, another registered letter may be issued informinghim that the Locker hired by him will be broken open, without further intimation tohim,iftherentis notpaidwithin10daysfromthedateofnotice.
- If the rent is not paid within the notice period, then the Bank will have to break opentheLocker.
- NoteistobepacedtoLegalDepartmentpriortoBreakingOpenoftheLocker.
- The locker shall be broken open in the presence of an officer of the bank and twoindependentwitnesses.
- Bankshallalsorecordavideoofthebreakopenprocesstogetherwithinventoryassessmentan

dit safe keep and preserve the same so as to provide evidence in case of any dispute or Court case in future.

- Bank shall also ensure that the details of breaking open of locker is documented in Locker Software Module apart from locker register.
- After breaking open of locker, the contents shall be kept in sealed envelop with detailed inventory inside fireproof safe in a tamper-proof way until customer claims it under the joint custody of the Manager & another Officer/ Cashier of the Branch.
- The fact shall be recorded in a separate Register called "Register of Lockers Broken Open" which will be authenticated by both the custodians.
- After breaking open the Locker due notices are to be sent to the concerned hirer.
- A report/inventory should be prepared and signed by all the persons in whose presence the Locker was broken open. A specimen of the report/inventory.
- While returning the contents of the locker, the bank shall obtain acknowledgement of the customer on the inventory list to avoid any dispute in future.
- 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.
- In such cases, the Bank shall recover its dues on account of rent till the quarter in which the locker is broken open, Charges for breaking open the locker and repair/replacement and other handling charges, service charges, to cover losses of rental income owing to mobility of the lockers shall be recovered by exercising Bank's lien over the contents/deposit with the Bank.

Discharge of locker contents if the locker remains inoperative for a long period of time

- If the locker remains inoperative for a period of seven years and the locker-hirer cannot be located, even if rent is being paid regularly, 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.
- Before breaking open the locker, the bank shall follow the prescribed procedure.

17. DEALING WITH CASES OF MISSING PERSON

- While Section 107 of the Indian Evidence Act, 1872 deals with presumption of continuance of life, Section 108 deals with presumption of death. As per section 108 of the Indian Evidence Act, when the question is whether a man is alive or dead and it is proved that he/she has not been heard of for seven years by those who would naturally have heard of him/her if he/she were alive, the burden of proving the existence of the person will be shifted to the person who affirms it.
- Again, as per the provisions of Section 108 of the Indian Evidence Act, presumption of death can be raised only after a lapse of seven years from the date of his/her being reported missing. As such, the nominee of a missing depositor has to raise an express presumption of death of the subscriber under Section 107 & 108 of the Indian Evidence Act before a competent Court. If the court presumes that the person is dead, then, the nominee will be entitled for settlement of outstanding amount or the safe custody article of the missing subscriber.

18. GENERAL GUIDELINES:

- The hirer should not be permitted to stay in the strong room for unreasonably long time. There should be proper watch during his presence inside.
- For ensuring that hirers who come to the Bank for operating the locker are not trapped inside the strong room. The operative timings for safe deposit vaults / strong room should be restricted to Banking/Business Hours.
- The Officer should go around the 'Strong Room' / Vault where the lockers are kept and inspect each and every locker that has been operated during the day for ensuring that every locker has been locked properly and that no one was inside the Vault.

19. GUIDELINES TO BE FOLLOWED IN CASE OF SPECIFIC INSTANCES:

- In case there is only one nominee, and nominee is not alive at time of death of deceased, case needs to be settled as a case where no nomination has been registered.
- Before settling the claim, branch should recover arrears of rent and locker break open charges if any, from the claimant.
- In case of each claim branch will have to check that there is no amount outstanding against the deceased.

20. SECRECY AND CONFIDENTIALITY:

- The Bank will ensure utmost secrecy of the Safe Deposit Lockers hired by the customer 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.

21. DISCLAIMER:

- The Bank will, in no way, be responsible / liable for the contents kept in the locker by the hirer. In case of theft, burglary or similar unforeseen events, action will be initiated as per law.

22. SYSTEM RECORDING:

- It is very crucial that a record has to be maintained in the system with regard to letting out the lockers, their mode of operations, change of mode of operations, deposits for lockers, rent applicable, type of locker hired, operations as regard the locker hired, etc.
- This recording shall enable the Bank officials to keep a track on the operative as well as non-operative lockers, as well as the expiry of locker deposits, etc.

23. BOOKS TO BE MAINTAINED:

- Register of Locker Hirers (customers)
- Locker Rent Collection Register.
- Register of Lockers Broken Open.
- Key Register.

24. Liability of Bank:

The Bank owe the responsibility for any loss or damage to the contents of the lockers due to the negligence as bank owe a separate duty of care to exercise due diligence in maintaining and operating their locker or safety deposit systems. The duty of care includes ensuring proper functioning of the locker system, guarding against unauthorized access to the

lockers and providing appropriate safeguards against theft and robbery. Further, bank shall adhere to the Master Directions of RBI on Frauds for reporting requirements about the instances of robberies, dacoities, thefts and burglaries.

- **Liability of bank arising from natural calamities like earthquake, flood, thunderstorm, lightning etc. or due to sole negligence of the customer**

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 customer. Bank shall, however, exercise appropriate care to their locker system to protect their premises from such catastrophes.

- **Liability of banks arising from events like fire, theft, burglary, dacoity, robbery, building collapse or in case of fraud committed by the employees of the bank**

Bank shall take all steps for the safety and security of the premises in which the safe deposit vaults are housed. 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.

As bank cannot claim that they bear no liability towards their customers for loss of contents of the locker, in instances where loss of contents of locker are due to incidents

mentioned above or attributable to fraud committed by its employee(s), the bank's liability shall be for an amount equivalent to one hundred times the prevailing annual rent of the safe deposit locker.

25. Insurance:

- **Branch Insurance Policy**

Bank shall have a branch insurance policy to minimize the loss due to incidents like robbery, fire, natural calamities, loss during shifting/merger of branch, etc., affecting contents of lockers.

- **Insurance of locker contents by the customer**

Bank shall not be under any liability to insure the contents of the locker against any risk whatsoever as the Bank does not keep a record of the contents of the locker or of any articles removed therefrom or placed therein by the customer. Bank shall under no circumstances offer, directly or indirectly, any insurance product to its locker hirers for insurance of locker contents.

26. Customer guidance and publicity

The bank shall display the model locker agreement with all the Terms & Conditions and the Standard Operating Procedures (SOPs) on various aspects on the website for public viewing. The bank shall ensure that the customers are made aware of the bank's terms and conditions to avail those facilities.

Bank shall display updated information on all kinds of charges for safe deposit lockers and safe custody articles on the website.

Bank shall place on the website, the instructions together with the policies/procedures put in place for giving access of the locker/safe custody article to the nominee(s)/survivor(s)/legal heir(s) of the deceased locker hirer/safe custody article.