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## **Safe Deposit Locker/ Safe Custody Article Policy**

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## **I SAFE DEPOSIT LOCKER - Introduction**

Locker facility is available at select branches of our Bank and the names of branches are available in the Bank's website. Safe deposit lockers can be hired by an individual singly or jointly with another individual(s), HUFs, firms, limited companies, associations, societies, trusts etc. KYC norms are applicable for locker hirers. Lockers cannot be allotted to minors either singly or jointly with others.

### **1.0 CUSTOMER DUE DILIGENCE**

1.1 The existing customers of a bank who have made an application for locker facility and who are fully compliant with the CDD criteria under the Reserve Bank of India (Commercial Banks – Know Your Customer) Directions, 2025 (as updated from time to time) may be given the facilities of safe deposit lockers/ safe custody article subject to on-going compliance

1.2 Customers who are not having any other banking relationship with the bank may also be given the facilities of safe deposit locker / safe custody article after complying with the CDD criteria under the Reserve Bank of India (Commercial Banks – Know Your Customer) Directions, 2025 (as updated from time to time) and subject to on-going compliance. The due diligence shall be carried out for all the customers including joint hirers in whatever rights and capacities they may be hiring the locker.

1.3 The locker-hirer/s shall not keep anything illegal or any hazardous substance in the Safe Deposit locker. As incorporated in the Locker Agreement, if the Bank suspects the deposit of any illegal or hazardous substance by any customer in the 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.

1.4 The Bank shall obtain recent passport size photographs of locker-hirer(s) and individual(s) authorised by locker hirer(s) to operate the locker and preserve in the records pertaining to locker-hirer being maintained in the Bank's branch.

1.5 In order to avoid the risk of explosives and weapons being stored in bank lockers, the following measures shall be taken:

- (i) Bank shall carry out customer due diligence for both new and existing customers at least to the levels prescribed for customers classified as medium risk. If the customer is classified in a high risk category, customer due diligence as per KYC norms applicable to such high risk category should be carried out.
- (ii) Where the lockers have remained inoperative for more than three years for medium risk category or one year for a high-risk category, branches should immediately contact the locker hirers and advise him to either operate the locker or surrender it.
- (iii) This exercise should be carried out even if the locker hirer is paying the rent regularly. Further, Bank shall ask the locker hirer(s), 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 may allow the locker hirer to continue

with the locker. In case the locker hirer does not respond nor operate the locker, Bank should consider opening the lockers after giving due notice to him after taking prior sanction from Regional Office and also strictly complying with all the procedure prescribed for breaking open the locker.

- (iv) One year minimum rent should be collected in advance and future collection of the rent should be automatically made from operative account linked with the locker.

## **2.0 LOCKER ALLOTMENT**

In order to facilitate customers making informed choices, Bank shall maintain a branch wise list of vacant lockers as well as a waitlist 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 waitlist number to the customer(s) if lockers are not available for allotment.

### **2.1. LOCKER AGREEMENT**

2.1.1 Bank has adopted the Board approved locker agreement framed by IBA. This agreement is in conformity with these revised instructions and the directions of the Hon'ble Supreme Court in this regard.

2.1.2 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 duplicate 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.

### **2.2. LOCKER RENT**

Presently the Bank has 11 types of locker units in different sizes and dimensions. The annual locker rent fixed depends on the size of the locker and the centre at which the branch is located. Locker rent will be revised from time to time by the Bank. Locker Rent and Security Deposit are taken according to the type of locker and is published in the Bank's website. Annual Rent for Locker will be collected in advance. When a new locker allotment takes place, one year rent is collected in advance from the date of allotment of locker. Rent is collected centrally provided sufficient balance is available in the operative account. Bank shall follow up with the customers in case rent becomes overdue. Locker operations shall not be allowed in lockers where rent is overdue.

2.2.1 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 shall obtain a Term Deposit, at the time of allotment, which would cover three years' rent and the charges for breaking open the locker in case of such eventuality. Where the customer has a satisfactorily operated current, savings or term deposit account with the Bank, the requirement for a term deposit maybe waived based on conditions such as vintage and maintenance of Average Monthly balance in the account. Waiver of the requirement of the

term deposit shall be approved by the Competent Authority at the Regional Level. The packaging of allotment of locker facility with placement of term deposits beyond what is specifically permitted above will be considered as a restrictive practice.

2.2.2 (i) 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. The same may be taken up with the respective Regional Office for reversal of charges.

(ii) Bank should advise the customers to keep sufficient balance in their SB/CD account or make arrangement for remitting locker rent regularly. In case of waiver of locker rent in exceptional cases, Bank's branches may take up with the Department for approval. It is to be noted that, Bank is giving 50% waiver in locker rent for prime platinum customers.

2.2.3 If there is any event such as merger / closure / shifting of branch warranting physical relocation of the lockers, the branch 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, Bank shall make efforts to intimate their customers suitably at the earliest. Bank will notify all hirers (including all joint hirers) of movement/ shifting of lockers to another location through a letter under Registered Post at least 30 days from the shifting date.

### 2.3 LOCKER RENT RECOVERY / OVERDUE

(i) Access to Locker will be denied if the rent is overdue. The same is included as a clause in the locker agreement.

(ii) Safe Deposit locker charges will be revised periodically. On revision of the locker rent, intimation of the locker rent, along with the new rent payable shall be intimated to all the existing Safe Deposit Locker hirers.

(iii) An email and SMS shall be sent to all customers who have registered their email ID and mobile number with the Bank, regarding the rent to be paid on due date.

(iv) Another set of Email and SMS shall be sent to the customers who have not remitted rent on due date.

(v) The branch should take all possible efforts to trace the customer and intimate the customer about the break open if locker rent is not paid for three consecutive years.

(vi) For break opening of the locker, respective Regional Office sanction to be obtained. Branch should inform the customer the specified date of break opening by a notice if the rent is overdue for three years in a row.

(vii) Break open should be in the presence of two independent customers who should witness the contents of the locker. The banker has lien on the valuables recovered from the locker.

(viii) Hence, full expenses including the cost and charges for changing the key system should be recovered from the valuables from the locker.

(ix) The guidelines detailed for break open of the locker should be meticulously followed.

### **3.0 INFRASTRUCTURE AND SECURITY STANDARDS**

#### **3.1 SECURITY OF THE STRONG ROOM/VAULT**

Lockers units should be kept in strong room constructed according to RBI guidelines. In the absence of a strong room, special type of locker may be used with the specific sanction of HO.

3.1.1 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. The risks of accessibility of an allotted locker from any side without involvement of the locker-hirer concerned may be assessed and kept on record. Bank's branches shall have a single defined point of entry and exit to the locker room/vault. The place where the lockers are housed must be secured enough to protect against hazard of rain / flood water entering and damaging the lockers in contingent situations. The fire hazard risks of the area should also be assessed and minimized. The Bank shall conduct necessary engineering / safety verification regularly to identify the risks and carry out necessary rectification.

3.1.2 The area housing the lockers should remain adequately guarded at all times. The Bank shall install Access Control System, if required as per their risk assessment, which would restrict any unauthorized entry and create digital record of access to locker room with time log. As per our internal security policy, 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 customer has complained to the Branch that his/her locker is opened without his/her knowledge and authority, or any theft or security breach is noticed/observed, the Branch shall preserve the CCTV recording till the police investigation is completed and the dispute is settled.

3.1.3 The security procedures shall be well-documented, and the staff concerned shall be properly trained in the procedure. The internal Inspectors/ Auditors shall verify and report the compliance to ensure that the procedures are strictly adhered to.

#### **3.2. LOCKER STANDARDS**

3.2.1 All the new mechanical lockers to be installed by the banks 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.

Bank should exercise due care and necessary precaution for the protection of the lockers provided to the customers. Bank's branches should keep the locker keys in strong room under dual custody.

3.2.2 Banks offering electronically accessed lockers should be fully aware of the safety and security features of such lockers satisfying appropriate industry standards. In case the lockers are being operated through an electronic system, the bank shall take reasonable steps to ensure that the system is protected against hacking or any breach of security. The customers' personal data, including their biometric data, shall not be shared with third parties without their consent. Further, Bank shall ensure that the electronically operated lockers are compliant with the Cyber Security Framework prescribed by the Reserve Bank. The system should be capable of maintaining unalterable log of locker activities. The Bank shall comply with the relevant statutory/ regulatory guidelines/requirements applicable for IT /

data protection. Further, the Bank shall also devise a standard operating procedure for issue of new password in lieu of lost passwords to customers in a safe and secure manner in case of electronically operated lockers.

3.2.3 Bank shall ensure that identification Code of the bank / branch (bank code 84) 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. Further, the custodian of the locker shall, regularly/periodically, check the keys maintained in the branch to ensure that they are in proper condition. Branches shall permit the locker-hirer to operate the locker only with the key provided by the branch, 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.

## **4.0 LOCKER OPERATIONS**

### **4.1 REGULAR OPERATIONS BY CUSTOMERS**

4.1.1 (a) 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's branch. The Bank shall maintain a record of all individuals, 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. The ingress and egress register for access to Vault Room by locker-hirers or any other individual including the branch staff shall be maintained to record the movement of individuals in the Vault Room area with their signatures at appropriate place in the records. Signature of the hirer should be mandatorily obtained in the register. Bank shall also enter the entry and exit details along with date and time stamp in CBS mandatorily along with entries in Locker Transaction Register.

(b) Identity of the person hiring the locker and his contact numbers as well as the contact numbers of his close relatives to be collected in advance. It is our duty to verify the identity of the person visiting the Bank for locker operation. Branches are advised to maintain a register with photo and signature of each locker hirer and verify the identity before allowing to operate the locker. The operation of the lockers should be allowed strictly as per our operational instructions in force. In case of any ambiguity in the subject, the operation should be allowed only after getting written instructions from the customer/s. Telephone/Mobile numbers & e-mail id should be collected & entered in the Register.

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

4.1.3 Bank 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 as the redressal mechanism available in case of unauthorized locker access. Bank to ensure email ID and mobile number of the locker hirer is updated in CBS.

4.1.4 Locker operations will be allowed only during business hours after establishing the identity of the hirer.

4.1.5 a) In the case of joint lockers, instruction regarding operation of the locker may be obtained in any of the following forms: “Either of us or survivor” or “Any one of us or survivors or survivor” or “Both of us jointly or survivor” .Such instructions should be authenticated by all the hirers under their signatures. If the special instructions regarding operation of lockers held on joint names are cancelled by any one of the hirers, further access to the lockers should be allowed only if all the hirers give their consent in writing jointly.

b) When lockers are let out to a partnership concern, care should be taken to get specific instructions signed by all the partners, as to whether access to the lockers should be granted to any one or more of them or to all of them jointly.

c) When letting out the locker to a Limited Company, Club, Society or Association, a copy of the resolution duly signed by the Secretary and President/Chairman should be obtained, complete in all respects.

4.1.6 Appointment of Agent: The hirer of a locker may nominate an agent, who shall not be a minor and who is properly introduced to the bank, to have access to the lockers on his behalf provided such authority should be signed by both of them. Death of the hirer cancels the authority granted to his agent to have access to the safe deposit locker.

4.1.7 Confirmation by Bank Official - Once the customer completes the locker operation, the officer in charge of locker should verify whether the customer has left any valuable in the vicinity of the locker. Reminding the customer to verify once again before leaving the Strong Room is also strongly suggested.

## 4.2. INTERNAL CONTROLS BY BANK

4.2.1 There shall be a system of inter change of locks whenever the locker is surrendered by the hirer. The keys of vacant lockers shall be kept in sealed envelopes and the same shall be maintained under dual custody. The duplicate master keys shall be deposited with another branch/bank. There shall be proper record of joint custody of master keys. Bank 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. Inspection & Vigilance Department has to confirm this at the time of Branch inspection.

4.2.2 The Locker Register, and the Locker Key Register shall be maintained in CBS or any other computerized system compliant with the Cyber Security Framework issued by the Reserve Bank. The Locker Register shall be updated in case of any change in the allotment with complete audit trails.

4.2.3 The custodian 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 registered e-mail or through SMS, if mobile number is registered or through letter, so that they may verify any discrepancy in the contents of the locker. The locker custodian shall record the fact of not closing the locker properly in the register and its closure by the branch with the date and

time. Further, the custodian of the locker room shall carry out a physical check of the locker room at the end of the day to ensure that lockers are properly closed, and that no person is inadvertently trapped in the locker room after banking hours.

## **5.0 NOMINATION FACILITY AND SETTLEMENT OF CLAIMS**

### **5.1 NOMINATION FACILITY**

5.1.1 Bank is offering nomination facility in case of safe deposit lockers and safe custody of articles, in accordance with the provisions of section 45-ZA, 45-ZC and 45-ZE read with Section 56 of the Banking Regulation Act, 1949 and rules 2 to 4 of the Banking Companies (Nomination) Rules, 2025. In case the nominee is a minor, the same procedure as prescribed for the bank accounts shall be followed. A passport size photo of the nominee attested by the customer may be obtained from the customers, at his/her option and preserved in the records.

5.1.2 From November 1st, 2025, RBI has allowed up to 4 nominees for Locker Facility and Safe Custody of Articles vide circular ref No: RBI/2025-26/95 DOR.MCS.REC.59/01.01.003/2025-26 dtd 28.10.2025.

Only successive nomination is applicable.

For the nomination form, only Thumb-impression(s) shall be required to be attested by two witnesses. Signatures of the account holders need not be attested by witnesses.

5.1.3 Bank shall have appropriate systems and procedures in place to register the nomination, cancellation and / or variation of the nomination, in their books, made by the locker hirers.

5.1.4 Bank shall have a proper system of acknowledging the receipt of duly completed form of nomination, cancellation and / or variation of the nomination. Such acknowledgement shall be given to all the customers irrespective of whether the same is demanded by the customers or not.

5.1.5 After collecting a copy of the death certificate, the locker may be opened and contents may be delivered to the nominee in the presence of two independent witnesses. Arrears of the rent may be recovered at the time of closing the locker account. In case the nominee requests for a locker, fresh application has to be taken and all formalities for issuing a new locker should be observed. It is advised to verify the existing locker accounts and wherever the nomination is not registered, the hirer may be advised to register nomination.

### **5.2 SETTLEMENT OF CLAIMS IN CASE OF DEATH OF A CUSTOMER**

5.2.1 Bank's Board approved policy for settlement of claims shall be in conformity with the regulatory instructions and the Model Operational Procedure (MOP) for settlement of claims of the deceased constituents formulated by the IBA.

5.2.2 Bank shall have a Board approved policy for nomination and release of contents of safety lockers / safe custody article to the nominee and protection against notice of claims of other persons in accordance with the provisions of section 45-ZA, 45-ZC and 45-ZE read with Section 56 of the Banking Regulation Act, 1949 and rules 2 to 4 of the Banking Companies (Nomination) Rules, 2025 and the relevant provisions of Indian Contract Act and Indian Succession Act

5.2.3 In order to ensure that the articles left in safe custody and contents of lockers are returned to the genuine nominee, as also to verify the proof of death, branches should use Banks own claim formats, in terms of applicable laws and regulatory guidelines.

5.2.4 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.

5.2.5 Bank shall report to the Customer Service Committee of 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 therefor. Customer Service Committee of the Board of the bank 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.

5.2.6 On report of the death of the hirer through any authentic source (accompanied by valid proof) or by any of the survivors in the joint locker (accompanied by valid proof), it will be recorded in the Bank records. In case of the demise of the hirer, we have to promptly intimate nominee. Locker will be sealed and sticker will be pasted with note about the death of the hirer. Arrears of the rent may be recovered at the time of closing the locker account.

### 5.3. ACCESS TO THE ARTICLES IN THE SAFE DEPOSIT LOCKERS / RETURN OF SAFE CUSTODY ARTICLES

5.3.1 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 branch 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 locker should 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 branches shall follow the mandate in the event of death of one or more of the joint locker-hirers.

5.3.2 Bank shall, however, ensure the following before giving access to the contents to 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.

Similar procedure shall be followed for return of articles placed in the safe custody of the bank.

5.3.3 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.

5.3.4 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 is received and the locker is empty and they have no objection to allotment of the locker to any other customer as per norms.

5.3.5 While giving access to the survivor(s) / nominee(s) of the deceased locker hirer / depositor of the safe custody articles, Bank may avoid insisting on the production of succession certificate, letter of administration or probate, etc., or obtain any bond of indemnity or surety from the survivor(s)/nominee(s), unless there is any discrepancy in nomination. In this regard, please make a note of instructions in 5.3.2.

5.3.6 In case where the deceased locker hirer had not made any nomination or where the joint hirers had not given any mandate that the access may be given to one or more of the survivors by a clear survivorship clause, Bank shall adopt a Board approved policy to facilitate access to legal heir(s) / legal representative of the deceased locker hirer. In this regard, please make a note of instructions in 5.3.2.

5.3.7 The procedure for settlement of claims in respect of Safe deposit lockers, on the death of the hirer/depositor, are detailed in the “Claims Manual” Part IV- Other Claims – Item No.2.

Similar procedure shall be followed for the articles under safe custody of the bank.

## **6.0 CLOSURE AND DISCHARGE OF LOCKER ITEMS**

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 or password 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 branch 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.

Bank shall have a clear Board approved policy together with a Standard Operating Procedure (SOP) for breaking open the lockers for all possible situations keeping in view the relevant legal and contractual provisions.

## 6.1 DISCHARGE OF LOCKER CONTENTS AT THE REQUEST OF CUSTOMER

6.1.1 If the key of the locker, supplied by Bank is lost by the locker-hirer, the customer (locker hirer) shall notify the Bank immediately. An undertaking may also be obtained from the customer that the key lost, if found in future, will be handed over to the Bank. 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 / issue of new password shall be communicated to the locker hirer.

6.1.2 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.

6.1.3 The operation shall be done in the presence of the customer/s and an authorized official of the Bank. 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.

## 6.2 ATTACHMENT AND RECOVERY OF CONTENTS IN A LOCKER AND THE ARTICLES IN SAFE CUSTODY OF THE BANK BY ANY LAW ENFORCEMENT AUTHORITY

6.2.1 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 Bank shall co-operate in execution and implementation of the orders.

6.2.2 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 the registered email id/mobile phone number that the Government Authorities have approached for attachment and recovery, or seizure of the locker or articles deposited for safe custody. An inventory of the contents of locker and articles seized and recovered by the Authority shall be prepared in the presence of such Government Authorities, two independent witnesses and an officer of the Bank and shall be signed by all. A copy of the inventory may be forwarded to the customer to the address available in the Bank records or handed over to the customer against acknowledgement.

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

## 6.3 DISCHARGE OF LOCKER CONTENTS BY BANK DUE TO NON-PAYMENT OF LOCKER RENT

6.3.1 Bank shall have the discretion to break open any locker following due procedure if the rent has not been paid by the customer for three years in a row. The bank shall ensure to notify the existing locker-hirer prior to any changes in the allotment and give him/her reasonable opportunity to withdraw the articles deposited by him/her. A clause is incorporated in the locker agreement to this effect.

6.3.2 Before breaking open the locker, the Bank shall give due notice to the locker-hirer through a letter and through email and SMS alert to the registered email id and mobile phone number. If the letter is returned undelivered or the locker-hirer is not traceable, the Bank shall issue public notice in two newspaper dailies (one in English and another in local language) giving reasonable time to the locker hirer or to any other person/s who has interest in the contents of locker to respond. The locker shall be broken open in the presence of an officer of the Bank and two independent witnesses. In case of electronically operated lockers (including Smart Vaults), the use of 'Vault Administrator' password for opening of locker shall be assigned to a senior official and complete audit trail of access shall be preserved. Further, Bank shall also 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. Bank shall also ensure that the details of breaking open of locker is documented in CBS or any other computerized systems compliant with the Cyber Security Framework issued by RBI, apart from locker register. After breaking open of locker, the contents shall be kept in sealed envelope with detailed inventory inside fireproof safe in a tamper-proof way until customer claims it. A record of access to the fireproof safe shall invariably be maintained. 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.

6.3.3 Bank shall ensure that the inventory prepared after breaking open of the locker and during settlement of claims, is in the appropriate forms as provided. Further, Bank shall not open sealed/closed packets left with them for safe custody or found in locker while releasing them to the nominee(s) and surviving locker hirers / depositor of safe custody article, unless required by law.

#### **6.4 DISCHARGE OF LOCKER CONTENTS IF THE LOCKER REMAINS INOPERATIVE FOR A LONG PERIOD OF TIME**

6.4.1 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 procedure as prescribed in paragraph 6.3.2 and 6.3.3 above. A clause regarding the procedure to be followed for disposal of the articles left unclaimed for a reasonably long period of time as mentioned above is incorporated in the locker agreement.

6.4.2 The Bank has ensured appropriate terms in the locker agreement executed with the customer specifying the position in case the locker is not in operation for long period. A clause is incorporated in the locker agreement to discharge the Bank from liability in case the locker is not in operation and the locker is opened by the Bank and contents are released as per law and as per the instructions issued by the Reserve Bank and the terms and conditions prescribed in the agreement.

### **7.0 COMPENSATION POLICY / LIABILITY FOR BANKS**

#### **Liability of Bank**

The Bank shall put in place a detailed Board approved policy outlining the responsibility owed for any loss or damage to the contents of the lockers due to their negligence as banks 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 will

adhere to the Master Directions on Frauds for reporting requirements about the instances of robberies, dacoities, thefts and burglaries.

#### 7.1 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/Branch shall, however, exercise appropriate care to their locker systems to protect their premises from such catastrophes.

#### 7.2 LIABILITY OF BANK 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 steps for the safety and security of the premises in which the safe deposit vaults are housed. Bank shall 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. In instances where loss of contents of locker is 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.

### **8.0 RISK MANAGEMENT, TRANSPARENCY AND CUSTOMER GUIDANCE**

#### 8.1 BRANCH INSURANCE POLICY

Bank, with the approval of Board, has 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.

#### 8.2 INSURANCE OF LOCKER CONTENTS BY THE CUSTOMER

As the Bank does not keep a record of the contents of the locker or of any articles removed there from or placed therein by the customer, there is no liability on the Bank 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.

#### 8.3 CUSTOMER GUIDANCE AND PUBLICITY

8.3.1 The Bank shall display the model locker agreement with all the Terms & Conditions and the key tenets of the Standard Operating Procedures (SOPs) on the website. The bank shall ensure that the customers are made aware of the Bank's terms and conditions to avail the facilities.

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

8.3.3 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.

## **9.0 ALLOTING LOCKERS TO ILLITERATE CUSTOMERS**

Safe deposit locker shall be allotted to illiterate customers in exceptional cases after verifying the need of the customer. The terms and conditions and details in the agreement will be explained to the customer in vernacular language which is known to the customer and need to be witnessed. His/her left-hand thumb impression shall be affixed on the documents (application form and agreement) in the presence of the Branch Manager. Whenever he/she operates the Locker his LTI (Left Thumb impression) will be obtained

## **10.0 FEASIBILITY STUDY**

Before recommending for a locker unit, branches should assess the customer demand/preferences with reference to type/size and number of cages keeping in mind the profitability of the investment decision. The capital investment made for a locker unit can be easily recovered at the earliest possible time, provided all cages are let out immediately on installation of a new locker unit. Hence, branches should start registering the names of customers who require lockers, before recommending purchase of new locker units to HO/RO. Branches should ensure that at least 60% of the cages in the new locker units can be allotted to the registered customers, immediately on purchase of new locker units. Branches should also obtain NOC from Branch Banking Department for purchase of new/additional locker unit.

## **11.0 SANCTIONING AUTHORITY**

Sanctioning Authority for accepting Safe Custody Article and for break open of Safe Deposit Locker shall be respective Regional Office.

## **12.0 ADDITION/DELETION OF THE HIRER(S)**

Bank may at the request of all the locker hirer(s) allow addition or deletion of joint hirer or allow an individual hirer to add the name of another person as a joint hirer. However, such addition /deletion of locker hirer should not result in the total change of the original hirer.

For addition of joint hirer KYC document of new hirer need to be provided to the Bank and a fresh agreement to be executed by all the hirers. Mode of operations of the locker has to be clearly mentioned in this agreement. Necessary modifications are to be made in CBS as well as in registers.

### **13.0 STOPPAGE OF LOCKER ACCESS**

If prohibitory order from a competent authority or a Court appointing a Receiver in respect of the Locker is received by the branch, access to the specified locker will be stopped immediately. This will be marked physically on the Locker as well as in the Bank records.

### **14.0 CONFIDENTIALITY**

Bank shall ensure utmost secrecy of the Safe Deposit Lockers hired by the customer and shall 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 with the orders of a competent authority having statutory powers.

### **15.0 REVIEW OF THE POLICY**

One Year from the date of approval of this Policy. But in case of any amendment(s), clarification(s), circular(s), etc. issued by competent authorities of the Bank on the basis of any amendments to the Laws & Rules of the Land, not being consistent with the provisions laid down in this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail over the provisions of this Policy and this Policy shall stand amended accordingly. The Board has the power to replace this Policy entirely with a new Policy. Any guidelines issued by any Regulatory Authority which has the effect of changing any of the provisions of this policy will also become part of the policy from the date of issuance of such guidelines.

### **16.0 REFERENCE RBI NOTIFICATIONS**

- (i) RBI/2021-2022/86 DOR.LEG.REC/40/09.07.005/2021-22 dt August 18, 2021 - Safe Deposit Locker/Safe Custody Article Facility provided by the banks - Revised Instructions
- (ii) Safe Deposit Locker/Safe Custody Article Facility provided by banks- RBI/2022- 23/168 CO.CEPD.PRS.No.S1233/13-01-018/2022-2023- dated January 23, 2023
- (iii) Coverage of Customers under the Nomination Facility DoS.CO.PPG/SEC.13/11.01.005/2024-25 – dated January 17, 2025
- (iv) RBI direction RBI/2025-26/95 DOR.MCS.REC.59/01.01.003/2025-26 dt 28.10.25–Nomination Facility 2025