



DHANLAXMI BANK LTD
SAFE DEPOSIT LOCKERS POLICY
Version 7.0

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1	V 7.0	Additional clause 2.3 - A. Annual locker rent is fixed depends on the size of the locker and the centre at which the branch is located. Locker rent may be revised from time to time by the Bank. Revision in locker rent shall be intimated to customers in advance through SMS, Email, Bank website and Branch Notice Board.
2	V 7.0	Additional Clause 2.3 – D. With a view to ensure effective control over locker operations by hirers, Bank may fix number of free locker visits and charge for locker visits beyond stipulated number of visits in a month.

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1. Introduction

Amongst the general utility services rendered by banks, the facility of providing 'safe deposit lockers' is an important one. The Bank extends this utility service to all customers desirous of keeping their valuables in the Bank's strong room.

2 General Principles

The legal position of the banker and hirer is that of a bailer and bailee. The bank will exercise due care and take reasonable precautions for the conduct of the locker operations.

The locker room shall be kept clean and decently furnished so that it will look good in appearance.

The lockers shall be allotted by the branches on first come first served basis.

The lockers shall not be let out for commercial use and in cases of request for facility by any partnership firm/private or public companies, an undertaking shall be obtained that they would not utilize the facility of locker for commercial purposes and their operations would not hinder the functioning of the branch.

The locker-hirer/s shall not keep anything illegal or any hazardous substance in the Safe Deposit locker. 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.

2.1 Renting of Lockers

Lockers shall be rented out to

A. Existing customers of the bank who have made an application for locker facility and who are fully complied with the KYC norms stipulated by the Bank.

B. Customers who are not having any other banking relationship with the bank shall give the facilities of safe deposit locker after complying with the Customer Due Diligence criteria under the Master Direction of Reserve Bank of India– Know Your Customer (KYC) Directions, 2016 (as updated from time to time) and subject to on-going compliance. The due diligence shall be carried out for all the customers in whatever rights and capacities they may be hiring the locker. Bank has the right to restrict the locker access of a customer who fails to comply with the Customer Due Diligence criteria.

C. Lockers shall to be rented out to a person solely in his name or in joint names. In case of joint names, the agreement must be signed by all the joint hirers. Clear instructions as to the operation of the locker shall be obtained from the hirers. If instructions regarding operation of a locker in joint

names are cancelled by any one of the hirers, access to the locker shall be allowed to all the hirers jointly.

D. In case the hirer is a partnership firm, it shall be clearly noted as to which of the partners shall have access to the locker.

E. In case of limited companies, the request shall be supported by appropriate Board Resolutions duly specifying the names of the authorized persons who are to be permitted to operate the locker.

F. A minor cannot be a hirer of locker.

2.2. Locker Allotment

Bank shall maintain a branch wise list of vacant lockers as well as a wait-list in Core Banking System (CBS), for the purpose of allotment of lockers and ensure transparency in allotment of lockers. Branches 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 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 branch where the locker is situated.

The banks shall obtain recent passport size photographs of locker-hirer(s) to operate the locker and preserve in the records pertaining to locker-hirer being maintained in the bank's branch

2.3 Locker Rent

A. Annual locker rent is fixed depends on the size of the locker and the centre at which the branch is located. Locker rent may be revised from time to time by the Bank. Revision in locker rent shall be intimated to customers in advance through SMS, Email, Bank website and Branch Notice Board.

B. The rent of the lockers is payable in advance every year. On January 1st, the locker rent becomes payable and the rent for the year will be debited to the account/ collected from the hirer, in the month of January itself. 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.

C. At the time of allotment of locker, hirer shall deposit an amount equivalent to 3 years rent and Rs.5000/- as the charges for breaking open the locker in case of such eventuality and such term deposit can be waived to the hirers who have a satisfactory operative account with the Bank.

For the existing locker holders caution deposit can be waived to those hirers, who have a satisfactory operative account with the Bank.

Such waivers can be exercised based on the delegation of powers issued from time to time. Staff including retired staff shall be allowed relaxation in Locker rent and charges as per issued guidelines.

D. With a view to ensure effective control over locker operations by hirers, Bank may fix number of free locker visits and charge for locker visits beyond stipulated number of visits in a month.

E. A declaration has to be given by the customer, when he places the caution deposit, authorizing the bank to appropriate the said deposit to the arrears of rent in case of non payment of rent or for charges for breaking open the locker or other incidental expenses.

F. The hirers shall be requested to open a savings bank/current account with the branch and give standing instructions to debit the annual rental charges.

G. At the time of merger / closure / shifting of branches with physical relocation of the lockers, the branches 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, branches shall make efforts to intimate their customers suitably at the earliest.

3. Locker Operations

3.1 Hirer/Authorized Persons

The hirer and/or the persons duly authorized by him/her shall operate the safe deposit locker on the Banks working days during business hours.

3.1.1. Agent Appointed by a Renter

A. Renter may appoint an agent to have access to the locker. Letter of authority (as per specimen in prescribed by the Bank) should be signed by the renter/s. The renter/s has/have to authenticate the specimen signature of the person so appointed. A careful note of such an appointment shall be made in the records. This authority will hold good only once.

B. If the locker is in joint names, unless all of them join in giving the power of access to the locker to the agent deputed, it cannot be acted upon. Death, insanity or insolvency of any of the joint renters will revoke the authority given in favour of a third party.

C. An agent or attorney will not automatically get the power to give instructions to the Bank to break open the locker in case the key is lost or under any other circumstances.

D. The original renter can revoke his authority at any time. Any instruction given by telephone or other modes of communication cancelling the agent's power to have access to the locker should immediately be followed by written confirmation from the renter/s and the access to the locker shall not be allowed to the agent in the meantime.

3.1.2. Legal Position of Joint Renters and of an Agent as Joint Operator

A. If the renter desires that the locker be operated by another person, he can do so either by hiring the locker in the joint names to be operated by either or survivor or by renting the locker in his own name and appointing another person as his agent.

B. If a locker is rented in joint names, any changes will be effected only with the joint mandate of both the hirers.

C. The bank will not delete the name of the renter/s at the instance of the other renter or remaining renters.

D. If one of the joint renters informs the Bank that instructions regarding operation of the locker by either or any of them is to be cancelled, the bank shall take cognisance of such instructions and in that event access to the locker shall be allowed only to all renters jointly.

E. If a person is authorized to operate the locker merely as an agent of a sole renter, such renter can at any time revoke the authority given by him and the bank will not allow the agent to have access to the locker after receipt of notice of revocation of authority.

F. If the locker stands in joint names, the agent shall be appointed under the joint signatures of all renters but such authority can be revoked by any one of the renters. Such authority is also determined automatically on the death, insanity or bankruptcy of the sole renter or anyone of the joint renters.

3.1.3. Addition or Deletion of Name

The renter/s may be allowed to add the name of a person as a joint locker holder in which case a letter (as prescribed by the Bank) will have to be submitted by the renter/s. Bank may also allow

deletion of the name of one of the joint locker holders at the written request of all the locker holders. In both the cases, fresh agreement will have to submit by all renter/s.

3.2. Regular Operations by customer

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 branch staff. The ingress and egress register for access to Vault Room by locker-hirers or any other individual shall be recorded with their signatures.

B. The details of the locker hirers have to be entered in the Safe Deposit Vault Daily Access Register. The hirer has to sign the register. Operation of the locker shall be allowed only after the signature/s of the renter/s in the Register is/are verified with that on the application form. The signature of branch staff that access the vault also to be recorded in the register

C. If the hirer is accompanied by a third party, the person shall be allowed to accompany the hirer, at the risk and responsibility of the hirer and at the discretion of the Branch Manager and the data of the same should be recorded.

D. While opening the locker, custodian's key as well as renter's key have to be applied simultaneously and the branch staff shall not remain present in the vault room when the locker is opened by the hirer.

E. Where the locker rent is in arrears, operation on the said locker shall not be allowed until the dues are paid.

F. An email and SMS alert shall be sent 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.

G. After locker operation by the hirer, the custodian shall check whether the lockers are properly closed. 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 resulting discrepancy in the contents of the locker. The custodian shall record the fact of not closing the locker properly in the register and its closure by the bank with the date and time.

H. 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.

I. If some articles are found lying in the vault, the articles, after conducting an inventory, shall be kept in safe custody along with a list of lockers which were operated on that day.

J. When a hirer intimates that some article(s) are missing from his locker, he shall be asked first to describe the articles in detail. On being satisfied that the description tallies with that of the article(s) found in the vault, they shall be handed over to the hirer against a proper receipt and indemnity.

K. Branch should not share the customers' personal data with third parties, unless the data is mandated to be furnished as per law or sought by the Law Enforcing Agencies (LEAs).

3.3 Custody of Key

A. The manufacturer will supply 2 different types of keys. Of the two keys supplied, one key is for the Bank, which is called the Master Key. The other key is for the hirer which is called the Hirer's Key.

B. The duplicate master keys shall be deposited with another branch of the bank and for standalone branches it shall be deposited in the nearest Bank branch.

C. There shall be proper record of joint custody of master keys. The Master Key of the lockers shall be kept under the control of the locker custodian.

D. 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.

E. Branches shall conduct surprise periodic verification of surrendered/vacant lockers and their keys by an officer of the branch who is not connected with the custody of keys and proper record shall be maintained as a proof of such verification.

F. Locker register and locker key register shall be updated in CBS.

4. Nomination

The Banking Regulation Act, 1949 has been amended by Section 37 of the Banking Laws (Amendment) Act, 1983 to enable a Banking company to release the contents of a Safe Deposit Locker to the nominee of the renter in the event of his death, after making an inventory of the contents of the Safe Deposit Locker in the manner directed by the Reserve Bank of India.

The Banking Companies (Nomination) Rules, 1985 framed by the Central Government, in consultation with Reserve Bank of India, have come into effect from 29.3.1985. These rules provide for registration, cancellation and variation of nomination.

The procedure pertaining to nomination in the case of Safe Deposit Lockers is detailed hereunder:

4.1 Who can nominate?

- A. Individuals, including non-residents who is the sole hirer.
- B. Two or more individuals including non-residents jointly

4.2 Who can be nominated?

- A. In case of a sole hirer, nomination can be made in favour of one individual. When the locker is hired by two or more individuals jointly, all such hirers may nominate one or more person.
- B. Nomination can be made favouring a non-resident also
- C. Non resident hirers can appoint a resident as a nominee
- D. A minor can also be appointed as a nominee. Where the nominee is a minor, the hirer while making the nomination appoint another individual (adult) to receive the contents of the locker on behalf of the nominee, in the event of death of the depositor during the minority of the nominee.

As per the direction from Reserve Bank of India, nomination should be a rule while allotting lockers to customers. It should be ensured that “Nomination” is taken for all locker hirers in respect of lockers rented by the Bank. In case the customer does not want to nominate any one, a declaration to this effect should be obtained.

While allotting Safe Deposit Lockers to customers, it should be ensured that “Nomination” is captured in the Nomination Register and the Safe Deposit Locker Register.

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.

Duly completed form of nomination, cancellation and / or variation of the nomination shall be properly acknowledged. Such acknowledgement shall be given to all the customers irrespective of whether the same is demanded by the customers or not.

4.3 Nomination Cancellation or Variation

A nomination or cancellation of nomination or variation of nomination can be made at anytime during which the locker is under hire. A nomination, cancellation or variation as aforesaid shall be made by all the joint hirers if the hirer is more than one. The same should be updated in the Nomination Register and the Safe Deposit Locker Register.

5. Settlement of claims after the death of the Locker Hirer(s)

In the case of death of a hirer, his nominee will have access to the locker only after completing all the necessary formalities as prescribed by the death claim procedures.

A. 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 (nominee) approached, branches 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. A declaration shall be obtained from the nominee when he comes to file a claim on the strength of the nomination given in his favour.

B. In the case of lockers 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. The inventory of contents of the safe deposit locker has to be taken in the presence of the nominee and two independent witnesses.

C. After such removal preceded by an inventory, the nominee and the surviving hirer(s) may still keep the entire contents with the branch, if they so desire by entering into a fresh contract for hiring a locker.

D. 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 banks shall follow the mandate in the event of death of one or more of the joint locker-hirers.

E. Where the nominee is a minor, the branch shall ensure that when the contents of the locker are sought to be removed on behalf of the minor nominee, are handed over to a person who is, in law, competent to receive the articles on behalf of such minor. Branches 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.

F. Banks shall not open sealed/closed packets left with them for safe custody or found in the locker while releasing them to the nominee(s) and surviving locker hirers/depositor of safe custody article unless required by law. The inventory shall list the articles as 'closed cover /packet, contents not known'.

G. 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.

H. Branches shall ensure the following before giving access to the contents to nominee / survivor.

- 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;
- 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;
- Make it clear to the survivor(s) / nominee(s) that access to articles in the locker / safe custody articles is given to them only as a trustee of the legal heirs of the deceased locker hirer i.e., such access given to them shall not affect the right or claim which any person may have against the survivor(s) / nominee(s) to whom the access is given.
- The bank shall 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 received and the locker is empty and they have no objection to allotment of the locker to any other customer as per norms.
- While giving access to the survivor(s) / nominee(s) of the deceased locker hirer / depositor of the safe custody articles, banks 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 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 can allow legal heir(s) / legal representative of the deceased locker hirer to access the locker after taking the necessary steps mentioned above.

5.1. Delivery of Valuables Upon Death to Legal Heirs

A claim application will have to be submitted by the legal heirs. After establishing the identity of the legal heirs and the fact of death of the locker hirer by obtaining appropriate documentary evidence and ensuring that there is no order or direction from Courts/Forums restraining the Bank from giving access to the locker of the deceased, the locker shall be opened and an inventory of the articles shall be prepared in the presence of the legal heirs/mandate holder and two independent witnesses (should not be employees or ex-employees of the Bank). For this purpose, the legal heirs may authorize one or more of them to be present. After the inventory being prepared in the prescribed format, care should be taken to redeposit all the contents in the said locker and to seal the locker. The valuer's assessment of the value of each item of the inventory should be in duplicate, one to the claimant and one to be retained on branch record. The branches should forward the inventory papers to the Regional Office to enable them to consider delivering the

contents against usual indemnity signed by the claimant/s and two solvent surety/ies worth double the value of the claim amount. On receipt of the approval, the claimant/s or mandate holder should be allowed to remove the contents from the locker after signing an indemnity and a letter of surrender together with the key. The contents of the locker shall be delivered to the legal heirs under their joint discharge in the presence of the witness.

Where an inventory is to be taken in terms of a court order, it should be done in the presence of (i) the Court's representative, (ii) the claimant/s to the contents of the locker held by the deceased hirer, (iii) the valuer and (iv) two officers of the branch. The inventory should enumerate the contents of locker and it should be signed by those in whose presence the locker has been opened. The valuer's assessment of the value of each item of the inventory should be in triplicate, one copy to the Court, the second to the claimant and the third to be retained on branch record.

6. Breaking Open of locker

The breaking open of the locker can be done 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;
- 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 including but not limited to arrears of rent.

6. i. Loss of Key

- a. If the key of locker is lost by a renter, the renter will have to intimate the matter to the bank immediately.
- b. An undertaking may also be obtained from the customer that the key lost, if found in future, will be handed over to the bank.
- c. All charges for opening the locker, changing the lock and replacing the lost key shall be recovered from the hirer.
- d. 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.
- e. 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.

- f. If all the joint renters are unable to be present, they will have to sign a letter jointly authorizing the branch to allow the door to be broken open in absence of any one or more of them, as the case may be, and to deliver the contents to the authorized person/persons named in the letter.

6. 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. On receipt of a restraint order from a competent court prohibiting the operation of a locker, such locker will have to be sealed with the Bank's seal as a measure of precaution and must be ensured that it is not tampered with. 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.

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. 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's records or handed over to the customer against acknowledgement.

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.

The Commissioner of Income-tax has been empowered by law to authorize entry into and search of any building or place where he has reason to believe that secret documents, duplicate accounts, unaccounted cash, bullion, jewels or other valuable articles are kept. Bank locker and vaults may be searched under these powers.

- A. It should also be noted that when an authorized official of the Income-tax Department armed with the appropriate authority to carry out search visits the bank, he shall be given all possible co-operation.
- B. Branches shall, however, take care to satisfy themselves before the search that the persons (s) visiting them are authorized officials of the Income-Tax Department and their credentials are to be duly verified before parting the information.

6.iii. Discharge of locker contents by banks due to non-payment of locker rent

If locker holders fail to pay arrears of rentals for exceeding a period 3 years or surrender the key held by them, the bank will have to break open the lockers. The following procedure shall be adopted in such cases:

- a) Branches shall make a formal demand for the rental arrears by sending notices under certificate of posting. 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.
- b) The locker shall be broken open in the presence of an officer of the bank and two independent witnesses. They shall sign the inventory of the items found in the locker. If nothing is found in the locker, a statement to this effect shall be prepared and signed.
- c) Banks 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.
- d) Banks shall also ensure that the detail of breaking open of locker is documented in CBS, apart from locker register.
- e) After breaking open of locker, the contents shall be kept in sealed envelope with detailed inventory (as per Annexure 2) inside in 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. iv. Discharge of locker contents if the locker remains inoperative for a long period of time

- a) 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.
- b) For breaking open the locker, shall follow the procedure as prescribed in paragraph 6.iii. points a-e above.

7. Surrender of Lockers

Lockers shall be surrendered in person by the renter/s and their discharge shall be obtained by the Bank. Lockers may also be surrendered by duly authorized persons on behalf of the renters but in such cases it would be necessary to get a letter of surrender signed by the renter /s. At times when

renters write to the branch that their lockers are empty and wish to surrender them and return the keys by registered post, the lockers shall be opened by the custodian in the presence of another officer to ascertain that they are in fact empty.

8. Security of the Strong Room/Vault

Banks shall 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. Banks 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. Necessary engineering / safety verification shall be conducted regularly to identify the risks and carry out necessary rectification.

The area housing the lockers should remain adequately guarded at all times. The entry and exit of the strong room and the common areas of operation may cover under CCTV camera and preserve its recording for a period of not less than 180 days. In case any customer has complained to the bank that his/her locker is opened without his/her knowledge and authority, or any theft or security breach is noticed/observed, the bank shall preserve the CCTV recording till the police investigation is completed and the dispute is settled.

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

9. Locker Standards

Banks shall ensure the lockers are of basic standards / benchmarks for safety and security as prescribed by Bureau of Indian Standards (BIS) or any other enhanced industry standards applicable in this regard.

The 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. Further, the custodian of the locker shall, regularly/periodically, check the keys maintained in the branch to ensure that they are in proper condition. Banks 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.

10. Liability of Bank

Bank should ensure the proper functioning of the locker system, guarding against unauthorized access to the lockers and provide appropriate safeguards against theft and robbery.

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 rain, earthquake, floods, lightning and thunderstorm, civil disturbance or commotion, riot or war or in the event of any terrorist attack or any act that is attributable to the sole fault or negligence of the customer. Banks shall, however, exercise appropriate care to their locker systems to protect their premises from such catastrophes.

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

11. Insurance of locker contents by the customer

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

12. Policy Revision

This policy is subject to revision based on the extant RBI and IBA guidelines from time to time. Review of the policy will be carried out on an annual basis.

