

**SHRI ARIHANT CO-OPERATIVE BANK LTD**

**POLICY ON**

**SAFE DEPOSIT LOCKERS AND SAFE CUSTODY ARTICLES**

**PERIOD: 01.01.2023 TO 31.12.2025**

Approved by the Board on 07.10-2022



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## 1.0 Introduction:

Shri Arihant Co-operative Bank Ltd (“ACBL” or “the Bank”) has been carrying out Banking business in the fields as permitted under Banking Regulations Act, 1949. One of the activities of ACBL has been in the business of Safe Deposit of the Lockers and Safe Custody of Articles of the customers (“the facility/ies”).

Looking at the technological upheaval in the area of Banking services and consumers' grievances, the Reserve Bank of India (“the RBI”) has issued detailed instruction to the Banks on Safe Deposit of the Lockers and Safe Custody of Articles. The RBI has also instructed the Banks to formulate a Policy on Safe Deposit of the Lockers and Safe Custody of Articles and submit to the Board for approvals. Accordingly, ACBL has formulated the policy, which will be effective from 01<sup>st</sup> January, 2023.

## 2.0 Locker Standards:

All the new mechanical lockers shall in conformity with 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.

## 3.0 Locker Allotment:

The branch should maintain a list of vacant Lockers as well as a wait list, for the purpose of allocation of Lockers and to ensure the transparency. The branch should acknowledge the receipt of the application received and provide a wait list number to the customer, if the lockers are not available for allotment.

## 4.0 Customer Due Diligence (“CDD”) for Lockers:

The branches of ACBL should extend the facility/ies to its existing customers and customers who do not have a Banking relationship with the bank at the time of receiving such request. However, the branches have to comply with the Customer Due Diligence as given in the next para. The due diligence shall be carried out for all the customers in whatever rights and capacities they may be hiring the locker.

For undertaking CDD, the branch to obtain the following from an individual while establishing an account-based relationship or while dealing with the individual who is a beneficial owner, authorized signatory or the power of attorney holder related to any legal entity:

(a) the Aadhaar number where, (i) he/she is desirous of receiving any benefit or subsidy under any scheme notified by the Government. or (ii) he/she decides to submit his Aadhaar number voluntarily.

(i) the proof of possession of Aadhaar number where offline verification can be carried out or

(ii) the proof of possession of Aadhaar number where offline verification cannot be carried out or any Official Valid Document (“OVD”) or the equivalent e-document thereof containing the details of his identity and address.



- (b) the Permanent Account Number or the equivalent e-document thereof or Form No 60 as defined in Income-tax Rules, 1962; and
- (c) such other documents including in respect of the nature of business and financial status of the customer, or the equivalent e-documents thereof as may be required by the bank:

Provided that where the customer has submitted,

- (i) Aadhaar number under clause (a) above or the bank carries out authentication of the customer's Aadhaar number using e-KYC authentication facility provided by the UIDAI. Further, in such a case, if customer wants to provide a current address, different from the address as per the identity information available in the Central Identities Data Repository, he/she may give a self-declaration to that effect to the bank.
- (ii) Proof of possession of Aadhaar under clause 2(a)(i) above where offline verification can be carried out, the branch should carry out offline verification.
- (iii) An equivalent e-document of any OVD, the branch should verify the digital signature and take a live photo.
- (iv) Any OVD or proof of possession of Aadhaar number under clause 2(a)(ii) above where offline verification cannot be carried out, the branch should carry out verification through digital KYC.

Provided that for a period not beyond such date as may be notified by the Government for a class of bank, instead of carrying out digital KYC, the bank pertaining to such class may obtain a certified copy of the proof of possession of Aadhaar number or the OVD and a recent photograph where an equivalent e-document is not submitted.

Provided further that in case e-KYC authentication cannot be performed for an individual desirous of receiving any benefit or subsidy under any scheme owing to injury, illness or infirmity on account of old age or otherwise, and similar causes, the branch shall, apart from obtaining the Aadhaar number, perform identification preferably by carrying out offline verification or alternatively by obtaining the certified copy of any other OVD or the equivalent e-document thereof from the customer. The branch should ensure to duly record the cases of exception handling in a centralised exception database. The database shall contain the details of grounds of granting exception, customer details, name of the designated official authorising the exception and additional details, if any.

## 5.0 Locker Agreement:

The branches shall use Model Locker Agreement prepared by IBA and approved by the Board of Directors of the Bank. The agreement shall be duly stamped and executed by both the Bank and the customer. A copy of such executed agreement shall be given to the locker hirer. However, original agreement shall be retained by the branch. Branches shall renew their locker agreements with existing locker customers by January 1, 2023.

## 6.0 Nomination facility:

The bank should offer nomination facility. In case the nominee is a minor, the same procedure as prescribed for the bank accounts shall be followed by the branch. A passport size photo of the nominee attested by the concerned officer may be obtained



from the customers, at his/her option and preserved in the records. Two witnesses should attest in case of thumb impression. Signature of locker hirer need not be attested. Branches should keep a duly completed nomination form; cancellation and / or variation of the nomination and an acknowledgement shall be given to the customer. A register detailing the nomination, cancellation and / or variation of the nomination made by the locker hirers should be maintained.

#### **7.0 Locker Rent:**

In order to ensure the payment of locker rent, branches are permitted to 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. The branches, however, should not insist on such Term Deposits from the existing locker holders or those who have satisfactory operative account.

The branches should refund the proportionate amount of advance rent collected in the event of surrender of the locker by the customer.

#### **8.0 Procedure to be followed by the branch for operation of lockers:**

The branch should allow only the Locker hirer or their authorized person only to operate the locker after proper identification with the Key provided by the Bank. However there will be no restriction of using an additional padlock by the customers if such provisions are available in lockers. The branch should maintain a Register and record of individuals, Date, time in 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 banks' staff should be maintained to record the movement of individuals in the Vault Room area with their signatures.

The authorized officer should not remain present when the locker is opened by the locker-hirer and there is adequate privacy to the locker-hirers in the operations when customers access the lockers at the same time.

The concerned officer should check whether the lockers are properly closed post locker operation. If the locker is not closed properly, the locker must be immediately closed, and the locker-hirer shall be promptly intimated through e-mail/SME in their registered email id and mobile number or through letter so that he/she can verify any resulting discrepancy in the contents of the locker. The concerned officer should record the fact of not closing the locker properly in the register and its closure by the bank with the date and time.

Further, the concerned officer should 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.

Bank should send an email and SMS alert to the registered email ID and mobile number of the customer before the end of the day intimating the date and time of the locker operation.



**9.0 Procedure to be followed by the branch post surrender of lockers:**

If any locker is surrendered by the hirer, the branch should interchange the lock. The keys of vacant lockers shall be kept in sealed envelopes and the duplicate master keys should be kept with another branch of the bank. A proper record of joint custody of master keys shall be maintained by the branches. Bank needs to conduct surprise periodic verification of surrendered/vacant lockers and their keys by an officer of the bank who is not connected with their custody and proper record shall be maintained as a proof of such verification.

The branch to ensure that the Locker Register and the Locker Key Register are 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.

**10.0 Security of strong room/vault:**

There shall be only a single defined point of entry and exit to the locker room/vault. The bank should ensure that the place where the lockers are housed are secured enough to protect against hazard of rain / flood water and fire. The bank shall conduct safety verification regularly to identify the risks and carry out necessary rectification.

The area housing the lockers shall remain adequately guarded at all times. The entry and exit of the strong/Vault room and the common areas of operation shall be under CCTV surveillance and should preserve its recording for a period of not less than 180 days. However, 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

**11.0 Settlement of claim in case of death of the customer:**

In case of death of the customer, the bank shall settle the claim as per Policy on "Settlement of Death claim" approved by the Board of Directors.

**12.0 Time period for settlement of claim in case of death of the customer:**

The branches shall settle the claims and 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.



### **13.0 Access to the Safe Deposit Lockers/Safe Custody of Articles:**

#### **In case of sole locker hirer's death:**

The branch should give access of the locker to the nominee after verification of the death certificate of locker hirer and satisfying the identity and genuineness of such nominee and after an inventory is taken in the prescribed manner.

#### **In case of death of one of the joint locker hirers:**

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 should give access of the locker and the liberty to remove the contents jointly to the survivor(s) and the nominee(s) after an inventory is taken in the prescribed manner.

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

#### **Branch to ensure the following before giving access of the locker to the Nominee / Survivor:**

- (i) Exercise due care and caution in establishing the identity of the survivor(s) / nominee(s) and the fact of death of the locker hirer by obtaining appropriate documentary evidence;
- (ii) Make diligent effort to find out whether there is any order or direction from Courts/Forums restraining it from giving access to the locker of the deceased; and
- (iii) Make it clear to the survivor(s) / nominee(s) that access to articles in the locker / safe custody articles is given to them only as a trustee of the legal heirs of the deceased locker hirer i.e., such access given to them shall not affect the right or claim which any person may have against the survivor(s) / nominee(s).

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

#### **In case of Nomination to a Minor:**

The branch should 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 banks 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 branch should 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) the branch 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 the absence of any 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, banks shall adopt a Board approved policy to facilitate access to legal heir(s) / legal representative of the deceased locker hirer.

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

**14.0 Break open of Locker in case of lost of locker key:**

If the key of the locker is lost by the locker-hirer, the branch should obtain an undertaking from the customer stating that the key is lost, and 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 shall be recovered from the hirer.

The opening of the locker has to be carried out by the branch or any authorized technician of the Bank, 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.

The operation shall be in the presence of the customer/s and an authorized official of the bank. The branch should ensure that the adjoining lockers and their contents 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.

**15.0 Break open of locker and discharge of contents in case of non-payment of locker rent:**

Bank/Branch 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.

Before breaking open the locker, the branch should give due notice to the locker-hirer through a letter, 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. Further, 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. Banks 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 branch must obtain acknowledgement of the customer on the inventory list to avoid any dispute in future.

The branch should ensure that the inventory prepared after breaking open of the locker and during settlement of claims, is in the appropriate forms as provided in this Policy.

Further, banks 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.

**16.0 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. However, before breaking open the locker, the branch should follow the procedure as prescribed in paragraph 15 above. The locker agreement should have appropriate terms specifying the position in case the locker is not operated for long period and to discharge the bank from liability and the locker is opened by the bank and contents are released as per law and as per the instructions issued by the RBI and the terms and conditions prescribed in the agreement.

**17.0 In case of action by Law Enforcing Agency:**

All the locker keys should be embossed with identification Code of the bank / branch in order to facilitate 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.

**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 by any Law Enforcing Authority acting either under the orders of a Court or any other competent authority vested with the power to pass such orders, the branch should co-operate in execution and implementation of the orders.

The bank/branch 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's records or handed over to the customer against acknowledgement.

Banks 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.

#### **18.0 Relocation of Lockers:**

If there is any event such as merger / closure / shifting of branch warranting physical relocation of the lockers, ACBL will 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, ACBL should make efforts to intimate the customers suitably at the earliest.

#### **19.0 Liability of the Bank:**

The branch has the responsibility to ensure proper functioning of the locker system, guarding against unauthorized access to the lockers and providing appropriate safeguards against theft and robbery.

##### **Liability of the 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.

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

The responsibility of the bank is to take all steps for the safety and security of the premises in which the safe deposit vaults are housed. The responsibility of the bank is 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 the 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 banks' liability shall be for an amount equivalent to one hundred times the prevailing annual rent of the safe deposit locker.



## 20.0 Insurance Policy:

The bank should obtain Building 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.

To avoid the Risk of arising liability, the bank shall clearly mentioned in the Locker Agreement that they would not be under any liability to insure the contents of the locker against any risk whatsoever as the Bank do not keep a record of the contents of the locker or of any articles removed therefrom or placed therein by the customer. The Bank shall under no circumstances offer, directly or indirectly, any insurance product to its locker hirers for insurance of locker contents.

## 21.0 Guidance to the Customers and hoist on Bank's website:

The Bank should display updated information on all kinds of charges for safe deposit lockers and safe custody articles, and display on its website model locker agreement, the Standard Operating Procedures, and 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. Further, a printed copy of the same shall also be given to the nominee(s) / survivor(s) / legal heir(s). The branch should ensure that the customers are made aware of the bank's terms and conditions to avail these facilities.

## 22.0 Sunset Clause:

This Policy shall be reviewed once in three year ie, upto 31.12.2025.

For Shri Arihant Co-op. Bank Ltd.



Chief Executive Officer





## Indian Banks' Association

IBA Legal Circular No. 1/ 2022, dated 27.1.2022

To: Chief Executives of Member Banks

Dear Sir/ Madam,


### Model Safe Deposit Locker Agreement and Model Covering Letter for Current Locker Holders

1. This has reference to RBI Circular bearing reference number RBI/ 2021- 2022/ 86. DOR.LEG.REC/ 40/ 09.07.005/ 2021- 22 dated 18.8.2021.
2. As envisaged under the said RBI Circular, we have since made the subject model documents (vide copy each enclosed) in consultation with our External Counsels viz M/s Cyril Amarchand Mangaldas taking into consideration inputs from select major member banks.
3. The scheme of these model documents is as follows:
  - (A) Model Safe Deposit Locker Agreement  
(To be obtained from all locker holders- existing and future)

For ease of obtaining, the Fixed (i.e. non variable) part is kept in the main body of the agreement while the variable part (which is case specific and hence is to be filled in every case) is taken to the schedule to the agreement.
  - (B) Model Covering Letter for Current Locker Holders  
(To be obtained only from the existing locker holders)

It is for recording the substitution of the already held safe deposit agreement by the new safe deposit agreement.
4. The said model documents were placed before and approved by IBA Legal & Operations Standing Committee in its meeting held on 10.1.2022 and IBA Managing Committee in its meeting held on 21.1.2022.
5. Member banks may consider adopting the enclosed as appropriate for their use keeping in view the said RBI Circular.

Yours faithfully

  
(Rajeev Dewal)  
Senior Advisor- Legal  
Enclosures: As above



[Stamp as Agreement]

## SAFE DEPOSIT LOCKER AGREEMENT

**THIS LOCKER AGREEMENT IS MADE BETWEEN THE BANK AND ITS CUSTOMER AT THE PLACE AND ON THE DATE AS STATED IN THE SCHEDULE HERETO (THE "AGREEMENT").**

The expression "the Bank" shall include its successors, administrator and assigns and the expression "the Customer" shall include, when the Customer is:

- (a) one or more individuals, his/ her/ their heirs(s), executor(s), administrator(s) and legal representative(s);
- (b) a proprietorship firm, the proprietor and his/ her heirs(s), executor(s), administrator(s) and legal representative(s);
- (c) a partnership firm, such firm and its successor, such firm's partners, the survivor or survivors among them and the heir(s), executor(s), administrator(s), legal representative(s) of each one of them;
- (d) a Hindu Undivided Family (HUF), its members and their survivor(s), legal heir(s), executor(s), administrator(s) and legal representative(s); and
- (e) a limited company, its successors.

(The Bank and the Customer are each referred to as a "**Party**" and collectively as "**Parties**")

### **WHEREAS:**

- (A) The Customer being desirous to avail of safe deposit locker facility, has approached the Bank for such facility;
- (B) The Bank is agreeable to provide to the Customer the safe deposit locker facility subject to certain terms and conditions; and
- (C) The Parties have decided to enter into this Agreement to set out the understanding between them in this regard.

### **IT IS AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:**

#### **1. LOCKER LICENCE**

- 1.1 The Bank as a licensor hereby grants to the Customer as a licensee, the licence to use the safe deposit locker, the details of which are more particularly described in the Schedule to this Agreement (hereinafter referred to as the "**Locker**"), subject to the terms and conditions as set out under this Agreement.
- 1.2 The Customer hereby accepts the license granted in terms hereof for fee as specified in the Schedule by way of rent (the "**Rent**").

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- 1.3 The license to use the Locker hereby granted is:
- (a) Personal and for the Customer's own use and not for the use of any person other than the Customer;
  - (b) Non-transferable;
  - (c) Only for legitimate purposes such as storing of valuables like jewelry and documents but not for storing any cash or currency;
  - (d) Not for storing:
    - (i) arms, weapons, explosives, drugs and/ or any contraband material; and/ or
    - (ii) any perishable material and/ or radioactive material and/ or any illegal substance; and/or
    - (iii) any material which can create any hazard or nuisance to the Bank or to any of its customers.
- 1.4 The Customer shall have no right or property in the Locker other than the right to access and use the Locker in accordance with the terms and conditions specified under this Agreement.
- 1.5 The Customer shall be allowed to operate the Locker:
- (a) On a working day of the Bank during the specific time notified from time to time by the Bank for locker operation and in absence of such notification, during the business hours of the Bank. However, in the event of the Bank is not being able to operate for any reason beyond its control such as flood, riot, curfew, lockout etc., the Bank shall not have any obligation to allow operation of Locker;
  - (b) After the Customer entering the details of such operation in the Bank's records in the form and manner as stipulated by the Bank; and
  - (c) After the Customer provides identity proof, if so demanded by the Bank.

## 2. CUSTOMER'S UNDERTAKINGS AND OBLIGATIONS

- 2.1 The Customer shall:
- (a) Use the Locker only for the purpose for which it is provided and in accordance with applicable law and regulations;
  - (b) Abide by rules and regulations for locker operation as the Bank may from time to time adopt;
  - (c) Keep the key, password or any other identification mechanism provided by the Bank for opening of the Locker in a place of safety, not share the same with any other person and not allow the same to fall into hands of any other person, so as to save unauthorized use of the Locker;



- (d) Operate the Locker only using the key, password or any other identification mechanism provided by the Bank and not otherwise;
- (e) Not to temper with or make a copy of key or any other identification mechanism provided by the Bank for operation of the Locker;
- (f) Inform the Bank forthwith in case of loss of the key, password or any other identification mechanism provided by the Bank for the operation of the Locker;
- (g) Return forthwith to the Bank in case of finding the key, password or any other identification mechanism provided by the Bank for the operation of the Locker, earlier having been reported to the Bank as lost;
- (h) Pay to the Bank the Rent when due and bear all costs incurred by the Bank for:
  - (i) Changing the lock and repairs to the Locker on the Customer's reporting of loss of key provided by the Bank; and
  - (ii) Breaking open of the Locker in terms of this Agreement.
- (i) Inform the Bank forthwith in case of the change of address of the Customer providing new address and contact details including phone number, email id, mobile number etc.

### 3. BANK'S RIGHTS

#### 3.1 The Bank shall have a right to:

- (a) Recover the Rent and any other cost incurred by the Bank in relation to the Locker to the debit of the Customer's account, in the event the same is not paid by the Customer, when due; and
- (b) Refuse access to the Locker-
  - (i) In case the rent due on the Locker remains unpaid; and
  - (ii) Customer fails to provide proof of identity when demanded by the Bank, at the time of seeking access to the Locker.

#### 3.2 Termination of License

- 3.2.1 The Bank shall have, in the event of the Customer's breach of or default under this Agreement and/ or the Bank being of the view that the Customer is not co-operating and/or complying with the terms and conditions of this Agreement, a right to terminate this Agreement and the license granted hereunder, after issuing to the Customer a prior written notice of not less than 3 (three) months by registered post or speed post (and also by (i) email where email id of the Customer is available; and (ii) SMS and/or WhatsApp where the mobile phone number of the Customer is available) ("**Termination Notice**").

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- 3.2.2 Upon receipt of the Termination Notice, the Licensor shall forthwith and before the end of the notice period stipulated under the Termination Notice surrender and vacate the Locker and handover the keys, password or any other identification mechanism and documents provided by the Bank for opening of the Locker, to the Bank.
- 3.3 **Breaking open of the Locker and dealing with its contents**
- 3.3.1 The Bank shall have a right to break open the Locker and deal with its contents in accordance with the provisions under this Agreement, the Bank's internal policy (ies) and procedure(s) and the applicable laws and regulations, in case of any one or more of the following events-
- (a) In the event Termination Notice in accordance with Clause 3.2.1 hereof is served to the Customer and the Customer does not surrender and vacate the Locker after the end of the notice period stipulated under the Termination Notice:
  - (b) The Rent remains unpaid for 3 (three) consecutive years; and
  - (c) The Locker remains inoperative (irrespective of whether Rent is paid or not) for a period of 7 (seven) years or more; and the Customer cannot be located by the Bank.
- 3.3.2 Before exercising the right to break open the Locker, the Bank shall send to the Customer a notice (in addition to the Termination Notice under Clause 3.2.1 above) in writing of not less than 3 (three) months by registered post/ speed post (and also by (i) email where email id of the Customer is available; and (ii) SMS and/or WhatsApp where the mobile phone number of the Customer is available) of the Bank's proposed action of breaking open of the Locker ("**Break Open Notice**").
- 3.3.3 Notwithstanding, anything contained under this Agreement the Bank shall take all possible efforts to contact the Customer by sending messages on mobile phone of the Customer, sending a personal messenger to the Customer's address, making phone calls on the Customer's land line/ mobile phone etc. before breaking open of the Locker.
- 3.3.4 In case the Termination Notice and the Breaking Open Notice as foresaid sent by the Bank is returned undelivered or the Customer is not found to be traceable despite the Bank having taken reasonable efforts including those stated under Clause 3.3.2 and 3.3.3 above, the Bank shall, before breaking open the Locker, issue a public notice of not less than 3 (three) months about the Bank's intention to break open the Locker, in minimum 2 (two) newspapers (one in English and another in local language) in the same location where the Customer resides as evidenced by the Customer's address as stated in the Agreement or as further communicated by the Customer to the Bank.
- 3.3.5 The breaking open of Locker would be done in the presence of a committee consisting of 2 (two) officers of the Bank and 2 (two) independent persons acting as witnesses. In the event of electronically operated Locker (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.

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- 3.3.6 Upon breaking open of the Locker, having followed the procedure as set out above, the Bank shall prepare inventory of the contents of the Locker and get valuation of the contents done by the Bank's approved Valuer and the contents of the Locker shall be kept in sealed envelope along with detailed inventory inside a fireproof safe in a tamper-proof way.
- 3.3.7 In addition to the above, the Bank shall also record a video of the break open process together with inventory assessment and safe keep and preserve the same so as to provide evidence in case of any dispute or court case in future.
- 3.3.8 Furthermore, the Bank shall also ensure that the details of breaking open of locker is documented in the Bank's Core Banking System (CBS) or any other computerized system compliant with the Cyber Security Framework issued by RBI from time to time, apart from locker register.
- 3.3.9 Disposal of the articles of the Locker as recorded in the inventory prepared in the manner as stated in the paragraphs above, shall be done either by sale in public auction and the sale proceeds shall be applied first towards the Customer's dues to the Bank (including outstanding Rent, breaking open charges and any other dues) and balance be refunded to the Customer or held for the disposal at the order of the Customer.
- 3.3.10 Before sale of the contents of the Locker by conducting public auction, a notice of not less than 3 (three) months in writing by registered post/ speed post (and also by (i) email where email id of the Customer is available; and (ii) SMS and/or WhatsApp where the mobile phone number of the Customer is available) shall be issued by the Bank to the Customer about the intention of the Bank to auction the contents of the locker for recovery of the dues to the Bank. The said notice ("**Auction Notice**") shall contain the date, time and place of auction and a copy of the inventory of the contents of the Locker made in terms hereof.

#### 4. THE BANK'S DISCHARGE FROM OBLIGATIONS AND LIABILITY

- 4.1 The Bank shall not be liable for in any case for deterioration or damage to the contents of the Locker whether caused by rain, fire, flood, earthquake, lighting, civil disturbance or commotion, riot or war or in the event of any terrorist attack or by any other similar cause(s).
- 4.2 The Bank shall not be liable for any damage/ loss of contents of the Locker arising from any act that is attributable to the fault or negligence of the Customer whatsoever.
- 4.3 The Bank shall be discharged of its obligations and shall not be liable for any cost, loss or liability incurred by the Customer (including for any damage and/or loss of contents of Locker) in the event the Locker is broken open and its contents dealt with in keeping with the provisions of this Agreement.
- 4.4 Regardless of the above, the Bank's liability on the Locker shall always be subject to limitation under the applicable law and regulation.
- 4.4 The contents of the Locker shall in no manner be considered insured by the Bank.

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and the Bank shall not have any liability to insure the contents of the locker against any risk whatsoever.

## 5. LAW AND JURISDICTION

This Agreement is made subject to Indian law and all matters arising out of it shall be subject to the jurisdiction of courts at the place where the Bank is situated or in the jurisdiction of which the Bank falls.

### SCHEDULE

Place:		Date:
<b>I. PARTIED TO THIS AGREEMENT</b>		
I(A)	THE BANK	[●], incorporated in under [●] and operating in these presents through its branch as stated below
	BRANCH	
I(B)	THE CUSTOMER	NAME AND ADDRESS:
		1 Name: Address: Email ID: Telephone Number: Mobile Number:
		2 Name: Address: Email ID: Telephone Number: Mobile Number:
		3 Name: Address: Email ID: Telephone Number: Mobile Number:
2	DESCRIPTION OF LOCKER	LOCKER NUMBER:  KEY NUMBER:
3	LOCKER RENT PER YEAR	Rs.(in figures): _____ Rupees(in words): _____ (As may be revised from time to time) (Payable in advance)
4	PERIOD OF LICENCE	1 (One) year from the date of this Agreement which at the end of such one year shall stand automatically extended for a further period of 1 (one) year every time unless terminated in terms hereof.
5	OPERATING MANDATE	
6	ANY OTHER TERM	

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement.

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**For the Customer**

	1	2	3
Signature			
Name			
Designation/ Capacity*			

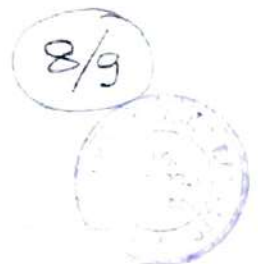
(\*in case where the Customer is non individual/ not signing in person)

**For the Bank [Bank Name/ Branch Name]:**

Signature:

Name of the signatory:

Designation:



Covering Letter to be obtained from the Customers currently holding lockers

Place:

Date:

To:

**The Manager**

\_\_\_\_\_ **Bank**

\_\_\_\_\_ **Branch**

Dear Sir/ Madam,

**Subject: Safe Deposit Locker- No: \_\_\_\_\_**

1. I/ We have been granted by you the subject facility in terms of the agreement dated \_\_\_\_\_ executed by me/ us ("**Earlier Agreement**").
2. In this connection, I/ We enclose herewith and tender to you a new safe deposit locker agreement (as required under the circular dated August 18, 2021, issued by the Reserve Bank of India bearing number RBI/2021-2022/86 DOR.LEG.REC/40/09.07.005/2021-22, titled Safe Deposit Locker/ Safe Custody Article Facility provided by the banks- Revised Instructions, as may be amended, modified, replaced and/or supplemented from time to time) executed by me/ us ("**New Agreement**") in substitution and/ or replacement of the Earlier Agreement.
3. I/ We also expressly understand, acknowledge and agree in this connection that the terms and conditions as stated in the New Agreement shall henceforth apply to the subject facility and the New Agreement shall on and from the date of execution of the New Agreement prevail over the Earlier Agreement in its entirety.

Yours faithfully,

	1	2	3
Signature			
Name			
Designation/ Capacity*			

(\*in case where the Customer is non individual/ not signing in person)  
(Customer)

Enclosure: New Agreement as above.

