

# Thane Bharat Sahakari Bank Ltd.

## (Scheduled Bank)

### Standard Operating Procedure for Locker

1. Branches shall carry out Customer Due Diligence for both new and existing customers. The existing customers of a bank who have made an application for locker facility and who are fully compliant with the Customer Due Diligence criteria under the Master Direction – Know Your Customer (KYC) Directions, 2016 (as updated from time to time) shall be given the facilities of safe deposit lockers/safe custody article 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
2. Allotment of lockers shall be based on the duly filled in application of the prospective hirers on the printed format provided by the bank.
3. Lockers shall be allotted by the branches on first-come-first-serve basis.
4. Due diligence of KYC norms, shall be duly applied before allotment of locker.
5. Branches shall maintain a wait list for the purpose of allotment of lockers and will ensure transparency in allotment of lockers. All applications received for allotment of locker shall be acknowledged and given a wait list number.
6. At the time of allotment of the locker to a customer, the branch 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.
7. The branch shall obtain recent passport size photographs of locker-hirer(s) and individual(s) authorized by locker hirer(s) to operate the locker and preserve in the records pertaining to locker-hirer being maintained in the Bank's Branch.
8. Locker rent and service charges will be decided by the Bank, depending on their size from time to time. The rent tariff and related service charges shall be publicized among the customers, suitably.
9. Safe Deposit Locker rent will be payable in advance and in the event of locker rent remaining unpaid, when due, the Bank will have the right to refuse access to the locker and without prejudice to Bank's right to break open the locker.
10. Locker rent will be recovered on annual basis. The lease period of one year will start from the date of hiring the locker and will continue till the preceding day of the corresponding date in the subsequent year.

11. If the locker is hired in the name of the staff member, either singly or jointly with his / her spouse, a nominal concession will be allowed at the discretion of the Bank. However, a staff member would be eligible to hire only one locker at concessional rent at the bank.
12. To ensure prompt payment of locker rent, at the time of allotment, a minimum fixed deposit is to be obtained which would cover 3 years' rent and the charges for breaking open the locker in case of an eventuality. Branch however shall not insist on such Term Deposits from the existing locker holders or those who have satisfactory operative account.
13. If locker rent is collected in advance, in the event of surrender of a locker by a customer, quarterly proportionate amount of advance rent collected shall be refunded to the customer.
14. Branches shall exercise due care and necessary precaution for the protection of the lockers provided to the customer.
15. The Hirer/s can operate the Safe Deposit Locker only on the Bank's working days and during the business hours of the Branch.
16. Before operating the locker, the hirer/s should sign the locker operation register which shall be kept at the branch. The date and time (Both Check-in and Check-out time) on which they have opened and closed the locker shall be mentioned in the register.
17. The Locker can be surrendered at any time without any damage.
18. Bank has started sending an email to the registered email ID and SMS alert to the registered mobile number of the customer before the end of the day as a positive confirmation intimating the date and time of the locker operation. To avoid exposing any wrongful information of the customer, timely registration of locker operation in the system is mandatory and correct locker account number should be entered in the system.
19. Where the lockers have remained unoperated for more than three years for medium risk category or one year for a higher risk category, branches shall immediately contact the locker-hirer and advise him to either operate the locker or surrender it. This exercise will be carried out even if the locker hirer is paying the rent regularly. Further, branches will ask the locker hirer to give in writing, the reasons why he / she did not operate the locker. In case the locker-hirer has some genuine reasons as in the case of NRIs or persons who are out of town due to a transferable job etc., branches will allow the locker hirer to continue with the locker operations. In case the locker-hirer does not respond nor operate the locker, branches will consider break opening the lockers after giving due notice to him.
20. Branch shall ensure that identification Code of the bank / branch is embossed on all the locker keys with a view to facilitating identification of lockers/locker ownership by law enforcement agencies in case of need. Further, the custodian of the locker shall, regularly/ periodically, check the keys maintained in the branch to ensure that they are

in proper condition. Branch 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.

21. Branch shall inter change the locks with any vacant locker of the branch whenever the locker is surrendered by the hirer. Branch shall inform to IT Dept. /Operations Dept. to register the change of locker key details in the system. The keys of vacant lockers shall be kept in sealed envelopes. The duplicate master keys shall be deposited with another branch of the bank. There shall be proper record of joint custody of master keys. 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.
22. The branch 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 e-mail, if registered 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 branch 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. 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.
23. 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.
24. The branch shall offer nomination facility in case of safe deposit lockers and safe custody of articles, in accordance with the provisions of section 45-ZC to 45-Z F of the Banking Regulation Act, 1949 and Banking Companies (Nomination) Rules, 1985/Co-operative Banks (Nomination) Rules, 1985. In case the nominee is a minor, the same procedure as prescribed for the bank accounts shall be followed by the branch.
25. For the various Forms (Forms SC1, SC2 and SC3 for Articles left in Safe Custody and Forms SL1, SL1A, SL2, SL3 and SL3A for Safety Lockers) prescribed under Banking Companies (Nomination) Rules, 1985/Co-operative Banks (Nomination) Rules, 1985, only Thumb-impression(s) shall be required to be attested by two witnesses. Signatures of the account holders need not be attested by witnesses.
26. Branch should register the nomination, cancellation and/or variation of the nomination, in the books/ system made by the locker hirers.
27. Branch should acknowledge 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.

28. Notice of knowledge of the death of a hirer or a surviving hirer in the case of 'E or S' hirers will be recorded in the Locker Register with date and source of information under the initials of an officer.
29. As a further precaution, a slip reading 'hirer deceased' will be pasted on the locker. Thereafter access to the locker should be allowed on production of legal representation.
30. Access may however be allowed, for making an inventory of the contents with a view to obtaining the necessary legal representation to known heirs of the deceased in the presence of their lawyers / solicitors or to persons authorized by a court for this purpose.
31. Where authority has been given to the survivor or survivors to operate the locker in writing specifically at the time of lease of the locker, in the case of joint account, the question of legal representation does not arise unless the survivor also dies.
32. Section 45ZE of the Banking Regulation Act, 1949 does not preclude a minor from being a nominee for obtaining delivery of the contents of a locker. However, the responsibility of the branches in such cases will be to ensure that when the contents of a locker were sought to be removed on behalf of the minor nominee, the articles were handed over to a person who, in law, was competent to receive the articles on behalf of the minor.
33. Branch 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 locker hirer/ depositors of safe custody articles and suitable identification of the claimant(s) with reference to nomination, to the branch's satisfaction.
34. If the sole locker hirer nominate 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 branch 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 bank shall follow the mandate in the event of death of one or more of the joint locker-hirers. Similar procedure shall be followed for return of articles placed in the safe custody of the bank.
35. The branch 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 banks shall prepare an

inventory of the articles in the presence of two independent witnesses, one officer of the branch 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.

36. The branch 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.
37. While giving access to the survivor(s) /nominee(s) of the deceased locker hirer/depositor of the safe custody articles, 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.
38. 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, branch shall adopt a Board approved policy to facilitate access to legal heir(s) / legal representative of the deceased locker hirer.
39. Similar procedure shall be followed for the articles under safe custody of the bank.
40. 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 shall be communicated to the locker hirer.
41. The opening of the locker has to be carried out by the branch through Bank's 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.
42. 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.
43. 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 branch shall co-operate in execution and implementation of the orders.
44. The 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 mail 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 branch 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.

45. 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. The branch 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.
46. Before breaking open the locker, the branch shall give due notice to the locker-hirer through a letter and through e mail and SMS alert to the registered e mail id and mobile phone number. If the letter is returned undelivered or the locker-hirer is not traceable, the branch shall inform to Operations Department for issuing public notice giving reasonable time to the locker-hirer or to any other person/s who has interest in the contents of locker to respond.
47. The locker shall be broken open in the presence of an officer of the branch and two independent witnesses. Further, branch 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.
48. After breaking open of locker, the contents shall be handed over to designated authorities at Head Office in sealed envelope with detailed inventory. While returning the contents of the locker, the branch shall inform Head Office to deliver the envelope to branch for onward delivery to a customer. Branch should obtain acknowledgement of the customer on the inventory list to avoid any dispute in future.
49. Branch shall also record a video with current data and time 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. As an when the branch follow the procedure of video shooting of break open locker, the shooting is must be carried out uninterrupted service.
50. Branch shall ensure that the inventory prepared after breaking open of the locker and during settlement of claims, is in the appropriate forms. Further, branch shall not open sealed/closed packets left with the Branch for safe custody or found in locker while releasing them to the nominee(s) and surviving locker hirers/deposit or of safe custody article, unless required by law.
51. If the locker inoperative for the period of more than one year, in the case branches should be follow / apply RBI AML rating rule.

52. Branch has the responsibility to ensure that incidents like fire, theft/ burglary/ robbery, dacoity, do not occur in the bank's premises due to its own shortcomings, negligence and by any act of omission/commission by the employee of the bank.
53. The branch shall ensure that the customers are made aware of the bank's terms and conditions to avail the facilities of Safe Deposit Lockers and Safe Custody of Articles.