

SETTLEMENT OF CLAIMS IN CASE OF DEATH OF A CUSTOMER

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

Time limit for settlement of claims: Branches 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 branch satisfaction.

Branches shall report to the Customer Service Committee of the Board, at appropriate intervals, on an ongoing basis, the details of the number of claims received pertaining to deceased locker-hirers / depositors of safe custody article accounts and those pending beyond the stipulated period, with reasons therefor. Customer Service Committee of the Board of the bank shall review the settlement of claims and make suggestions to ensure that the claims are settled as early as possible unless there is any litigation pending before the Courts or any difficulty is being faced in identifying the true claimant with reference to nomination.

Bank shall have a Board approved policy for nomination and release of contents of safety lockers / safe custody article to the nominee and protection against notice of claims of other persons in accordance with the provisions of Sections 45 ZC to 45 ZF of the Banking Regulation Act, 1949 and the Banking Companies (Nomination) Rules, 1985/Co-operative Banks (Nomination) Rules, 1985 and the relevant provisions of Indian Contract Act and Indian Succession Act

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

For settlement of claims of the heirs of the Deceased Locker hirers, procedure detailed in Circular RBI/2021-2022/86 dated 18/08/2021, to be followed.

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

If the sole locker hirer nominates an individual to receive the contents in the locker, in case of his death, after verification of the death certificate and satisfying the identity and genuineness of such individual approached, the 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. In case the locker was hired jointly with the instructions to operate it under joint signatures, and the locker hirer(s) nominates any other individual(s), in the event of death of any of the locker hirers, the branch shall give access of the locker and the liberty to remove the contents jointly to the survivor(s) and the nominee(s) after an inventory was taken in the prescribed manner. In case the locker was hired jointly with survivorship clause and the hirers instructed that the access of the locker should be given to "either or survivor", "anyone or survivor" or "former or survivor" or according to any other survivorship clause permissible

under the provisions of the Banking Regulation Act, 1949, the branches shall follow the mandate in the event of death of one or more of the joint locker-hirers.

1.1 Branches shall, however, ensure the following before giving access to the contents to nominee/ survivor:

1. 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;
2. 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
3. Make it clear to the survivor(s) / nominee(s) that access to articles in the locker / safe custody articles is given to them only as a trustee of the legal heirs of the deceased locker hirer i.e., such access given to them shall not affect the right or claim which any person may have against the survivor(s) / nominee(s) to whom the access is given.

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

- 1.2 The branches 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 branches 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.
- 1.3 The branches shall obtain a separate statement from the nominee (claimant) or the person competent to receive articles on behalf of the minor, as the case may be, that all the contents in the locker or in the safe custody is received and the locker is empty and they have no objection to allotment of the locker to any other customer as per norms.
- 1.4 While giving access to the survivor(s) / nominee(s) of the deceased locker hirer / depositor of the safe custody articles, branches 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. 1
- 1.5 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.