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Telangana State.

Regd. No. 1108/T.E/1997



SOP & Procedure for settlement of Deceased
claims of Locker / Safe Custody Article

STANDARD OPERATING PROCEDURE (SOP) FOR SAFE DEPOSIT LOCKERS

1. OBJECTIVE

This SOP provides step-by-step procedures for the allotment, operation, maintenance, surrender, and breaking open of Safe Deposit Lockers to ensure:

- ✓ Transparent and fair locker operations.
 - ✓ Compliance with RBI guidelines (Master Circular dated August 18, 2021, and subsequent updates).
 - ✓ Security of locker contents and customer interest.
 - ✓ Accountability and prevention of misuse.
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2. APPLICABILITY

This SOP applies to all branches of the Bank offering Safe Deposit Locker services and to all authorized bank personnel involved in locker operations.

3. ELIGIBILITY FOR LOCKER ALLOTMENT

- ✓ Locker facility is available to:
 - Existing Savings Bank or Current Account holders.
 - New customers subject to full KYC compliance.
 - ✓ Non-individuals (companies, firms, etc.) may be allotted lockers with proper authorization.
 - ✓ Joint locker allotments permitted as per account mandate.
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4. PROCEDURE FOR ALLOTMENT OF LOCKER

- ✓ Check locker availability and maintain a waiting list if no locker is currently available.
- ✓ Obtain and verify:
 - Locker Application Form.

- Latest KYC documents.
 - Photograph and signature specimen.
 - ✓ Execute standard Locker Agreement (IBA-approved format).
 - ✓ Collect prescribed locker rent and security deposit, if applicable.
 - ✓ Allot locker and hand over the key to the hirer against acknowledgment.
 - ✓ Update Locker Register and CBS system.
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5. LOCKER OPERATION PROCEDURE

- ✓ Locker can be operated during business hours only.
 - ✓ Confirm identity of the hirer via:
 - Signature verification.
 - Photo ID (if necessary).
 - ✓ Both the Bank's master key and the customer's key are required to open the locker.
 - ✓ Update the Locker Operation Register with date, time, and signature of the hirer.
 - ✓ For joint lockers, operations allowed as per mandate.
 - ✓ Locker room to be accessed only in the presence of authorized bank staff.
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6. NOMINATION

- ✓ Nomination facility must be offered at the time of allotment.
 - ✓ Nominee details recorded in CBS and Locker Register.
 - ✓ Change or cancellation of nomination permitted as per prescribed procedure.
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7. LOCKER RENT

- ✓ Rent to be collected in advance annually or as per Bank policy.
 - ✓ Non-payment of rent for 3 consecutive years permits the Bank to break open the locker following due process.
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8. SURRENDER OF LOCKER

- ✓ Locker can be surrendered by the hirer at any time.
- ✓ Obtain written request for surrender and verify identity.
- ✓ Locker to be opened, inspected for contents (to be removed by hirer), and sealed.

- ✓ Locker key to be returned and acknowledged.
 - ✓ Refund security deposit, if applicable.
 - ✓ Update Locker Register and CBS system to reflect closure.
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9. BREAKING OPEN OF LOCKER

Permitted under following conditions:

- ✓ Non-payment of rent for 3 consecutive years.
- ✓ Non-operation of locker for a long period and inability to contact the hirer.
- ✓ Death of hirer with no legal claim made within a reasonable time.

Procedure:

- ✓ Issue advance written notice to the hirer/nominee/legal heir.
 - ✓ Breaking open to be done in the presence of:
 - Branch Manager.
 - Two independent witnesses.
 - Bank staff member.
 - ✓ Inventory of contents prepared, signed, and sealed.
 - ✓ Contents to be kept in safe custody until claimed legally.
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10. RECORD MAINTENANCE

- ✓ Maintain the following records:
 - Locker Register (physical and electronic).
 - Locker Operation Register.
 - Nomination Register.
 - Locker Rent collection records.
 - Break open/closure records.
 - ✓ Records to be updated promptly and available for audit.
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11. SECURITY & SURVEILLANCE

- ✓ CCTV to be installed at locker room entrance (if available).
- ✓ Locker room to be kept locked outside business hours.
- ✓ Only authorized staff permitted in locker area.

12. CUSTOMER GRIEVANCES

- ✓ Complaints related to locker facility to be addressed promptly at branch level.
 - ✓ Escalation to Nodal Officer/Grievance Redressal Committee if unresolved.
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13. AUDIT & COMPLIANCE

- ✓ Locker operations to be included in internal audit scope.
 - ✓ Audit to verify:
 - Allotment records.
 - Rent collection.
 - Break open procedures.
 - ✓ Compliance with RBI guidelines to be ensured.
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14. REVIEW OF SOP

- ✓ SOP to be reviewed annually or earlier based on:
 - Changes in RBI guidelines.
 - Audit observations.
 - Operational feedback.
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15. CONCLUSION

This SOP ensures disciplined, secure, and customer-friendly operation of Safe Deposit Locker facilities in compliance with regulatory requirements.

Procedure for settlement of Deceased claims of Locker / Safe Custody Article

Nomination facility in Safe Deposit Lockers

Nomination facility is available in respect of lockers hired singly as well as jointly. In respect of lockers in joint names, nomination can be made only when the mode of operation is stipulated as 'Jointly'. When a locker is hired by two or more persons with mode of operation stipulated as 'Jointly', each hirer may appoint a nominee on his/her behalf.

Where the lockers are hired jointly, on the death of any of the joint hirers, the contents of the locker are allowed to be removed jointly by the nominee(s) and the survivor(s) after an inventory is taken in the prescribed manner. In such a case, after such removal preceded by an inventory, the nominee and surviving hirer(s) may still keep the entire contents with the bank, if they so desire, by entering into a fresh contract of hiring a locker.

Sealed/closed packets found in locker while releasing them to the nominee or nominees and surviving hirers shall not be opened. Description of the sealed/closed packet(s) shall, however, be mentioned in the inventory.

Section 45 ZE of the B.R Act, 1949 does not preclude a minor from being a nominee for obtaining delivery of the contents of a locker. In such cases, it shall be ensured that when the contents of a locker are sought to be removed on behalf of the minor nominee, the articles are handed over to a person who, in law, is competent to receive the articles on behalf of the minor.

Settlement of claims in Case of Single Locker hirer (Individual / Sole Proprietary concern)	
With Nomination	Without Nomination
The nominee shall be allowed to access the locker and remove the contents on verification of his/her ISA as per extant KYC Policy of the Bank and verification of proof of death of locker hirer. Before permitting the nominee to remove contents of the Safe Deposit Locker, the Bank would prepare an inventory of the articles in the presence of nominee(s) and two independent witnesses.	Legal heir(s) of the deceased locker hirer or a person mandated by the legal heir(s) shall be allowed to access the locker and remove the contents on verification of his / her / their ISA as per extant KYC Policy of the Bank & proof of death of locker hirer. Before permitting legal heir(s) to remove contents of the Safe Deposit Locker the Bank would prepare an inventory of the articles in the presence of legal heir(s)/mandate holder and two independent witnesses.
Settlement of claims in case of single locker hirer shall be subject to submission of claim forms as per Bank's extant guidelines(refer Table – I below)	

Settlement of claims in Case of Joint Safe Deposit Lockers hirer(s) without survivorship mandate (operated jointly)	
With Nomination	Without Nomination
a) In the event of the death of one (or more but not all) of the joint locker hirers, the surviving hirer(s) and the nominee(s) would be jointly allowed to access the locker and remove the contents on verification of his / her / their ISA as per extant KYC Policy of the Bank and verification of proof of death of the locker hirer(s) along with the surviving hirer(s).	a) In the event of death of one (or more but not all) of the locker hirers, the surviving hirer(s) and legal heirs of the deceased hirer (or a person mandated by them) would be allowed to access the locker and remove the contents on verification of ISA of such legal heirs as per extant KYC Policy of the Bank, authority of such legal heirs and proof of death of the hirer.

<p>b) In the event of death of both / all joint locker hirers, the nominee(s) of all the deceased locker hirer(s) will be allowed together to access the locker and remove the contents on verification of his/her/their ISA as per extant KYC Policy of the Bank and verification of proof of the death of the hirers.</p> <p>c) Before permitting surviving hirer(s) and/or nominee(s) to remove contents of the Safe Deposit Locker, the Bank would prepare an inventory of the articles in their presence along with two independent witnesses.</p>	<p>b) In the event of death of both / all the joint locker hirers, all the legal heirs of all the deceased locker hirer(s) (or any one of them as mandated by all legal heirs) would be allowed to access the locker and remove the contents on verification of his / her / their ISA as per extant KYC Policy of the Bank, their authority and proof of death of the locker hirers.</p> <p>c) Before permitting surviving hirers and mandated legal heir(s) to remove contents of a Safe Deposit Locker, the Bank would prepare an inventory of the articles in the presence of surviving hirers, mandated legal heir(s) and two independent witnesses.</p>
<p>Settlement of claims in case of Joint Safe Deposit Lockers hirer(s) shall be subject to submission of claim forms as per Bank's extant guidelines(refer Table – I below)</p>	

<p>Settlement of claims in Case of Joint Safe Deposit Locker hirer(s) with mandate "Either or Survivor" / "Former or survivor" / "Anyone or Survivors"/ "Later or Survivor"</p>	
<p>With Nomination</p>	<p>Without Nomination</p>
<p>Not applicable</p>	<p>a) In the event of death of one (or more but not all) of the joint hirers, the surviving hirer(s) will be allowed to access the locker and remove the contents on verification of proof of death of the joint hirer(s).</p> <p>b) In the event of death of all the locker hirers, all the legal heirs of the deceased joint hirers (or any one of them as mandated by all legal heirs) would be allowed to access the locker and remove the contents on verification of ISA of such legal heir(s) as per extant KYC Policy of the Bank, authority of such legal heirs and proof of death of the locker hirers.</p> <p>c) Before permitting the surviving hirers/legal heir(s) to remove contents of a Safe Deposit Locker, the Bank would prepare an inventory of the articles in the presence of surviving hirers/legal heirs and two independent witnesses.</p>
<p>Settlement of claims in case of Joint hirer(s) with mandate "EorS" / "ForS" / "Aor S"/ "LorS" locker hirer shall be subject to submission of claim forms as per Bank's extant guidelines(refer Table – I below)</p>	

Nomination facility in Safe Custody Articles

Nomination facility is available only in the case of individual depositor / sole proprietary concern and not in respect of persons jointly depositing articles for safe custody.

Settlement of claims in Case of Single Safe Custody Article hirer (Individual / Sole proprietary concern)	
With Nomination	Without Nomination
Safe custody article/s would be delivered to the nominee on verification of his /her ISA as per extant KYC Policy of the Bank and verification of proof of death of depositor. Before permitting nominee to remove contents of the Safe Custody Articles, the Bank would prepare an inventory of the articles in the presence of nominee and two independent witnesses.	Safe custody article/s would be delivered to the legal heir(s) or a person mandated by the legal heir(s) on verification of his / her / their ISA as per the extant KYC Policy of the Bank, his/her/their authority and verification of proof of death of the depositor. Before permitting legal heir(s) to remove contents of a Safe Custody Articles, the Bank would prepare an inventory of the articles in the presence of legal heir(s) /mandate holder and two independent witnesses
Settlement of claims in case of single locker hirer shall be subject to submission of claim forms as per Bank's extant guidelines(refer Table – I below)	

General Guidelines on Safe Deposit Locker

- a) On receipt of notice of death of a sole hirer or of the last survivor of the joint Hirer(s), the locker shall be sealed with the Bank's seal and a note to this effect shall be made in all the respective records.
- b) Branches shall at their discretion, on production of satisfactory evidence, permit a legal representative of the deceased to inspect the contents of the locker to enable him /her to obtain the necessary succession certificate or any other legal representation.
- c) On grant of the succession certificate, probate of a will or letters of administration, the successor, executor or the administrator respectively shall have power to deal with the contents of the locker.
- d) The contents of the locker, **sometimes, are not of great value/ importance**, hence, obtaining legal representation involves cost as well as time. The branches may, therefore, in appropriate cases, allow the heirs of the deceased hirer to have access to the locker and withdraw the contents against usual Affidavit cum Indemnity, subject to the following:
 - i. The claimants/heirs of the deceased hirer would be required to furnish necessary particulars in the claim format, which is ordinarily obtained in deposit accounts.
 - ii. A prescribed letter would be taken from all the heirs requesting the Bank to open the locker for the purpose of inventory.
 - iii. The branch would then fix up a date and time for making an inventory and accordingly an inventory may be taken in the presence of all the heirs/ their duly constituted attorney/ies, two respectable witnesses known to the branch (witness can be employees or ex-employees of the Bank), the valuer, the Safe Deposit Vault Custodian and another officer. Two copies of inventory list would be prepared in the prescribed inventory record form. After making an inventory, contents would be redeposit in the said locker along with the inventory list so

prepared and locker would be sealed. One copy of the inventory list should be given to claimants.

- e) The branches would forward the claim papers along with inventory papers to the delegated authority to enable them to consider delivering the contents against usual Affidavit cum Indemnity signed by the claimant/s and one or more surety/ies considered good for the amount involved.
- f) On receipt of the approval, any due to the Bank towards Locker rent etc. will be collected from the nominee/legal heir(s)/survivor(s), and thereafter the claimant/s would be allowed to remove the contents from the locker after signing an Affidavit cum Indemnity and a letter of surrender together with the key.
- g) Succession Certificate is not applicable in respect of articles such as jewellery or cash in a locker. Therefore, a Succession Certificate holder is not entitled to receive such contents in a locker on the strength of the certificate. The claimant may obtain Letter of Administration for the purpose. However, shares, securities or insurance policies lying in a locker and listed in the Succession Certificate can be delivered to the holder of the certificate, against a proper receipt and on completion of any other formalities required by the Bank in this regard. Letter of Administration can however cover both the jewellery/cash as well as shares/securities/policies.
- h) Where an inventory is required to be taken in terms of a Court order, it will 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 shall enumerate the contents of locker and it shall 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 shall be recorded in triplicate, one copy to the Court, the second to the claimant and the third to be retained at branch for record purpose.
- i) In case the nominee/legal heir(s)/survivor(s) is/are not in possession of the key, the nominee/ legal heir(s)/survivor(s) shall give a letter to that effect and request the Bank to arrange for breaking open the locker. A suitable date for breaking open the locker shall be fixed and necessary charges for breaking open the locker shall be collected from the nominee/legal heir(s)/survivor(s). The locker would be broken in the presence of the nominee/legal heir(s)/survivor(s) and two witnesses who are well known and acceptable to the Bank.
- j) The death claim in case of lockers without nomination shall be settled only by production of Court Order.
- k) Whenever claim is received from the Legal Heir(s) / Nominees branches shall specify all the documentation requirements at one go and not on a piecemeal basis.
- l) While removing the contents of the locker, the following procedure shall be observed:
 - i. Any due to the bank towards locker rent etc. should be collected from the nominee / legal heir(s)
 - ii. The locker should be opened / broken open in the presence of the nominee / legal heir(s) / survivor(s) if any and two witness who are well known and acceptable to the Bank.

- iii. The details of the articles removed from the locker should be noted in the inventory form as detailed in Annexure 9 / 10 (Annexures attached separately on website). However, sealed packets found in the locker should not be opened.
- iv. The inventory form should be signed by the nominee, survivor(s) / legal heir(s) if any, and the witnesses.
- v. After obtaining the receipt duly stamped and signed by the nominee and survivor(s)/ legal heir(s) if any the contents shall be handed over to the claimants.
- vi. Details of the closure of locker relationship shall be recorded in locker management software.
- vii. In case the locker was hired jointly with survivorship clause and the hirers instructed that the access of the locker should be given over to 'either or survivor', 'anyone or survivor' or 'former or survivor' or according to any other survivorship clause, banks should follow the mandate in the event of the death of one of more of the locker-hirers. The survivor/s may be allowed to continue the same locker without obtaining any fresh Agreement.

Table I		
Lockers Hirer /Safe Custody Article hirer with Nomination		
Mode of Operation	Death Of	Whom to give access to locker
Single	Locker Hirer /Safe Custody Article Hirer	Nominee
Jointly	One or More but not all Locker Hirers	Survivor along with all the Nominees Jointly
Jointly	All Locker Hirers	All Nominees Jointly
Lockers /Safe Custody Article hirer without Nomination		
Mode of Operation	Death Of	Whom to give access to locker
Single	Locker Hirer/Safe Custody Article hirer	Legal Heirs of deceased Locker Hirer / Safe Custody article hirer
Single	Locker Hirer / Safe Custody Article hirer	Legal Heirs of deceased Locker Hirer - where Succession Certificate (SC)/ Letter of Administration (LA) (where applicable) is waived
Jointly	One or More but not all Locker Hirers	Survivor along with Legal Heirs of all the deceased Locker Hirer
Jointly	All Locker Hirers	Legal Heirs of all the deceased Locker Hirer
Jointly	All Locker Hirers	Legal Heirs of all the deceased Locker Hirer - where Succession Certificate (SC)/ Letter of Administration (LA) (where applicable) is waived
* E or S / F or S / A or S / L or S	One or More but not all Locker Hirers	Survivor
* E or S / F or S / A or S / L or S	All Locker Hirers	Legal Heirs of all the deceased Locker Hirer
* E or S / F or S / A or S / L or S	All Locker Hirers	Legal Heirs of all the deceased Locker Hirer - where Succession Certificate (SC)/ Letter of Administration (LA) (where applicable) is waived
* E or S - Either or Survivor, F or S - Former or Survivor, A or S - Anyone or Survivor, L or S - Latter or Survivor		