

KSCB/BPCCD/BPD/Locker Policy/245/2022-23

11-04-2022

The Regional Managers,
All Regional Offices.

CIRCULAR No.BPD/2/2022-23

Safe Deposit Locker/ Safe Custody of Article Facility

LOCKER POLICY OF THE BANK

As per the resolution No.959 dated 23.03.2022 of the Board of Directors resolved to approve the Locker Policy of the Bank for the compliance of the revised instructions from RBI. The LOCKER POLICY of our Bank is replicated here with for strict adherence. In this connection, all Regional Managers are advised to inform the Branch Managers for compliance of this Circular. The copy of the Locker Policy with Locker Agreement and Forms is attached here with.


GENERAL MANAGER

BuisnessPlanning &Co
operative Credit
Department.



KERALA STATE CO- OPERATIVE BANK

LOCKER POLICY.

229

KERALA STATE CO – OPERATIVE BANK

LOCKER POLICY

INTRODUCTION

Safe deposit lockers facility is one of the ancillary services extended by bank through branches. The relationship between the bank and the hirer of a locker is that of licensor and licensee. The Safe deposit Vault remain open on all working days from 10: a.m. to 4:00 p.m.

CHAPTER - I

1). Eligibility

- i) Bank's lockers will be hired to individual singly/jointly as well as Firms , Limited Companies, Societies, Associations, Clubs ,Trusts etc.
- ii) The applicant shall have a Savings/ Current a/c with our bank.

2) Allotment of Lockers

- i) Allotment of Lockers shall be based on duly filled in application by the prospective hirers on the printed format provided by the Bank.
- ii) Lockers will be allotted by the branches on first-come- first- served basis.
- iii) Due diligence of KYC norms, will be duly applied before allotment of locker.
- iv) Branches will remain a wait list for the purpose of allotment of lockers. All applications received for allotment of locker will be acknowledged and given a wait list number.

3) Locker Rent [Fixed deposit as security for lockers]

- i) At the time of hiring the locker, the Bank shall obtain a minimum security deposit as Fixed Deposit from the licensee for the amount which will cover 3 years rent and the charges for breaking open the Locker, in case of an eventuality.
- ii) The security deposit/F D will be kept under Bank's lien in respect of rental and other dues on locker services like breaking open / replacement of locker in case of loss of key etc.
- iii) An acknowledgement will be issued by the Bank for the deposit to be kept as Security Deposit.
- iv) In cases where the locker is broken open by the bank for non- payment of locker rent, the Fixed Deposit of the hirer/s , will be appropriated for recovery of expenses incurred by the Bank in (i) break open the locker, (ii) replacement of lock, and recovery of Bank's dues on account of - (a) overdue locker

rent, (b) interest on overdue locker rent and (c) reasonable Safe Custody of the Bank.

v) In case the locker remains inoperated for more than one year, the branch would have the right to cancel the allotment of locker and open the locker.

vi) The Security Deposit is fixed based on the size of the Lockers.

Locker Rent policy shall be added after implementation of unified Locker rent.

4) Recovery of rent from hirer(s)

i) With standing instruction the rent shall be paid from the deposit account of the hirer on the due date and sufficient balances shall be maintained in the account for this purpose.

ii) 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.

iii) 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 without prejudice to Bank's right to break open the locker.

iv) Locker rent will be decided by the bank, depending on their size from time to time.

5) Operations of Safe Deposit Lockers - General Guidelines.

i) Branches will exercise due care and necessary precaution for the protection of the lockers provided to the customer.

ii) The Hirer/s can operate the Safe Deposit Locker only on the Bank's working and during the business hours of the Bank.

iii) Before operating the locker the hirer/s should sign in the attendance register which shall be kept at the Bank.

iv) The locker can only be operated upon by applying two keys, one of which will remain with the Licensee and other with custodian of the Safe Deposit vault.

v) The licensee should ensure before leaving the vault that nothing is left out of the locker and the locker is properly locked. The Bank shall not be responsible for any loss sustained by the licensee/authorised person due to licensee leaving any article outside the locker.

vi) The licensee shall not be allowed to open the locker with a key other than the one supplied by the Bank.

vii) The licensee in drunken state are not allowed to operate their locker.

Viii) If the locker is in joint names, mandate of operation should be verified and access to the hirer (s) should be allowed as per mandate if a notice of revoking of mandate of operations is received, the

access should be allowed jointly. The revocation letter may be given by any one of the joint hirers.

ix) Access to the hirer's agent or attorney should be allowed only against a power of attorney duly executed before the Notary Public/Executive Magistrate in favour of the latter. The power of attorney should mention specific locker number also. The power of attorney holder can operate the locker but cannot surrender it.

x) In the case of the deceased hirer, notice is to be sent to his legal heirs or posted to the last known address of the deceased hirer and published in the leading newspapers by way of public notice.

6) Embossing of Keys:

To facilitate Income Tax and other investigating authorities for identification of Safe Deposit Lockers, branches should ensure that all locker keys are embossed with identification code which would indicate the bank and the branch which had hired out the locker

7) Loss of key:

If the key of a locker is reported lost by the hirer, the branch should make arrangements with the manufacturers of the locker to break it open. The full cost along with incidental expenses for this should be recovered from the hirer. In case of joint hirers, all of them should sign jointly authorizing one or more of them to remain present when the locker is forced open.

8) Un-operated lockers

i) Where the lockers have remained in operated for more than a year branches will immediately contact the locker – hirer and advise him to either operate the locker or surrender it.

ii) 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.

iii) 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.

iv) In case the locker hirer does not respond nor operate the locker, branches will consider opening the lockers in the presence of well-known person/potential Customer/VROs/Police after giving due notice to locker hirers.

9) Surrender of locker

i) Locker can be surrendered by the hirer/s without any damage at any time during the contract period through a written application and handing over of keys to the Bank officials.

ii) Lockers are to be surrendered only on the basis of written request from the customer (in person) duly signed by all locker holders.

iii) The contents of the letter should clearly state that the lockers have been vacated and all the belongings have been removed.

- iv) Bank can also request for surrender of locker with due notice.
- v) If the locker is surrendered in the middle of the Financial year rent collected, for the remaining months will not be refunded to the customer.
- vi) In cases where the hirer wishes to surrender the locker before expiry of existing lease period, surplus of rent over the 12 months tenure, if any, will be refunded.
- vii) Surrender of the locker after expiry of the lease period, will be allowed on payment of arrears of locker rent, at the stipulated rate structure.

10) Breaking open of Locker

- i) Locker may break open either at the request of the hirer/s or by the bank for default in payment of prescribed charges or for any other reason
- ii) Break open charges shall be recoverable from the hirer/s.
- iii) Bank shall engage the suppliers of the locker unit to break open the lockers.
- iv) When the locker is break open at the request of the hirer, the same shall take place in the presence of the hirer or his nominee, as the case may be.
- v) When the locker is break open at the instance of the bank, the customer shall be provided notices in advance as per the internal procedures.
- vi) And then it will be break open by the representative of the manufacturers/suppliers in the presence of two respectable non-staff independent witnesses, in addition to the officers of the branch.
- vii) For break open lockers, the bank shall publish the names of the defaulter who have not paid rents on its notice board in spite of notices sent.
- viii) In cases where the locker is break open by the bank for non-payment of locker rent, the Caution Money deposited by the hirer/s, will be appropriated for recovery of expenses incurred by the Bank in (i) Break open the locker (ii) replacement of lock (iii) recovery of Bank's dues on account of (a) overdue locker rent, (b) interest on overdue locker rent and (c) reasonable safe custody charges for keeping the contents in Safe Custody of the Bank.

CHAPTER II

1)Nomination

- i) The nomination can be made in favour of only one individual .
- ii) Nomination, cancellation or variation in existing nomination can be made either at the time of hiring of the locker or subsequently at any time during occupancy of the locker.
- iii) The prescribed form of nomination or cancellation/variation of nomination as the case may be obtained from hirer/s duly completed in all respects, which will be recorded in a register maintained with the Bank and an acknowledgement given to the hirer.
- iv) Where the hirer/s prefers not to nominate, the same will be recorded in the application form.
- v) If a locker is hired for minor, the nomination will be made by some one lawfully entitled to act on behalf of the minor.
- vi) Nomination facility on Safe Deposit lockers shall be extended by the Bank to release the contents to the nominee of the hirers dies, the contents can only be removed jointly by the nominee and survivors.
- vii) Unpaid locker rentals are to be recovered from the nominee.

2)Death of the hirer (Access to locker with survivor/ nominee

- i) 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.
- ii) As a further precaution, a slip reading 'hirer deceased' will be pasted on the locker.
- iii) Thereafter access to the locker should be allowed on production of legal representation. Access may however be allowed, for making an inventory of the contents with a view to obtaining the necessary legal representation to know all heirs of the deceased in the presence of their lawyers/solicitors or to persons authorised by a court for this purpose.
- iv) 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.
- v) 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 are 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.

vi) Contents of lockers are returned to the genuine nominee, as also to verify the proof of death certificate by competent authority.

3) Access to the lockers without survivor/ nominee

i) There is an imperative need to avoid inconvenience and undue hardship to legal heir(s) of the locker hirer(s). 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, the bank will adopt a customer-friendly claim procedure, drawn up, then and there, for giving access to legal heir(s)/ legal representative of the deceased locker hirer.

ii) The bank shall also be guided by the provisions of Sections 45ZC to 45ZF of the Banking Regulation Act, 1949 and the Banking Companies (Nomination) Rules, 1985 and the relevant provisions of Indian Contract Act and Indian Succession Act.

iii) Further, in case the nominee /survivor(s)/ legal hirer(s) wishes to continue with the locker, banks may enter into a fresh contract with nominee/survivor(s)/ legal heir(s) and also adhere to KYC norms in respect of the nominee/legal heir(s).

CHAPTER III

OTHER ASPECTS IN BANK.

Locker Agreement :- At the time of allotment of the locker to a customer, the branch should enter in to 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 should be furnished to the locker hirer to know his/her rights and responsibilities. Original agreement should be retained with the branch.

- 1) **Security of the Strong Room/Vault** :- The area housing the lockers should remain adequately guarded at all times. Branch should install Access Control System, if required as per risk assessment which would restrict any unauthorised entry and create digital record of access to locker room with time log. Branch should cover the entry and exit of the Strong Room and the common areas of operation 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 branch should preserve the CCTV recording till the police investigation is completed and the dispute is settled. It is to be verified by the Internal Auditors.
- 2) **Locker Standards** :- The identification code of the branch is embossed on all the locker keys with a view to facilitating identification of locker ownership by law enforcement agencies in case of need. The custodian of the locker should check whether the keys are in proper condition.
- 3) **Liability of Bank** :- The branch should ensure proper functioning of the locker system. Branch should adhere to the master directions on Frauds for reporting requirements about the instances of robberies, dacoities, thefts and burglaries.

i) Liability of Bank arising from natural calamities like earthquakes, flood, thunder storm, lightening etc. Or due to sole negligence of the customer.

The bank shall not be liable for any damage or loss of content of locker arising from natural calamities like earthquake, floods, lightening and thunderstorm or any act that is attributable to the sole fault or negligence of the customer. Bank shall however, exercise appropriate care to their locker systems to protect their premises from such catastrophes.

ii) Liability of Bank arising from events like fire, theft, burglary, dacoity, robbery, building collapse or in case of fraud committed by the employees of the Bank.

It is the responsibility of the bank to take all steps for the safety and security of the premises in which the safe deposit vaults are housed. It is the responsibility of the bank to ensure that incidents like fire, theft/burglary/robbery, dacoity, building collapse do not occur in the banks premises to its own shortcomings, negligence and by any act of omission/commission or fraud committed by employees, the banks' liability shall be for an amount equivalent to one hundred times the prevailing annual rent of the safe deposit locker.

4) Branch Insurance Policy

1)The branch Insurance Policy, ----- intended to minimize the loss due to incidents like robbery ,fire ,natural calamities, loss during shifting/merger of branch, etc., affecting contents of lockers.

2) Insurance of locker contents by the customer

Branches should clarify in their locker agreement that as they do not keep a record of the contents of the locker or of any articles removed there from or placed therein by the customer , they would not be under any liability to ensure the contents of the locker against any risk whatsoever. Banks should under no circumstances offer, directly or indirectly , any insurance product to its locker hirers for insurance of locker contents.

KERALA STATE CO – OPERATIVE BANK

LOCKER AGREEMENT

239

CONDITIONS FOR HIRING THE SAFE DEPOSIT LOCKER.

1. The Safe Deposit Vault will remain open during working hours for the public.
2. A locker can be rented by a person either in his sole name or in the name of himself jointly with another. In the case of a sole Hirer, the Hirer only and in the case of joint hirers either of them shall have access to the lockers unless instructions to the contrary are given in writing.
3. A hirer is also permitted to nominate an agent to have access to the locker on his behalf provided such authority in favor of the agent is given in writing and is recorded in the books of the Safe deposit Department of the Bank. In case of joint hirers such authority to the agent should be signed by both.
4. All rentals are payable strictly in advance and the bank reserves the right of refusing access to the locker in the event of the rental not being paid when due whether the same has been demanded or not.
5. The Hirer shall have no right of property in the locker but only an exclusive right of user thereof and access thereto during the period of this agreement and in accordance therewith. The hirer shall have not assign or sub let the locker, or any part of it, or permit it to be used for any purpose other than for the deposit of documents, jewelry n or other valuable nor shall the hirer use the locker for the deposit of any property of an explosive or destructive nature.
6. All property is received and held by the safe deposit Department of the Bank subject to a general lien of all monies due from the hirer with the power to sell such property of part thereof in satisfaction of monies due but not paid.
7. Either party may terminate the agreement on giving to the other seven days previous notice in writing prior to the date on which the agreed period of hiring terminates of such intention and the keys of the locker shall in such case be delivered by the hirer to the Bank not later than noon on the day of termination of the hiring.
8. If no such notice as aforesaid shall have been given hiring of the locker shall be considered renewed after the date of termination but this condition is without prejudice to the rights of the bank accrued in the meantime.
9. Without prejudice to any other remedies which the Bank may have against the hirers rights to the use of the locker shall at the option of the Bank be forfeited upon nonpayment of the rental whether the same shall be demanded on not or upon breach of any of the conditions hereof by the hirer and the Bank shall be at liberty to break open the locker and either to forward (by parcels ,posts or other reasonable means and at the reasonable risk) the contents in such

other locker or place as it may think fit , at a rental of double the amount of the rental hereby agreed to be charged.

10. If the key or keys of the locker be lost by the hirer , the safe deposit department of the Bank should be notified without delay. All charges for opening the locker replacing the lost key or keys and for changing the lock shall be payable by the hirer in advance.
11. All repairs required to be done to the locker, lock or keys shall be done exclusively by workmen appointed by the Bank.
12. The Safe Deposit department of the Bank should be notified of any change of address of the hirer and any notice or communication sent by post to the registered address of the hirer shall be considered to have been duly served.
13. For the reasons of grave or urgent necessity the Bank reserves the right of closing the safe deposit Locker department for such period as it may consider necessary. The Bank also reserves the right of making changes in the opening and closing hours of the department without any previous intimation.
14. Hirers are warned to keep the keys of their lockers in a place of safety , not to divulge the number of their lockers and their passwords (if any given) and not to deliver their keys to any person other than their duly authorized agent.
15. It is hereby agreed that the relation of the hirer and the Bank in this connection is that of a licensor and licensee and not of a banker and a customer nor that of a bailor and bailee.
16. The Bank reserves the right to terminate the tenancy of a locker on breach or violation of any of these rules by hirer.
17. In case the locker remains un operated for more than one year , the bank would have the right to cancel the allotment of the locker and open the locker even if the rent is paid regularly.
18. Bank shall not be responsible for loss, deterioration or damage for the contents of the safe deposit locker whether caused by rain , fire, flood earthquake , lighting , civil commotion , riot etc or any other similar cause or natural calamities.

19. The Branch do no keep a record of the contents of the locker or of any articles removed there from or placed there in by the customer, branch would not be under any liability to ensure the contents of the locker against any risk whatsoever. In no circumstances the branch offer directly or indirectly, any insurance product to its locker hirers for insurance of locker contents.

BRANCH MANAGER.

All terms and conditions accepted.

Hirers.

KERALA STATE CO-OPERATIVE BANK LTD.

.....BRANCH

MEMORANDUM OF HIRING OF LOCKER.

The Kerala State Co-operative Bank Ltd , Branch having its Head Office at Thiruvananthapuram (hereinafter called " the bank ") agrees to let on hire to Sri/Smt..... Residing at) hereinafter called " the Hirer") agree to take on hire, subject to the conditions endorsed hereon " the bank's locker No..... , Class 'A' for months from this day at a rental of Rs..... plus taxes for the said period of which sum receipt is hereby acknowledged by the Bank. Unless and until determined in accordance with the conditions endorsed heron the hiring will thereafter continue for like periods upon the same conditions and the same periodical rentals which shall be payable in advance on the last day of the preceding period for the next ensuing period. Access to the said locker shall during their joint lives of the hirers or the survivors of them be had by the hirers or the survivors of them jointly / any E or S of the Hirers. On the death of all the Hirers save one all the rights of Hirers hereunder shall vest in such survivor and upon his death shall vest in his legal representative . Until the Bank receives a notice to the contrary from either / any one of the hirers in which even accesses shall be had by the hirers or the survivors of them jointly.

FOR THE KERALA STATE CO- OPERATIVE BANK LTD.

BRANCH MANAGER.

The Branch Manager
KERALA STATE CO-OPERATIVE BANK LTD

Dear Sir,

I/We kindly request to allot a locker facility

Name of 1st applicant:.....

Name of 2nd applicant:.....

Photograph of 1st
applicant (Kindly
affix recent
Passport size
Photo)

Photograph of 2nd
applicant (Kindly
affix recent
Passport size
Photo)

SI No	Details	1 st Applicant		2 nd Applicant	
1	Savings Bank A/c No				
2	Date of Birth				
3	Residential Address				
4	Permanent Address				
5(a)	Mobile Number				
5(b)	Alternate Mobile No				
5(c)	Land-Line Number				
6	Email ID				
7	ID Proof				
	Address Proof				
8	Locker Needed		PLEASE TICK WHEREVER APPLICABLE	MODE OF OPERATION PLEASE TICK WHEREVER APPLICABLE	
	1. Small size	Rent : Rs.		1.Singly	
	2. Medium Size	Rent : Rs.		2.Jointly	
	3. Large Size	Rent : Rs.		3.Either or Survivor	
	4. For other size	Rent : Rs.			
	5.	Rent : Rs.			
9	Nomination Details	Nominee Name: Age of Nominee: DOB: Guardian Name : If Nominee is a minor, kindly mention the guardian name) Nominee Address : Contact No :			

245

For KERALA STATE CO-OPERATIVE BANKBranch (OFFICE USE)

1	Customer Savings Account No.	
2	Name of the locker holder	1. 2.
3	Mode of Operation	
4	Term Deposit Account No	
5	Lien Marked on Term Deposit	
6	Locker No. Allotted	Locker No: Allotted Date:
7	Key Number	
8	Ledger Folio Number	
9	Rent collected Rs.	
10	Special Term deposit amount (Three year rent in advance + Rs.-----/-break open charges)	
11	Nomination obtained and recorded in the CBS – Nomination No	
12	Specimen card obtained and KYC Documents obtained and Verified with Originals	

Recommended for allotment of Locker No-----

Cashier

Branch Manager

Place :-----Branch

Date :

LOCKER NO:.....
KEY NO:.....
SDV NO:.....
MODE OF
OPERATION:.....

KERALA STATE CO-OPERATIVE BANK LTD.BRANCH

Form S L 1

Nomination under section 45ZE of the banking regulation act 1949 and rule 4(1) of the Banking Companies (Nomination) Rules 1985 by sole hirer in respect of safety locker.

I,(Name and address) nominate the following person to whom in the event of my / minor's death, KERALA STATE CO-OPERATIVE BANK LTD. branch may give access to the locker and liberty to remove the contents of the locker , particulars whereof are given below.,

Locker			Nominee	
Nature of locker	No.	Additional details if any	Name	
			Address	
			Relationship	
			Age	

Place.....

Date.....

Signature of the hirer

Witnesses.

1.

2

**Form of Inventory of Contents of Safe Deposit Locker Hired from
Kerala State Co-operative Bank Ltd ., Branch**

{Section 45ZC (3) of the Banking Regulation Act, 1949}

The following inventory of contents of Safe Deposit Locker No. _____ located in the Safe Deposit Vault of Kerala State Co-operative Bank Ltd ., _____ Branch at _____

*hired by Shri/Smt. _____ (deceased) in his/her sole name *hired by Shri/Smt. (i) _____ (deceased) jointly with

(ii) _____

(iii) _____

was taken on this _____ day of _____ 20____

Sl. No.	Description of Articles in Safe Custody	Other identifying Particulars, if any

For the purpose of inventory, access to the locker was given to the Nominee/and the surviving hirers.

- who produced the key to the locker.
- by breaking open the locker under his/her/their instructions.

The above inventory was taken in the presence of:

1. Shri/Smt. _____ (Nominee) _____
Address _____ (Signature)

OR

Shri/Smt. _____ (Nominee) _____
Address _____ (Signature)

AND

Shri/Smt. _____ (Nominee) _____ Survivors of
Address _____ (Signature) joint hirers.

Shri/Smt. _____ (Nominee) _____ Survivors of
Address _____ (Signature) joint hirers.

4. Witness(es) with name, address and signature:

* I, Shri/Smt. _____ (nominee)

* We, Shri/Smt. _____ (Nominee)

Shri/Smt. _____ and Shri/Smt. _____
the survivors of the joint hirers, hereby acknowledge the receipt of the contents of the Safe
Deposit Locker comprised in and set out in the above inventory together with a copy of the
said inventory.

Shri/Smt. _____ (Nominee) Signature _____

Place _____ Date _____

Shri/Smt. _____ (Survivor) Signature _____

Place _____ Date _____

Shri/Smt. _____ (Survivor) Signature _____

Place _____ Date _____

(* Delete whichever is not applicable)
