



Rajkot Peoples Co-operative Bank Ltd.

LOCKER POLICY

Sr. No.	BOD Meeting Date	Resolution No.	Review/Modification
01	03.12.2021	12	Implementation
02	31.01.2022	10	Review
03	15.07.2022	14	Review
04	14.12.2022	14	Review

Locker Policy

1.	<i>Safe Deposit Locker</i>	
	1.1	Presently Locker facility is available in 6 branches of the Bank. Safe deposit lockers can be hired by an individual singly or jointly with another individual(s), HUFs, firms, limited companies, associates, societies, trusts, etc. KYC norms are applicable for locker hirers. Lockers cannot be allotted to minors either singly or jointly with others.
	1.2	Bank is having a system to 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.
	1.3	Further, the custodian of the locker shall, regularly/periodically, check the keys maintained in the branch to ensure that they are in proper condition.
	1.4	Bank 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.
2.	<i>Customer Due Diligence (CDD) for Lockers</i>	
	2.1	The existing customers of the bank who have made an application for locker facility and who are fully compliant with the CDD criteria under the Master Direction – Know Your Customer (KYC) Directions, 2016 (as updated from time to time) may be given the facilities of safe deposit lockers/ safe custody article subject to on-going compliance.
	2.2	Customers who are not having any other banking relationship with the bank may be given the facilities of safe deposit locker / safe custody article after complying with the CDD criteria under the Master Direction – Know Your Customer (KYC) Directions, 2016 (as updated from time to time) and 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
	2.3	Bank have incorporated a clause in the locker agreement that the locker-hirer/s shall not keep anything illegal or any hazardous substance in the Safe Deposit locker. If the bank suspects that the deposit of any illegal or hazardous substance by any customer in the safe deposit locker, the bank shall have the unconditional right to take appropriate action against such customer as it deems fit and proper in the circumstances within purview of law as amended from time to time

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	2.4	The bank must obtain a recent passport size photographs of locker-hirer(s) and individual(s) authorised by locker hirer(s) to operate the locker and preserve in the records pertaining to locker-hirer being maintained in the bank's branch
3.	<i>Locker Allotment</i>	
	3.1	To facilitate customers making informed choices, bank shall maintain a branch wise list of vacant lockers as well as a waitlist in Core Banking System (CBS) or any other computerized system compliant with Cyber Security Framework issued by RBI, for the purpose of allotment of lockers and ensure transparency in allotment of lockers.
	3.2	The bank shall acknowledge the receipt of all applications for allotment of locker and provide a wait list number to the customers, if the lockers are not available for allotment.
4.	<i>Model Locker Agreement</i>	
	4.1	Bank had approved an existing agreement for safe deposit lockers with the approval of Board.
	4.2	In due course a fresh locker agreement, bank may adopt the model locker agreement to be framed by IBA as and when received by the bank in phased manner. This agreement will cover instructions and the directions of the Hon'ble Supreme Court in this regard.
	4.3	Bank hereby take care that there should not be any unfair terms or conditions incorporated in locker agreements.
	4.4	Further, the terms of the contract shall not be more onerous than required in ordinary course of business to safeguard the interests of the bank.
	4.5	Bank shall renew this revised locker agreements with existing locker customers by January 1, 2023.
	4.6	At the time of allotment of the locker to a customer, the bank shall enter into an agreement with the customer to whom the locker facility is provided, on a paper duly stamped.
	4.7	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 bank's branch where the locker is situated

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5.	<i>Locker Rent</i>	
	5.1	Based on past practice bank had faced certain incidences where the locker-hirer neither operates the locker nor pays the rent annually.
	5.2	Based on new guidelines of RBI in this regard it was decided 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.
	5.3	Bank, however, shall not insist on such Term Deposits from the existing locker holders or those who have satisfactory operative account and regularity of rent payment in time.
	5.4	Bank may also give an option to the locker-hirer to offer an advance locker rent for 3 years with locker breaking open charges as amended by the bank from time to time in case of need.
	5.5	If locker rent is collected in advance, in the event of surrender of a locker by a customer, the proportionate amount of advance rent collected shall be refunded to the customer.
	5.6	In the case of merger / closure / shifting of branch warranting physical relocation of the lockers, the bank will give a public notice in two local newspapers within an area of operation of the bank.
	5.7	In the case of merger / closure / shifting of branch, the concerned locker holder customers will be intimated individually at least two months in advance along with options for them to change or close the facility.
	5.8	In the case of unplanned shifting due to natural calamities or any other such emergency, bank will make necessary efforts to intimate their customers suitably at the earliest when the situation become the normal.
6.	Security of the Strong Room/Vault	
	6.1	Till date Bank had taken necessary steps to ensure that the area in which the locker facility is housed is properly secured to prevent criminal breaking and entering. The risks of accessibility of an allotted locker from any side without involvement of the locker-hirer concerned may be assessed and kept on record. Bank is having a single defined point of entry and exit to the locker room/vault. The place where the lockers are housed had been secured enough to protect against hazard of rain / flood water entering and damaging the lockers in contingent situations. The fire hazard risks of the area had also been assessed and try to minimize the same area. The bank, as per their policy, shall conduct necessary engineering / safety verification as and when needed to identify the risks and carry out necessary rectification

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	6.2	The area of branch having the lockers had been taken care for adequately guarded by the bank where required.	
	6.3	As per internal security of the bank, bank may 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.	
	6.4	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.	
7.	Locker Standards		
	7.1	All the new mechanical lockers to be installed by the bank in due course shall conform to 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.	
	7.2	Bank will take utmost care while offering electronically accessed lockers should be fully aware of the safety and security features of such lockers satisfying appropriate industry standards. In case the lockers are being operated through an electronic system, the bank shall take reasonable steps to ensure that the system is protected against hacking or any breach of security. The customers' personal data, including their biometric data, shall not be shared with third parties without their consent. Further, bank shall ensure that the electronically operated lockers are compliant with the Cyber Security Framework prescribed by the Reserve Bank as amended from time to time. The Bank will implement a system that can maintain unalterable log of locker activities. The bank shall comply with the relevant statutory / regulatory guidelines /requirements applicable for IT / data protection. Further, the bank shall also devise a standard operating procedure for issue of new password in lieu of lost passwords to customers in a safe and secure manner in case of electronically operated lockers	
8.	Locker Operations		
	8.1	Regular Operations by Customers	
		I.	The locker hirer and/or the persons duly authorized by him/ her only shall be permitted to operate the locker after proper verification of their identity and recording of the authorization by the officials concerned of the bank.

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		2.	The bank shall maintain a record of all individuals, including the locker-hirers, who have accessed the lockers and the date and time (both check-in and check-out time) on which they have opened and closed the locker and obtain their signature.
		3.	The ingress and egress register for access to Vault Room by locker-hirers or any other individual including the bank' staff shall be maintained to record the movement of individuals in the Vault Room area with their signatures at appropriate place in the records.
		4.	The bank's officer authorizing the locker-hirer to access the locker, after unlocking the first key / password shall not remain present when the locker is opened by the locker-hirer.
		5.	The bank shall ensure that there is adequate privacy to the locker-hirers in the operations when customers access the lockers at the same time.
		6.	Bank shall send an email and SMS alert to the registered email ID and mobile number of the customer before the end of the day as a positive confirmation intimating the date and time of the locker operation and the redressal mechanism available in case of unauthorized locker access.
9.	<i>Internal Controls by bank</i>		
	9.1		There exists a system of inter change of locks whenever the locker is surrendered by the hirer.
	9.2		The keys of vacant lockers shall be kept in sealed envelopes.
	9.3		The duplicate master keys shall be deposited with another branch of the bank.
	9.4		There shall be proper record of joint custody of master keys.
	9.5		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.
	9.6		Bank shall 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.
	9.7		The Locker Register shall be updated in case of any change in the allotment with complete audit trails.
	9.8		The bank custodian shall check whether the lockers are properly closed post locker operation.

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	9.9	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.
	9.10	The bank 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.
	9.11	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.
10.	Nomination Facility	
	10.1	The bank 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-ZF of the Banking Regulation Act, 1949 and Banking Companies (Nomination) Rules, 1985/Co-operative Bank (Nomination) Rules, 1985.
	10.2	In case the nominee is a minor, the same procedure as prescribed for the bank accounts shall be followed by the bank.
	10.3	A passport size photo of the nominee attested by the customer may be obtained from the customers, at his/her option and preserved in the records.
	10.4	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 Bank (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.
	10.5	Bank shall have appropriate systems and procedures in place to register the nomination, cancellation and / or variation of the nomination, in their books, made by the locker hirers.
	10.6	Bank shall devise a proper system of acknowledging 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.
11.	Locker Rent Recovery / Overdue	
	11.1	Access to Locker will be denied if the rent is overdue

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	11.2	Bank will serve a letter after 15 days of rent overdue to the hirer. If the rent remains unpaid bank will issue a final letter giving notice that the Bank shall break open the Locker without further intimation to hirer if the rent is not paid within 14 days from the date of the letter. This letter will be sent by Register Post with Acknowledgement due
	11.3	Bank will make all the efforts to contact the hirer and if no recovery is forthcoming, Bank will proceed with break open of the locker as per practice mentioned in this policy.
12.	<i>Settlement of Claims in case of death of a Customer</i>	
	12.1	Settlement of Claims in case of death of a customer will be settle of claims as per bank's established procedures as amended from time to time. The said procedures adopted by the bank is in conformity with the regulatory instructions and the Model Operational Procedure (MOP) for settlement of claims of the deceased constituents formulated by the IBA as amended from time to time.
	12.2	Bank is having a established procedures 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 Bank (Nomination) Rules, 1985 and the relevant provisions of Indian Contract Act and Indian Succession Act.
	12.3	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, bank has devised its own claim formats, in terms of applicable laws and regulatory guidelines as amended from time to time.
	12.4	Time limit for settlement of claims: Bank 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 bank's satisfaction.
	12.5	Bank shall report to Board, on monthly basis with progress report, 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 therefore the Board of the bank shall review the

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		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.
13.	Settlement of claims in respect of missing persons	
	13.1	The settlement of claims in respect of missing persons shall be governed by the provisions of Section 107/108 of the Indian Evidence Act, 1872.
	13.2	Section 107 deals with presumption of continuance and Section 108 deals with presumption of death
	13.3	As per the provisions of Section 108 of the said Act, presumption of death can be raised only after a lapse of seven years from the date of his/ her being reported missing.
	13.4	As such, nominee/ legal heirs must raise an express presumption of death of the subscriber under Section 107/ 108 of the Indian Evidence Act before a competent court.
	13.5	If the court presumes that he/ she is dead, then the claim in respect of a missing person can be settled.
14.	<i>Access to the articles in the safe deposit lockers / return of safe custody articles</i>	
	14.1	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 bank 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.
	14.2	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 bank 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.
	14.3	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

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15.	Bank shall, however, ensure the following before giving access to the contents to nominee / survivor:		
	1.	a.	Bank shall ensure that bank had exercised 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.
		b.	Bank will 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.
		c.	Bank will 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.
	2.	<i>Similar procedure shall be followed for return of articles placed in the safe custody of the bank.</i>	
		a.	The bank 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.
		b.	Further, the bank 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.
		c.	The bank 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.
		d.	While giving access to the survivor(s) / nominee(s) of the deceased locker hirer / depositor of the safe custody articles, bank 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.

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		e.	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, bank shall adopt a established procedures to facilitate access to legal heir(s) / legal representative of the deceased locker hirer.
16.	<i>Closure and Discharge of locker items</i>		
	1.	This part refers to the breaking open of the locker in a manner other than through the normal access by the customer using her/his original key or password under any one of the following circumstances:	
		a.	if the hirer loses the key and requests for breaking open the locker at her /his cost; or
		b.	if the Government enforcement agencies have approached the bank with orders from the Court or appropriate competent authority to seize lockers and requested for access to the lockers; or
		c.	if the bank is of the view that there is a need to take back the locker as the locker hirer is not co-operating or not complying with the terms and conditions of the agreement.
	2.	<i>Discharge of locker contents at the request of customer</i>	
		a.	If the key to the locker, supplied by bank is lost by the locker-hirer, the customer (locker hirer) shall notify the bank immediately.
		b.	An undertaking may also be obtained from the customer that the key lost, if found in future, will be handed over to the bank.
		c.	All charges for opening the locker, changing the lock and replacing the lost key may be recovered from the hirer.
		d.	The charges applicable for replacement of lost keys / issue of new password shall be communicated to the locker hirer.
		e.	The opening of the locker must be carried out by the bank or its 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.
		f.	The operation shall be done in the presence of the customer/s and an authorized official of the bank.
		g.	It must 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.

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3.	a.	<i>Attachment and recovery of contents in a Locker and the Articles in the safe custody of the bank by any Law Enforcement Authority</i>
	b.	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 bank shall co-operate in execution and implementation of the orders.
	c.	The bank 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.
	d.	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.
	e.	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.
	f.	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.
	g.	Bank 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.
4	<i>Discharge of locker contents by bank due to non-payment of locker rent</i>	
	a.	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.
	b.	Before breaking open the locker, the bank shall follow the procedure as prescribed in above. Bank shall ensure that the procedure to be followed by them for disposal of the articles left unclaimed for a reasonably long period of time as mentioned above is incorporated in their locker agreement.

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		c.	The bank shall ensure that appropriate terms are inserted in the locker agreement executed with the customer specifying the position in case the locker is not in operation for long period.
		d.	A clause may also be incorporated in the locker agreement to discharge the bank from liability in case the locker is not in operation and the locker is opened by the bank and contents are released as per law and as per the instructions issued by the Reserve Bank and the terms and conditions prescribed in the agreement.
17.	<i>Liability for Bank</i>		
	17.1		The bank shall put in place a detailed Board approved policy outlining the responsibility owed by them for any loss or damage to the contents of the lockers due to their negligence as bank owe a separate duty of care to exercise due diligence in maintaining and operating their locker or safety deposit systems.
	17.2		The duty of care includes ensuring proper functioning of the locker system, guarding against unauthorized access to the lockers and providing appropriate safeguards against theft and robbery. Further, bank shall adhere to the Master Directions on Frauds for reporting requirements about the instances of robberies, dacoities, thefts and burglaries.
18.	Liability of bank arising from natural calamities like earthquake, flood, thunderstorm, lightning etc. or due to sole negligence of the customer		
	18.1		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. Bank shall, however, exercise appropriate care to their locker systems to protect their premises from such catastrophes.
19.	<i>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</i>		
	19.1		It is the responsibility of bank to take all steps for the safety and security of the premises in which the safe deposit vaults are housed.
	19.2		It has the responsibility 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.
	19.3		As 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

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		incidents mentioned above or attributable to fraud committed by its employee(s), the bank' liability shall be for an amount equivalent to one hundred times the prevailing annual rent of the safe deposit locker.	
20.	<i>Risk Management, Transparency and Customer Guidance</i>		
	1.	Branch Insurance Policy	
		a.	Bank, with the approval of their Board, shall have a branch 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.
	2.	Insurance of locker contents by the customer	
		a.	Bank shall clarify in their locker agreement that as they do not keep a record of the contents of the locker or of any articles removed therefrom or placed therein by the customer, they would not be under any liability to insure the contents of the locker against any risk whatsoever. Bank shall under no circumstances offer, directly or indirectly, any insurance product to its locker hirers for insurance of locker contents.
	3.	<i>Customer guidance and publicity</i>	
		a.	The bank shall display the model locker agreement with all the Terms & Conditions and the Standard Operating Procedures (SOPs) on various aspects on their websites and/or at branches (if official website is not available) where locker facility is being provided by them for public viewing. The bank shall ensure that the customers are made aware of the bank's terms and conditions to avail those facilities.
		b.	Bank shall display updated information on all kinds of charges for safe deposit lockers and safe custody articles on their websites.
		c.	Bank shall place on their websites, 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).