

**Standard operating procedure to be followed by Locker Hirer(s) -
Safe Deposit Locker / Safe Custody Article**

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General Instructions

- Applicant/ Locker Hirer(s) should produce KYC documents (Aadhar card/Voter id card/Passport/etc) and recent passport size photograph. For Partnerships/Company/HUF/proprietorship need to produce relevant documents as prescribed by the bank.
- Bank will communicate the Locker Hirer(s) regarding the general instruction/guidelines pertaining for availing a Safe Deposit Locker / Safe Custody Article at the time of submission of Locker application.
- If the Locker Hirer(s) appoints a power of attorney (POA) holder to avail the Locker facility, POA holder should produce the Power of attorney , Power of Attorney confirmation etc in the approved format of Bank.
- Nomination facility will be available for the Safe Deposit Locker/Safe custody Article.
- Locker Hirer(s) can choose the mode of operation as Single/Joint/E or S/ F or S/ A or S/ POA
- The Bank will ensure that there is adequate privacy to the locker-hirers in the operations when customers access the lockers at the same time.

Chapter 1: New Locker allotment

- Steps for Locker allotment to existing and new Locker Hirer(s)

1) Locker Hirer(s) need to submit Locker Application in the prescribed format , KYC documents and recent passport size photographs at branch where they want to avail Locker facility/Safe Custody. The format are available on the Bank's website, www.federalbank.co.in under Forms and Stationery.

New to Bank (NTB): Customers need to open new Savings/Current account and term deposit for availing a Locker facility, subject to availability.

2) If no locker is available for allotment, bank will allot a waitlist number after receiving the application.

3) Bank will inform the Locker Hirer(s) either through Letter or Phone once the vacancy is identified.

4) Bank will inform the Locker Hirer(s) about the various charges including Locker Rent, breakopen charges, arrear letters charge , charges for operations beyond limit, charges for safe custody related to Safe Deposit Locker/Safe Custody Articles prevailing at the time of request and periodical updations will be published in Bank's Website and through Branch Notice Board

- 5) If a Locker is available, Locker Hirer(s) need to execute an agreement with the bank with required stamp value prevailing from time to time, state to state. Locker Hirer(s) will receive a signed copy of the agreement executed with the Bank.
- 6) Locker Hirer(s) need to deliver a term deposit as prescribed by the bank from time to time as security deposit.
- 7) Locker Hirer(s) need to pay one year rent as advance and each year rent will be deducted from the Savings/Current account of Locker Hirer(s) in advance.
- 8) Locker Hirer(s) will be allotted with a Locker Cubicle, Locker Key provided by bank should be handled carefully.
- 9) Locker Hirer(s) can do the first operation after allotment.
- 10) Nomination facility will be available for the Safe Deposit Locker/Safe custody Article. Locker Hirer(s) will be able to attest the nominee's photo in the nomination form itself even if it is not mandatory. Customers will get acknowledgement on registering the nomination, cancellation and / or variation of the nomination and receipt of all applications for allotment of locker.

Chapter 2: Locker Operation

➤ Steps for Locker allotment to existing and new Locker Hirer(s)

- 1) Bank will allow Locker operation only if there is no rent due for payment and Locker hirer(s) should be KYC compliant.
- 2) Bank after identifying the Locker Hirer(s) will allow to do operation.
- 3) Locker Hirer(s) need to sign at the time of check-in, in the Safe deposit Locker Register in the folio provided by bank.
- 4) Branch official will accompany the Locker Hire(s) to the Locker area and will apply master key along with Locker Hire's key.
- 5) Locker Hirer(s) must ensure that the Locker is properly closed after the operation.
- 6) At the time of Check-out, Locker Hirer(s) need to sign in the Safe Deposit Locker Register.
- 7) Banks will 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.
- 8) If the lockers are not properly closed post locker operation, Bank will immediately close 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) Bank will deduct Locker visit charges beyond permitted number of operations in a year , charge structure will be available in website www.federalbank.co.in under service charges , which may change from time to time.

Chapter 3: Handling Articles found in the Locker area

➤ Steps of handling articles found in the Locker area

- 1) Bank will inform all Locker Hirer(s) who are operated on the day on which articles are found in the Locker area through Email/SMS/Letter in order to establish the ownership of the articles.
- 2) Bank will keep the articles in safe custody till identification of original owner after proper identification and due diligence.
- 3) Locker Hirer(s) need to submit request in paper and sufficient proof to establish ownership beyond doubt.
- 4) In case none of the persons who operated the lockers on that day claims the lost articles within a reasonable time or fails to establish claim beyond doubt, the Branch may still detain the articles for a period of minimum **three** years and if within that period the true owner cannot be traced out, the articles may be handed over to the police authorities.
- 5) If the person is identified by bank, the articles will be delivered against proper acknowledgement.

Chapter 4: Locker Surrender Process

➤ Steps of Locker Surrender

- 1) Locker Hirer (s) need to submit surrender application in the prescribed format at branch where he/she availed Locker facility.
- 2) All the arrears of rent till the date of surrender need to be paid by the Locker Hirer(s)
- 3) After Locker operation, vacate all the contents from the Locker.

- 4) Locker Hirer (s) need to surrender the locker key allotted at the time of availing the Locker facility
- 5) Bank will return the term deposit (if collected) and the advance rent collected for the remaining period from the date of surrender on a pro rata basis to the SB account of Locker Hirer(s).

Chapter 5: Renewal of Locker

➤ Steps for renewal of Locker

- 1) When a Locker is due for renewal(normal period is one year, no fresh agreement need to be executed if the renewal of lease is for the same period), Bank will inform the Locker Hirer(s) before one month in advance.
- 2) Locker Hirer(s) need to execute a fresh agreement and need to provide latest KYC documents in all other cases .

Chapter 6: Settlement of claim

General Instructions

- 1) Nominee/Legal heir can claim the contents in the Locker/Safe Custody Article after the death of Locker Hirer(s). Necessary documents like death certificate, Legal heirship certificate /Family membership certificate (where nomination is not registered) with a written letter to be produced before the bank along with Bank's claim format.
- 2) The nominee(s)/survivor(s) is only a trustee of the legal heirs of the deceased locker hirer
- 3) Bank will give the contents of the locker on behalf of a minor nominee to a person who is, in law, competent to receive the articles on behalf of such minor.
- 4) Bank will settle the claims in respect of deceased locker hirer(s) and will settle the release contents of the locker to survivor(s) / nominee(s) within a period of 15 days from the date of receipt of the claim subject to the production of necessary documents and suitable identification of the claimants) with reference to nomination, to the bank's satisfaction.

- 5) If there is discrepancy in nomination, bank has the liberty to ask succession certificate, letter of administration, probate, indemnity bond etc from the survivor(s)/Legal Heir(s)/ nominee(s).

The following points also to be noted .

>> If the sole Locker Hirer nominates an individual to receive the contents in the locker , in case of his death , after verification of death certificate bank will deliver the contents in the locker to the nominee.

>> In case the locker was hired jointly with the instructions to operate it under joint signatures and the locker hirer(s) nominates any other individuals(s) in the event of death of any of the locker hirers, bank will deliver the contents jointly.

>> 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 the survivorship clause permissible under the provisions of the Banking Regulations Act, 1949, the bank will follow the mandate in the event of death of one or more of the joint locker hirers.

➤ Steps for Settlement of claim by Nominee/Legal Heir

Steps	If Locker Hirer(s) filed nomination at the time of availing Locker facility	If Locker Hirer(s) not filed nomination at the time of availing Locker facility
1	Nominee should approach the branch and produce claim format, produce death certificate of Hirer(s)	Legal Heir(s) should approach the branch and produce claim format, produce death certificate of Hirer(s), Legal heirship certificate/Succession certificate as the case may be
2	Nominee(s) survivor(s) need to submit a separate statement after receiving the content from the bank	Legal heir(s) need to submit a separate statement after receiving the content
3	Nominee(s) survivor(s) should acknowledge after receiving the article kept in Safe Deposit Locker/ Safe Custody Article	Legal heir(s) should acknowledge after receiving the article kept in Safe Deposit Locker/ Safe Custody Article

Chapter 7: Break opening of Locker

General Instructions

- 1) Bank shall have the discretion to break open any locker if the rent has not been paid by the customer for three years in a row
- 2) If the locker remains inoperative for a period of seven years and the locker hirer cannot be located, even if the rent is being paid regularly, the bank shall be at liberty to transfer the contents of the locker to their nominees/legal heir.
- 3) Before breaking open the locker bank shall give due notice to the locker-hirer through letter/email/sms.
- 4) If the locker hirer is not traceable, the bank shall issue public notice in two newspaper dailies(one in English and another in local language).
- 5) The locker shall be broken open in the presence of an officer of the bank and two independent witnesses.
- 6) After breaking open of locker, the contents shall be kept in sealed envelope with detailed inventory inside fireproof safe in a tamper-proof way until customer claims it, except discharge of locker contents at the request of Government Enforcement Agencies, as applicable.
- 7) While returning the contents of the locker, the bank will obtain acknowledgement from the customer on the inventory list.

➤ **Steps for Break opening of Locker**

Scenario 1: If key is lost by the Locker Hirer

- 1) Locker Hirer(s) need to submit an affidavit in plain paper from the when loss of key is reported by Locker Hirer(s). The affidavit shall contain the circumstances of loss of key, request for forced opening and hirer's agreement to pay the expenses of forced opening.
- 2) Locker Hirer(s) need to pay the expense for breakopen if the amount of term deposit doesn't cover the actual cost for breakopen
- 3) Bank after getting the vendor's availability will inform the Locker Hirer(s) regarding the date of break open.
- 4) Bank will prepare an inventory of the contents in the locker at the time of break open in the presence of Locker Hire(s) and other witnesses.
- 5) Locker Hirer(s) need to acknowledge after receiving the contents from the bank.
- 6) Bank will provide **new locker key to the Locker Hirer(s)**.

Scenario 2 : Discharge of locker contents at the request of Government Enforcement Agencies

- 1) Bank will acknowledge the orders from the Government Agency, Court or Appropriate competent authority to seize the lockers .Bank will 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.
- 2) The customer (locker-hirer) will 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
- 3) 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/Official of the bank and shall be signed by all.
- 4) A copy of the inventory will be forwarded to the customer to the address available in the bank's records or handed over to the customer against proper acknowledgement and will be preserved in the file.
- 5) Bank will conduct the break opening with Concerned vendor.
- 6) Bank will obtain prior consent from witnesses from outside to witness forced opening of locker & shall ensure that they understand the purpose of witnessing forced opening of locker and they are present in time to witness the act. Banks shall also record a video of the forced opening 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.
- 7) Bank will prepare minutes of forced opening of locker in triplicate in the prescribed format (provided by the authorised service provider) The minutes should contain a detailed inventory of articles in the cubicle; cash if any should be listed by denomination, count and amount. The minutes shall be affixed with full signatures of all witnesses and should contain a signed certificate of the mechanic who broke open the locker
- 8) Bank will prepare minutes of forced opening of locker in triplicate in the prescribed format (provided by the authorised service provider) The minutes should contain a detailed inventory of articles in the cubicle; cash if any should be listed by denomination, count and amount.

Scenario 3 : Non-Renewal and Non-payment of Rent on locker/Locker remains inoperative for a period of seven years and the locker-hirer can't be located, even if rent is being paid regularly

- 1) Bank will send notices by Registered post with Acknowledgement Due to the Registered Address if the rent has not been paid by the customer for three years in a row or inoperative for a period of seven years and the locker-hirer can't be located, even if rent is being paid regularly
- 2) Newspaper publication will be done by Bank in at least 2 newspapers (one in local language and other one in English newspaper).

- 3) In the absence of any response from the hirer within the period mentioned in the last notice (minimum 15 days), Bank will forced open the lockers.
- 4) Branch shall obtain prior consent from witnesses from outside to witness forced opening of locker & shall ensure that they understand the purpose of witnessing forced opening of locker and they are present in time to witness the act. Banks shall also record a video of the forced opening 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.
- 5) After breaking open of Locker , the contents shall be kept in sealed envelope with detailed inventory inside fireproof safe in a tamper proof way until customer claims it.
- 6) Branch shall prepare minutes of forced opening of locker. The minutes should contain a detailed inventory of articles in the cubicle; cash if any should be listed by denomination, count and amount.
- 7) Branch will obtain acknowledgement from the customer on the inventory list while returning to the locker hirer.
