The Kangra Central Co-operative Bank Ltd
H.O. Dharamshala, District Kangra
Himachal Pradesh

Safe Custody of articles and Safe Deposit Locker Policy of the Bank

Index

SAFE CUSTODY OF ARTICLES AND LOCKER POLICY

1. Introduction

i. Safe deposit lockers facility is one of the ancillary services extended by bank through branches.

ii. The relationship between the banker and the customer of a locker is that of lessor and lessee.

iii. Advantages of Safe Deposit Lockers with KCCB.

a. Wide Availability.

b. Lockers available in various sizes i.e. Small, Medium and Large with varying rent.

c. Lockers are rented out for a minimum period of one year. Rent is payable in advance. There is a nominal annual charges, which depends on the size of the locker.

d. The Locker rent may be conveniently paid from customer deposit account with us/ through cheque/ direct debits or cash.

2. Eligibility

i. Bank's lockers will be hired to Individual singly and / or two or more individuals jointly as well as Firms, Limited Companies, Societies, Associations, Clubs, Trusts, etc.

ii. The applicant shall have a Savings/Current a/c with the Branch concerned.

3. Customer Due Diligence

i. The existing customers of a 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, 2025 (as updated from time to time) may be given the facilities of safe deposit lockers/ safe custody article subject to on-going compliance.

ii. 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, 2025 (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.

iii. The locker-hirer/s shall not keep anything illegal or any hazardous substance in the Safe Deposit locker. If the bank suspects the deposit of any illegal or hazardous substance by any customer in the safe deposit locker, the bank shall have the right to take appropriate action against such customer as it deems fit and proper in the circumstances.

iv. The banks shall obtain 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.

4. Allotment of Lockers

i. Allotment of lockers shall be based on the duly filled in application by the prospective hirer/s on the printed format provided by the bank.

ii. Lockers will be allotted by the branches on first-come-first served basis. Branches shall maintain a branch wise list of vacant lockers as well as a waiting-list in Core Banking System (CBS) or any other computerised system compliant with Cyber Security Framework issued by RBI, for the purpose of allotment of lockers and ensure transparency in allotment of lockers. 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.

iii. Due diligence of KYC norms, will be duly applied before allotment of locker.

5. Model Locker Agreement

i. 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. A copy of the locker agreement in duplicate signed by both the parties shall be furnished to the locker-hirer to know customer's rights and responsibilities. Original Agreement shall be retained with the Bank's branch where the locker is situated.

ii. There may be instances, where the agreements already executed by the Bank with its locker-hirer(s) are at variance with the existing Locker Agreement. In such cases, all the provisions contained in this section, in particular paragraphs 16 below Compensation Policy / Liability of the Bank, shall continue to apply to them even if not explicitly stated in the agreements already executed. Further, in such cases, the Bank shall have the option to execute fresh agreements or revise them through supplementary agreements. The cost of stamp paper in such cases shall be borne by the Bank.

iii. Branches were advised to facilitate execution of the fresh / supplementary stamped agreements with all their existing customers on or before December 31, 2023 by taking measures such as arranging stamp papers, franking, electronic execution of agreement, e-stamping, etc. and provide a copy of the executed agreement to the customer.

6. Locker Rent and Fixed deposit as Security for Lockers

i. The Bank may face potential situations where the locker-hirer neither operates the locker nor pays the rent. To ensure prompt payment of locker rent, branches are allowed 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. Branches, however, shall not insist on such term deposits from the existing locker holders or those who have satisfactory operative account. The packaging of allotment of locker facility with placement of term deposits beyond what is specifically permitted above will be considered as a restrictive practice.

ii. The Security Deposit/Fixed Deposit 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, will be appropriated for recovery of expenses incurred by the Bank in

(i) breaking open the locker,

(ii) replacement of lock, and

(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.

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

vi. 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.

vii. If there is any event such as merger / closure / shifting of branch warranting physical relocation of the lockers, The Branches shall give public notice in two newspapers (including one local daily in vernacular language) in this regard and the customers shall be intimated at least two months in advance along with options for them to change or close the facility. In case of unplanned shifting due to natural calamities or any other such emergency situation, the Bank shall make efforts to intimate its customers suitably at the earliest. In such cases Customers locker rent will be refunded to the customers on pro rata basis.

viii. 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.

ix. 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.

x. When the rent is paid in advance for 3 years & above, 10% discount will be allowed. Locker rent will be decided by the Bank, depending on their size from time to time.

xi. In the event of default or delay in payment of locker rent, penal charges/penal rent shall be levied and recovered from the hirer(s) in accordance with the Service Charges of the Bank as applicable from time to time

xii. Locker rent will be decided by the Bank, depending on their size from time to time.

7. Infrastructure and Security Standards

7.1 Security of the Strong Room/ Vault

Branches will exercise due care and necessary precaution for the protection of the lockers provided to the customers. Bank should review the systems in force for operation of safe deposit vaults/ locker at their branches on an on-going basis and take necessary steps.

i. Branches shall take necessary steps to ensure that the area in which the locker facility is housed is properly secured to prevent criminal break-ins. 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. The Branches shall have a single defined point of entry and exit to the locker room / vault. The place where the lockers are housed must be 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 should also be assessed and minimised. The Bank, as per its policy, shall conduct necessary engineering / safety verification regularly to identify the risks and carry out necessary rectification.

ii. The area housing the lockers shall remain adequately guarded at all times. The Bank shall install Access Control system, if required as per its risk assessment, which would restrict any unauthorised entry and create digital record of access to locker room with time log. As per its internal security policy, 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. In case any customer has complained to the Bank that locker is opened without customer's 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.

iii. The security procedures shall be well documented and the staff concerned shall be properly trained in the procedure. The internal auditors shall verify and report the compliance to ensure that the procedures are strictly adhered to.

7.2 Locker Standards

i. All the new mechanical lockers to be installed by the bank 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.

ii Bank if 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. The system should be capable of maintaining 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.

iii. Bank shall 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. Further, the custodian of the locker shall, regularly/periodically, check the keys maintained in the branch to ensure that they are in proper condition. Banks 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 if there are such provisions in lockers.

8. Locker Operations

8.1 Regular Operations by Customers

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 days and during the business hours of the Bank.

iii. The locker hirer and/ or the persons duly authorised by the hirer only shall be permitted to operate the locker after proper verification of their identity and recording of the authorisation by the officials concerned of the branch. The branch 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. The ingress and egress register for access to Vault Room by locker-hirers or any other individual including the bank's staff shall be maintained to record the movement of individuals in the Vault Room area with their signatures at appropriate place in the records.

iv. The bank's officer authorising 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. The branches shall ensure that there is adequate privacy to the locker-hirers in the operations when customers access the lockers at the same time.

v. Banks shall send an email and SMS alert to the registered email ID and mobile number of the customer **immediately after locker operation or** 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 unauthorised locker access.

vi. The mechanism of the locker provides for its automatic double locking, when it is locked by the visitor. It cannot be reopened unless both of the custodian's and locker holder's keys are applied to it.

vii. The Lessee shall 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 Lessee/authorised person due to Lessee(s)/authorised person leaving any article outside the locker.

viii. Lessee(s) in drunken state are not allowed to have an access to the vault nor will they be permitted to operate their lockers in the interest of security and safety.

ix. Access to the locker is restricted exclusively to the hirer(s). No other person is permitted to access the locker. However, Lessee is permitted to appoint a person (Authorised person) for operating the locker on behalf of Lessee. Such authorisation shall be subject to the Bank's rules and procedures and shall cease automatically upon the death of the Lessee. The Authorised Person shall not be entitled to access or operate the locker after the death of the Lessee. Authorisation in favour of minors and blind persons, and by trustees, in favour of 3rd parties is not permitted.

x. The locker holder(s) may, at any time, request the addition or deletion of any person authorised to operate or access the locker.

xi. On receipt of any order from a competent Court restraining access to individual capacity of any one of the joint Lessees of the locker, the Bank shall have a right to refuse access to each and all of them and also to their authorised persons.

xii. The Bank will give due cognizance to the orders received from a competent Authority having Statutory powers for freezing/unfreezing of locker.

xiii. The bank shall notify the original locker holder prior to any changes in the allotment of the locker, and give them reasonable opportunity to withdraw the articles deposited by them if they so wish.

xiv. The custodian shall also check that the keys to the locker are in proper condition.

xv. A copy of the locker hiring agreement, containing the relevant terms and conditions, shall be given to the customer at the time of allotment of the locker so that they are intimated of their rights and responsibilities.

xvi. The bank cannot contract out of the minimum standard of care with respect to maintaining the safety of the lockers as outlined.

8.2 Internal Controls by Banks

i. There shall be a system of inter change of locks whenever the locker is surrendered by the hirer. The keys of vacant lockers shall be kept in sealed envelopes. The duplicate master keys shall be deposited with another branch of the Bank. There shall be proper record of joint custody of master keys. The 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.

ii. The Bank shall ensure that the Locker Register and the Locker Key Register are maintained in CBS or any other computerised system compliant with the Cyber Security Framework issued by the Reserve Bank. The Locker Register shall be updated in case of any change in the allotment with complete audit trails.

iii. The Bank's custodian shall check whether the lockers are properly closed post locker operation. 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. The Bank's 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. 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.

.ii **8.3 Closure and Discharge of locker items**

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:

i. if the hirer loses the key and requests for breaking open the locker at her /his cost; or

ii. 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

iii. 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.

iv. Locker can be surrendered by the hirer/s on written request (duly signed by all locker holders) without any damage at any time during the contract period through a written application and handing over of keys to the Bank Officials.

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

The Bank shall have a clear Board approved policy together with a SOP for breaking open the lockers for all possible situations keeping in view the relevant legal and contractual provisions.

8.4 Discharge of locker contents at the request of customer (Loss of Keys by Hirer)

i. If the key of the locker supplied by the Bank is lost by the locker-hirer, the customer (locker hirer) shall notify the Branch immediately. An undertaking may also be obtained from the customer that the key lost, if found in future, will be handed over to the Bank. All charges for opening the locker, changing the lock and replacing the lost key may be recovered from the hirer. The charges applicable for replacement of lost keys / issue of new password shall be communicated to the locker hirer.

ii. The opening of the locker has to be carried out by the Bank or its authorised technician only after proper identification of the hirer, proper recording of the fact of loss and written authorisation by the customer for breaking open the locker.

iii. The operation shall be done in the presence of the customer/s and an authorised official of the Bank. It has to 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.

9. Attachment and recovery of contents in a Locker and the Articles in the safe custody of The Bank by any Law Enforcement Authority

i. 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.

ii. 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. The customer (locker-hirer) shall be informed by letter as well as by email / SMS to the registered email address / mobile phone number that the Government Authorities have approached for attachment and recovery or seizure of the locker or articles deposited for safe custody. 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. 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.

iii. The 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.

iv. Annual verification of locker registers, surrendered lockers, vacant lockers and master keys shall be conducted by Internal Audit/Inspection Department.

10. Discharge of locker contents by Bank due to non-payment of locker rent

i. The Bank shall have the discretion to break open any locker following due procedure if the rent has not been paid by the customer for three years in a row. The Bank shall ensure to notify the existing locker-hirer prior to any changes in the allotment and give locker hirer **reasonable 90 days** opportunity to withdraw the articles deposited by locker hirer. A clause may be incorporated in the locker agreement to this effect.

ii. Before breaking open the locker, The Bank shall give due notice to the locker-hirer through a letter and through email and SMS alert to the registered email address and mobile phone number. If the letter is returned undelivered or the locker-hirer is not traceable, the Bank shall issue public notice in two newspaper dailies (one in English and another in local language) giving reasonable time to the locker hirer or to any other person/s who has interest in the contents of locker to respond.

iii. The locker shall be broken open in the presence of an officer of the Bank and two independent witnesses. In case of electronically operated lockers (including Smart Vaults), the use of 'Vault Administrator' password for opening of locker shall be assigned to a senior official and complete audit trail of access shall be preserved. Further, the Bank shall also record a video of the break open process together with inventory assessment and its safe keep and preserve the same so as to provide evidence in case of any dispute or Court case in future. The Bank shall also ensure that the details of breaking open of locker is documented in CBS or any other computerised systems compliant with the Cyber Security Framework issued by RBI, apart from locker register.

iv. 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. A record of access to the fireproof safe shall invariably be maintained. While returning the contents of the locker, The Bank shall obtain acknowledgement of the customer on the inventory list to avoid any dispute in future.

v. The Bank shall ensure that the inventory prepared after breaking open of the locker and during settlement of claims, is in appropriate forms. The Bank shall not open sealed / closed packets left with them for safe custody or found in locker while releasing them to the nominee(s) and surviving locker hirers / depositor of safe custody article, unless required by law.

11. Discharge of locker contents if the locker remains inoperative for a long period of time

i. 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 Branch 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,** as the case may be. Before breaking open the locker, the Branch shall follow the procedure as prescribed in paragraph 12. The 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 its locker agreement.

ii. 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. 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.

12. Procedure for breaking open the lockers and taking stock of Inventory

The bank has the power to break open the locker only in accordance with the relevant laws and RBI regulations, if any. Breaking open of the locker in a manner other than that prescribed under law is an illegal act which amounts to gross deficiency of service on the part of the bank as a service provider.

Due notice in writing shall be given to the locker holder at a reasonable time prior to the breaking open of the locker. Moreover, the locker shall be broken open only in the presence of authorized officials and an independent witness after giving due notice to the locker holder. The bank must prepare a detailed inventory of any articles found inside the locker, after the locker is opened, and make a separate entry in the locker register, before returning them to the locker holder. The locker holder's signature should be obtained upon the receipt of such inventory so as to avoid any dispute in the future.

The following procedures shall be adopted :

i. If the locker rent is not paid by the customer for three years in a row or 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, as the case may be.

ii. The Bank shall in above cases immediately contact the hirer to operate the locker or surrender it. The Bank shall first of all request the locker hirer telephonically/ through email/ SMS and if with in a week he/she does not respond then notice on the format will be issued. Any reason for non operation shall be in writing from the hirer.

iii. If the locker hirer submits genuine reasons as in case of NRIs or a person out of that town for some reason then the Bank after deciding the genuineness shall allow to continue.

iv. In case the hirer does not respond with in the time given in the notices as per format/ If the letter is returned undelivered or the locker-hirer is not traceable, the bank shall issue public notice in two newspaper dailies (one in English and another in local language) giving reasonable time to the locker-hirer or to any other person/s who has interest in the contents of locker to respond. Bank shall consider to break open the locker in case hirer does not respond after giving due notice.

v. The locker shall be broken open in the presence of following :

(i) Assistant General Manager concerned

(ii) Branch Manager

(iii) Two respectable customers of the Bank

vii. After breaking open the Locker and preparing the inventory duly signed by above persons the contents if any found in that Locker shall be placed in a vacant locker with double lock which should be under the joint custody of the Branch Manager and one other Officer/ Cashier of the Branch.

viii. A separate register called "Register of Broken Open Locker" shall be maintained and the facts of broken open locker shall be recorded in it and will be authenticated by both the above custodians.

ix. After breaking open the locker notice shall be sent to the concerned hirer/ hirers informing about the contents found in the locker and retained by the Bank in a separate locker.

x. Banks shall also record a video of the break-open process and the inventory assessment.

Before initiating this extreme step the Branch Manager shall ensure that necessary permission has been obtained from the Head Office in this regard after necessary efforts. All notices shall be sent to the hirers on the addresses registered with the Bank and to ensure that notices served are received by the hirers. If the letter is returned undelivered or the locker-hirer is not traceable, the bank shall issue public notice in two newspaper dailies (one in English and another in local language) giving reasonable time to the locker-hirer or to any other person/s who has interest in the contents of locker to respond

Since this is an extreme step so total notice period excluding telephonic reminder has been proposed 90 days.

The Draft of notice, reminder to the customer and specimen of report of the Locker broken/ open are enclosed.

13. Operations of Safe Deposit Vaults

13.1. Safe Deposit Vaults

i. Item received for the safe custody by the bank will be placed in the iron safe/ double lock cabinet by the joint custodian. Methodical storing is as important as a clean system for recording. All the items held under safe custody will be arranged in serial order so that the required item could be taken out easily.

ii. The safe custody receipt will be issued for all the items received for safe custody. The safe custody receipt will contain a brief and clear description of the item received for safe custody. The words 'Contents not known to the bank' will be written on the receipt at the end of the description of the item. Particulars of the item lodged for safe custody will also be entered on the counterfoil of the relevant receipt. The Bank does not verify or certify the value, genuineness or quality of articles accepted under safe custody.

iii. The serial number given to the item as per the entry made in the Safe Custody Register will be noted on the receipts as well as on the counterfoil of the receipts. A separate receipt will be issued for each item received for safe custody. All the blank spaces in the receipt will be neatly ruled through so as to prevent any unauthorised alterations. Both the joint custodians under whose custody the item is held will sign the safe custody receipt. The receipt will be handed over to the person depositing the articles against his acknowledgement on the reverse of the relevant counterfoil. The safe custody book together with the counterfoil will be kept under safe custody.

iv. Great care will be exercised while delivering the articles of the concerned depositors. Although the contents of the sealed boxes/ parcels/ envelops, etc. are not known to the bank, it will be liable for the value of these articles, in case the articles are delivered to a wrong person. When a depositor wants to withdraw the articles from safe custody, he/she should either call personally with the safe custody receipt duly discharged and sign in the **"Safe Custody Register"** in token of having received bank the articles or send a letter with instructions to deliver the safe custody articles to the bearer together with the **'Safe Custody Receipt"** duly discharged. The depositor will attest the signature of the bearer /messenger. The bank will ensure that the person deputed for taking delivery of the article should also discharge the safe custody receipt. The bank will also ensure that the person deputed signs in the safe custody register in the space provided for the purpose.

v. Where the articles are deposited in joint names, all the depositors will discharge the receipt and a joint mandate signed by the all joint depositors will be obtained authorising one or more of them to receive the article.

vi. In case the depositor dies, the mandate given by customer comes to an end and ,therefore, articles deposited will be handed over only to the legal representatives of the deceased, i.e. after production of probate if he/she left a Will, or succession certificate if he/ she dies without making a Will.

vii. In case of death of one of the joint depositors, the articles will be handed over only to the survivors together with the legal representative of the deceased.

viii. In case the original receipt is lost, a duplicate receipt may be issued on obtaining a letter in writing from the depositors regarding the loss of the receipt and on the depositor's undertaking to return the original, if found. The depositor will thereafter, be issued a duplicate receipt after marking "Duplicate" on the receipt. The fact that duplicate receipt has been issued will be mentioned against the concerned entry in the safe custody register.

ix. No part delivery of the articles out of the sealed boxes/parcels/envelops will be allowed. In such cases, the customer will be asked to withdraw the sealed envelop or box or parcel out of the bank, re-seal it and re-deposit the same against the issue of a fresh safe custody receipt.

x. At the time of delivering of the article, the relative entry in the safe custody Register will be rounded off and the fact of the delivery will be noted thereon under the initials of the joint custodians.

xi. The surrendered "safe custody receipt" together with the concerned application will be held under the safe custody of the joint custodian for a minimum period of one year from the date of delivery of the relative item. Thereafter, the same will be preserved carefully along with the old records.

xii. The bank will exercise utmost care and diligence while dealing with the articles lodged or safe custody. The bank will have exclusive possession and custody of items lodged for safe custody and will also have the sole right to access during the period of deposit with the bank. All the items held under the safe custody of the bank will be checked by an officer should be incorporated in the remarks column of the 'Safe Custody Register'. Wherever safe deposit locker facility is available, acceptance of articles for safe custody will be discouraged.

xiii. Before accepting the articles, for safe custody the bank will obtain an application in writing from the depositor which will invariably contain the following aspects; (a) Request for acceptance of item for safe custody. (b) Description of items lodged for safe custody and (c) Terms and conditions of withdrawal, i.e. persons authorised to withdraw the article for safe custody.

xiv. At the time of accepting any article for safe custody, the Manager will carefully examine the article and satisfy himself/ herself whether boxes / parcels / envelops tendered for safe custody have been securely locked /stitched/ sealed. The lock of the boxes, the stitches of the parcels and the flaps of the envelops should be got clearly written in bold letter on top of the boxes / parcels / envelops for easy identification. After satisfying the fulfilment of the requirements, the Manager will give his / her approval for acceptance of the article for safe custody and record the same on the application. The bank will obtain from the depositor instructions in writing as to the disposal of the article in the event of his/ her death. All the safe custody applications should be filled separately and kept under joint custody.

xv. The Bank will not accept the items, which are prohibited for safe keeping.

Register to be maintained for safe Custody Articles (Safe Custody Register)

(i) All the item received for the safe Custody will be first entered in a separate register known as 'Safe Custody Register' with the following particulars :

Sr. No.	Date of receipt	Name of the person(s)	Description of the Article	Safe custody receipt No.	Terms of with-drawal	Ini-tials	Date of delivery	Signature of the person receiving the article	Initials	Re-marks

(ii) The serial no. in this register will run consecutively over a period of years. The number used will not be used again even after the bank delivers the relevant articles and accepted again for the safe custody. Even if a single party deposits more than one article at a time each item need to be entered separately and given distinctive serial numbers. This will not only facilitate easy identification of the items but also help in piecemeal delivery of the item in case of need. The serial number given to every entry will be marked on the relevant item. This is known as "safe custody article number ". The same number will also be noted on the safe custody receipt issued to the depositor and also in the relevant application. All the entries in the safe custody register will be made by one of the joint custodians and checked by the other joint custodian. Both the joint custodians will initial against every entry as a token of having received the relevant item for safe custody. The safe custody register will be placed in the iron safe / cupboard under joint custody overnight. During the day, the register will be kept under the custody of one of the joint custodians. No item will be placed in the safe custody or removed from safe custody without making an entry in the safe custody register under the initials of the joint custodians. The joint custodians should authenticate all the entries in the safe custody register.

14. Nomination Rules in respect of Articles in safe custody and Locker

Instructions regarding cancellation of nomination and variation of nomination for safe deposit lockers, safe custody of articles, and safe deposit vaults have been issued separately under the Nomination Policy. All concerned are advised to strictly adhere to the instructions relating to nomination in locker accounts as prescribed in the policy.

15. Settlement of claims of Safe Custody articles / safe deposit lockers in case of death of a customer

Instructions regarding deceased claim settlement in respect of safe deposit lockers, and safe custody of articles have been issued separately under the Deceased Claim Policy. All concerned are advised to strictly adhere to the instructions pertaining to deceased claim settlement in locker accounts and Safe Custody of Articles as prescribed in the policy.

16. Compensation Policy / Liability

Liability of bank

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 banks owe a separate duty of care to exercise due diligence in maintaining and operating their locker or safety deposit systems. The duty of care includes ensuring proper functioning of the locker system, guarding against unauthorised access to the lockers and providing appropriate safeguards against theft and robbery. Further, banks shall adhere to the Master Directions on Frauds for reporting requirements about the instances of robberies, dacoities, thefts and burglaries.

16.1 Liability of banks arising from natural calamities like earthquake, flood, thunderstorm, lightning etc. or due to sole negligence of the customer

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. The Bank shall, however, exercise appropriate care to their locker systems to protect their premises from such catastrophes.

16.2 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 banks to take all steps for the safety and security of the premises in which the safe deposit vaults are housed. 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. As banks 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 incidents mentioned above or attributable to fraud committed by its employee(s), **the bank's liability shall be for an amount equivalent to one hundred times the prevailing annual rent of the safe deposit locker.**

17. Risk Management, Transparency and Customer Guidance

17.1 Branch Insurance Policy

Branches shall have a 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.

17.2 Insurance of locker contents by the customer

Banks 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 there from or placed therein by the customer, they would not be under any liability to insure the contents of the locker against any risk whatsoever. Banks shall under no circumstances offer, directly or indirectly, any insurance product to its locker hirers for insurance of locker contents.

17.3 Customer guidance and publicity

17.3.1 The banks 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 banks shall ensure that the customers are made aware of the bank's terms and conditions to avail those facilities.

17.3.2 Banks shall display updated information on all kinds of charges for safe deposit lockers and safe custody articles on their websites.

17.3.3 Banks 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).

18. Board approved policies, Insurance of lockers and SOPs

Banks shall put in place a comprehensive revised Board approved policy and SOPs on safe deposit locker facility/safe custody article as per the revised instructions mentioned herein.

19. Disclaimer by the Bank :

The Bank will, in no way, be responsible / liable for the contents kept in the locker by the hirer. In case of theft, burglary, natural Calamity, caused by the employees of the Bank or similar unforeseen events, action will be initiated as per law.

20. Right to amendments and addition :

The bank reserves the right to alter or add to these rules and such alteration and additions shall be binding on the hirer and made known to the hirers through Bank website.

If any amendment is required in the Locker Policy keeping in view the Regulatory directions, practical aspects/ feedback from branches, Managing Director of the KCCB is authorised to circulate the necessary directions as deemed fit and that shall form the part of this policy.

Any ambiguity in interpretation of terms of locker policy, the terms clarified in the RBI circular shall prevail.

Depositor/ Customer as well as Locker Hirer has same meaning.

(through registered post)

Specimen

(60 days notice)

To
(Name)

(Address)

Subject : Your locker No. ___________, hired on ___________ (Date) Non operation/ Non payment of rent thereof.

Dear Sir/Madam,

You have hired locker No. ___________ in our Branch which as per our attendance records has not been operated since _________ or rent has not been paid by the customer for three years in a row. As per clause No. ______ of the agreement executed by you for hiring the safe Deposit lockers in our Branch, non operation of the locker/ non payment of rent is violation of the above clause of the agreement. Such conditions have been incorporated as per the directions of the regulators of the Bank.

You are, therefore, requested to operate the locker with in two months or surrender the same otherwise the Bank shall cancel the allotment, break/ open the locker and the contents found in the locker shall be retained by the Bank in safe custody in the Locker and shall recover the expenses from you.

Thanking you,

Yours faithfully,

Branch Manager

(through registered post)

Specimen

(30 days-Reminder notice)

To
(Name)

(Address)

Subject : Your locker no. ____________, hired on ____________ (Date)---Reminder.

Dear Sir/Madam,

Please refer to our letter no.____________ dated ____________ requesting you to either operate the locker or surrender the same which seems to have escaped your attention. You are once again requested to operate the locker hired by you with in 30 days. We may invite your attention to clause no. _____ of the terms and conditions of the agreement in this respect.

Please note that this is the final reminder to you and in case you do not operate the locker with in the time granted to you, the Bank shall break open the locker and the contents found in the locker shall be retained by the Bank in safe custody in the Locker and shall recover the expenses from you along with rent.

Thanking you,

Yours faithfully,

Branch Manager

SPECIMEN OF THE REPORT OF THE LOCKER BROKEN OPEN

Locker No. __________ standing in the name of Shri/Smt. ____________________________ was broken open on __________ at __________ in the presence of the following officials/witnesses after due notice to the hirer(s) and in accordance with the Bank's Locker Rules, as the locker remained inoperative / locker rent remained unpaid despite repeated notices.

The locker was opened in the presence of:

1. Shri/Smt. ______________________, Designation Branch Manager
2. Shri/Smt. ______________________, Designation Assistant General Manager
3. Independent Witness: Shri/Smt. ______________________
4. Independent Witness: Shri/Smt. ______________________

After opening the locker :

(1) There were no contents found in the locker (Tick whichever is applicable)

or

(2) The contents were examined and the detail of the below mentioned inventory was prepared in the presence of the undersigned witnesses and bank officials.

Sr. No.	**Description of Articles in Safe Custody**	**Other identifying particulars, if any**

Signatures of the Branch Manager with stamp________________

Signatures of the Assistant General Manager with stamp________________

Signatures of the Independent Witnesses mentioned above ________________

Signatures of the Independent Witnesses mentioned above ________________

Mandate/ Auhtorization for operation of Locker by non hirer

To

The Branch Manager

Kangra Central Co-operative Bank Ltd.,

Branch Office

Dear Sir/Madam,

I/ We am/ are the hirer of Safe Deposit Locker No: maintained with your branch.

I/ We hereby auhtorize and appoint Mr/ Ms. ________________________________ to operate the said locker on my/ our behalf due to________________________________reason. This includes depositing/ removing/ handling the contents of the Safe Deposit Locker.

The detail and specimen signature of authorised person is as under :

Name of Person (non hirer):

Address:

Tel No:

Mobile No:

E mail id:

ID proof provided:

Specimen signatures 1.

2.

I/We understand and agree to the following conditions:

1. I/we authorise Mr/Miss__________________________ to access and operate the locker. The specimen signature of person who has been authorised to operate the locker account has been duly attested and verified by me/us. I/We agree to abide by the existing the terms and conditions regarding the Locker operations at The Kangra Central Cooperative Bank Ltd.

2. The Authorised Person will be permitted to operate the locker only after producing valid identity proof and having their identity verified by bank officials.

3. This mandate shall remain valid until revoked by me/us in writing and such revocation is acknowledged by the Bank.

4. This mandate shall automatically terminate in the event of my/our demise.

5. The Authorised Person is granted access only, and does not hold rights to surrender or terminate the locker agreement.

6. I/We hereby undertake to indemnify Kangra Central Cooperative Bank Ltd. against any loss, damage, claim, action, proceedings, cost , charges and expenses that may be suffered or incurred by Kangra Central Cooperative Bank Ltd. on account for any activity undertaken by the authorised person by the use of the said Locker.

7. I /We hereby undertake that I/we have made known to the person authorised to operate the locker about specific uses of the Locker as per the said Regulations and guidelines.

Yours faithfully,

Signature of Locker Hirer(s)

1. ________________________

2. ________________________

Date: ____________________

Place: ___________________

For Bank Use

KYC of the authorized person verified: Yes / No

Signature verified: Yes / No

Mandate registered on: ____________________

Authorized Signatory: ____________________

Signature of Notary with Stamp

Application No.

APPLICATION FOR HIRING THE LOCKER

Date ....

The Branch Manager,
The Kangra central Cooperative Bank Ltd.
Branch Office ....

Dear Sir,

/We, ______________________________________, maintaining **Savings/Current Account No.** ____________________ with your branch, hereby request you to allot a Small/ Large/ Extra large Safe Deposit Locker in my/our name(s), subject to availability and the terms and conditions prescribed by the Bank.

Mode of Operation

I/We request that the locker be operated as under:

☐ **Single Operation** – Locker to be operated by Mr./Ms. ____________________________.

☐ **Joint Operation** – Locker to be operated **(Either or Survivor) / (Former/ Survivor) / Anyone or Survivor / All hirers Jointly**

1. Mr./Ms.
2. Mr./Ms.

as per the operating instructions recorded with the Bank.

I/We undertake to execute the prescribed Locker Agreement and complete all necessary formalities as required by the Bank from time to time. I/We further confirm and agree that:

1. I/We shall abide by and comply with all the rules, regulations, policies, guidelines, and instructions governing the hiring and operation of Safe Deposit Lockers as may be in force and/or amended by the Bank from time to time.
2. I/We authorise the Bank to recover the annual locker rent, applicable taxes, and any other charges related to the locker from my/our operative account maintained with the Bank. In the event of insufficient balance in the account, the Bank may recover the dues from any other account maintained by me/us with the Bank, as permissible under the applicable rules.
3. I/We agree to place a lien in favour of the Bank on a Term Deposit of ₹___________ (Rupees ___________________________ only) for the period and amount stipulated by the Bank as security for the locker facility and authorise the Bank to mark and retain such lien until its release by the Bank.
4. I/We understand that failure to pay the locker rent or comply with the terms and conditions of the locker agreement may result in the Bank taking such action as permitted under applicable laws, regulations, and Bank policy.
5. I/We declare that the locker shall not be used for storing any prohibited, hazardous, illegal,

or objectionable articles and shall be operated strictly in accordance with the Bank's rules and applicable laws.

I/We request you to kindly allot a Safe Deposit Locker in my/our favour.

Thanking you.

Yours faithfully,

Signature(s) of Applicant(s)

Applicant 1

Signature: ______________________________

Name: _________________________________

Address

Customer ID: _________________

Mobile No.: __________________

Applicant 2 (if applicable)

Signature: ______________________________

Name: _________________________________

Adress

Customer ID: _________________

Mobile No.: __________________

For Branch Use Only

Date of locker agreement

Locker No.: ___________________________ Key No.

Locker Size: ____________________________

Term Deposit No.: _______________________

Amount under Lien: ₹_____________________

Date of Allotment: _______________________

Mode of Operation

Single Operation ______________________________.

Joint Operation – (Either or Survivor)/ (Former/ Survivor)/ Anyone or Survivor/ All hirers Jointly

Nominee Name_____________Relationship______________Nomination Registration No.

Authorized Official

Signature: ______________________________

Name & Designation: _____________________

The Kangra Central Co-operative Bank Ltd H.O. Dharamshala

Branch Office............................

CIF No...................................

SIGNATURE CARD

Full Name...

S/O Sh...

Address..

....

Occupation...Mobile No.....................................Email..........................

Locker No............................ Safe No........................ Keys No...................................

Class...

Special Instructions...

with initial...

Specimen Signature

....

....

....

Signature of the Custodian

The Kangra Central Co-operative Bank Ltd. Head Office Dharamshala

Branch Office.................. **Date ....**

Acknowledgement of locker allotment

I/We acknowledge having been allotted **Safe Deposit Locker No.** __________ at ________________ **Branch** and having received the locker key bearing **No.** __________.

I/We confirm that I/we have executed the **Locker Agreement** with the Bank and have received a copy thereof for my/our record and reference.

I/We further acknowledge that the locker has been allotted to me/us in a satisfactory condition and that the key has been received in good order.

I/We agree to abide by and be bound by all the terms and conditions governing the operation of the locker facility, as contained in the Locker Agreement and as may be amended by the Bank from time to time in accordance with applicable laws, regulations, and Bank policies.

Signature of the Renter(s)/ Lessee

....

The Kangra Central Co-operative Bank Ltd. Head Office Dharamshala

Branch Office......................... **Date ....**

Surrender of Locker

I/We hereby surrender Locker No. ______ allotted to me/us.

I/We confirm that:

1. All articles have been removed from the locker.

2. The locker has been vacated to my/our satisfaction.

3. The original locker key(s) have been returned to the Bank.

4. I/We request closure of the locker facility and refund of any refundable amount after adjustment of dues.

Signature of the Renter(s)/ Lessee

Agreement for hiring safe deposit lockers

(To be stamped as an agreement
on stamp paper for Rs. 50/- and
not to be attested)

THE KANGRA CENTRAL CO-OPERATIVE BANK LTD.,
(HEAD OFFICE : DHARAMSHALA)

No...

Date ....

The Kangra Central Co-operative Bank Ltd., (hereinafter called the bank) agrees to let on hire and ....(herein after called the hirer) agrees to take on hire subject to the conditions endorsed here on the bank's locker No.................... class ....for... months from this date on a rental of Rs.. for the said period of which sum receipt is hereby acknowledged by the bank. Unless and until determined in accordance with the conditions endorsed here on the hiring will thereafter continue for like periods upon the same conditions and at 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 the joint lives of the hirers or the survivor/s of them be had by the hirers or the survivor/s of them jointly until the bank receives a notice to the any (for joint hirers only. Strike out where not applicable) .... of the hirers contrary from either/any one of the hirers, in which event access shall be had by the hirers or the survivor/s of them jointly. On the death of all the hirers save one, all the rights of the hirers here under shall vest in such survivor and upon his death shall vest in his legal representative.

FOR THE KANGRA CENTRAL CO-OPERATIVE BANK LTD.

MANAGER

....

....

....

(hirer/s)

P.T.O

CONDITIONS

1. The safe deposit vault will remain open from 10.00 A.M. To 04.00 P.M. Daily, except 2nd and 4th Saturdays, Sundays and holidays.

2. All rentals are payable strictly in advance and bank reserve the right of refusing access to the locker in the event of the rent not being paid when due whether the same has been demanded or not.

3. The hirer shall have no right of property in the locker but only an exclusive right of use thereof and access there to during the period of this agreement and in accordance there with. The hirer shall not assign or sublet. The locker or any part of it is not permitted to be used for any purpose other than for the deposit of documents, jewellery or other valuable nor shall the hirers use the locker for the deposit of any property of an explosive or destructive nature.

4. All property is received and held by the safe deposit department of the bank subject to a general lien for all moneys due from the hirer with power to sell such property or part thereof in satisfaction of moneys due but not paid.

5. Either party may terminate the agreement on giving to the other party seven days previous notice in writing prior to the date on which agreed period of hire terminates. The keys of the locker shall in such case be delivered by the hirer to bank not later than noon on the day of the termination of the hiring.

6. If no notice as aforesaid shall have been given, the hiring of the locker shall be considered renewed after the date of termination. But this condition is without prejudice to right of the bank occurred in the mean time.

7. Without prejudice to any other remedies which the bank may have against the hirer, all right to the use of locker shall at the option of the bank be forfeited upon non-payment of the rental whether the same may have been demanded or not or upon breach of any of the conditions hereof by the hirer the bank shall be at liberty to break open the locker and keep the said contents in such other locker or place as it may think fit, at a rental or double the amount of the rental hereby agreed to be charged.

8. If the key or the keys of the locker be lost by the hirer, the bank should be informed without delay. All charges of opening the locker, replacing the lost key or the keys and for changing the lock shall be payable by the hirer.

9. All repairs required to be done to the locker, lock or keys shall be done exclusively by workman appointed by the bank.

10. 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 hirer shall be considered to have been duly served.

11. For reason of grave or urgent necessity the bank reserves the right of closing the safe deposit 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 safe deposit vault and shall endeavour to give reasonable notice through branch display or website.

12. Hirers are wanted to keep the keys of their lockers in a place of safety, not to divulge the

number of their lockers and not to deliver their keys to any person other than their duly authorized agent.

13. It is hereby agreed that relation of the bank and hirer in this connection is that of Lessor and Lessee and not that of a banker and customer.

14. The bank will grant access to the hirer or to be duly appointed agent/deputy of the hirers provided the authority in favour of such agent/deputy is duly advised to bank in writing.

15. The hirer agrees to indemnify and hold the bank harmless from any agents and all claims and demands made against the bank by reason of any agent/deputy appointed by the hirer and the bank shall not incur any liability by virtue of their permitting such agent/deputy access to the locker.

16. Neither the bank nor any officer or employee thereof in his private or official capacity shall be authorized to act as deputy/agent for the hirer/s in respect of any matter or thing connected with the locker.

17. The bank reserves to itself the right to call upon on hirer to withdraw the articles from the safe deposit locker and in the event of the hirer's failure to do so, the bank is absolved from all responsibilities in respect of the articles.

18. The hirer hereby agrees to abide by such rules and regulations as the bank may from time to time adopt.

19. Banks shall have the discretion to break open any locker following due procedure if the rent has not been paid by the customer for three years in a row.

20. 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, as the case may be.

Before breaking open the locker, the Bank shall contact the hirer telephonically/ through email/ SMS to operate the locker or surrender it and if with in a week he/she does not respond then notice will be issued. In case the hirer does not respond with in the time given in the notices/ letter is returned undelivered or the locker-hirer is not traceable, the bank shall issue public notice in two newspaper dailies (one in English and another in local language) giving reasonable time to the locker-hirer or to any other person/s who has interest in the contents of locker to respond. Bank shall consider to break open the locker in case hirer does not respond after giving him due notice and shall also record a video of the break-open process and the inventory assessment.

21. The Bank will, in no way, be responsible / liable for the contents kept in the locker by the hirer. In case of theft, burglary or similar unforeseen events, action will be initiated as per law.

22. The bank reserve the right to alter or add to these rules and such alteration and additions shall be binding on the hirer and made known to the hirers through Bank website.

23. The locker-hirer/s shall not keep anything illegal or any hazardous substance in the Safe Deposit locker. If the bank suspects the deposit of any illegal or hazardous substance by any customer in the safe deposit locker, the bank shall have the right to take appropriate action against such customer as it deems fit and proper in the circumstances.

24. Bank 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 insure the contents of the locker against any risk whatsoever.

Banks shall under no circumstances offer, directly or indirectly, any insurance product to its locker hirers for insurance of locker contents.

(Signature of the hirer/s)