

STANDARD OPERATING PROCEDURE SAFE DEPOSIT LOCKERS

1) Introduction

- a. Bank provides its customers with a Safe Deposit Locker facility as a Subsidiary service. Customers can avail it to store valuable items, important documents, etc.
- b. The relationship between the bank and the customer who hires a Safe Deposit Locker (henceforth referred to as “Locker”) is that of a licensor and licensee. The bank licenses (rents out) their Locker (immovable property) to the customer and gives them the right to use it during the business hours of the bank.
- c. Locker is offered at designated branches of SVC Bank. Allotment of safe deposit vault will be subject to availability and compliance with other terms and conditions as specified by the Bank in accordance with RBI guidelines issued from time to time.
- d. The policy on Safe Deposit Lockers has been drawn up within the broad guidelines issued by Reserve Bank of India vide circular ref no RBI/2021-2022/86 DOR.LEG.REC/40.09.07.005/2021-22 dated 18th August, 2021.

2) Applicability

The Policy is applicable to both new and existing Safe Deposit Locker with the Bank.

3) Locker Issuance

- a. The Bank shall allot locker facilities to existing customers of the Bank as well as new customers, who have made an application for availing Locker facility and which are fully compliant with the CDD (Customer Due Diligence) criteria under the Master Direction – Know Your Customer (KYC) Directions, 2016 (as updated from time to time) subject to on-going compliance. Locker may be issued to the following constituents, and necessary due diligence shall be carried out at the time of allotment of Locker:
 1. Individuals (Singly/Jointly)
 2. Proprietary Firm
 3. Partnership Firm
 4. Hindu Undivided Family (HUF)
 5. A limited Company
 6. Trusts, Clubs
 7. All societies registered under The Societies Registration Act 1860 and under The Apartment Ownership Act 1970.
- b. A Locker shall be made available to a customer who had a satisfactory banking relationship with the Bank. New customers desiring to avail Locker facility shall be required to have an existing account / to open new savings account (for individuals) and Current Account (for Entities), as applicable. This will enable the Bank to recover safe deposit Locker rent by executing standing instruction from the customers to auto debit the operative account towards recovery of annual locker rental charges.
- c. 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 Locker Hirer(s) in the Safe Deposit Locker, the bank shall have the right to initiate an appropriate action against such Locker Hirer(s) as it deems fit and proper in the circumstances.
- d. The Bank shall obtain recent passport size photographs of Locker-Hirer(s) and Power of Attorney Holder (s) appointed by Locker Hirer(s) to operate the locker and the same shall be

pasted on Locker application form.

- e. The bank shall enter into a Locker agreement / Memorandum of hiring a Locker (framed by IBA) (draft copy available on website, as well as at our branches) with the customer to whom the Locker facility is provided, on a paper duly stamped. A copy of duly stamped & executed locker agreement shall be furnished to the Locker-hirer to know his/her rights & responsibilities and for their records. Original Agreement shall be retained with the branch where the locker is situated. The applicable stamp duty charges pertaining to locker agreement shall be borne by the Locker Hirer/s.
- f. To ensure prompt payment of locker rent, the Bank shall obtain a Term deposit as security deposit, at the time of allotment of new lockers, which would cover three years rent and applicable charges for breaking open the locker in case of an eventuality. The original receipt of security deposit is retained at the branch and renewed till Locker Hirer (s) holds the locker. The renewal terms are as per Bank's policy. The customer may request for a copy of the security deposit for record.
- g. Bank shall have the right to break open the locker if the Bank is of the view that there is a need to take back the locker, as the Locker Hirer is not cooperating or not complying with the terms and conditions of the agreement.

4) Locker Allotment

In order to facilitate customers from making informed choices, Bank shall maintain a branch wise list of vacant lockers as well as a wait-list at the respective branch for the purpose of allotment of lockers and ensure transparency in allotment of lockers. The branch shall acknowledge 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.

5) Locker Operations

Regular Operations by Locker Hirer (s)

- a. Locker Hirer (s) and/or the Power of Attorney holder appointed by him/her only shall be permitted to operate the locker after proper verification of their identity, immediately on the same day, as soon as the locker and its key is issued by branch to him/her. This ensures correctness and functioning of the key. Attendance of the same also has to be recorded as per process. The bank will maintain a record of 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.
- b. The issued key needs to be embossed by the Bank.
- c. Locker can be operated only when the Locker Key (is in possession of Locker holder /Hirer) and Master Key (is in possession of Bank custodian) are used together.
- d. Locker Hirer has to fill up the Attendance Slip when they go to operate the locker at the branch.
- e. Locker Custodian will cross check details entered by the locker hirer(s) on the attendance Slip along with signature and locker hirer(s) verification and allow only Locker Hirers to access the locker.
- f. Other than accompanying minors, no one other than Locker Hirer(s) on record should be allowed to access the Locker.
- g. Locker attendance (in and out) also needs to be marked in the system.

- h. The locker custodian authorizing the Locker-Hirer to access the locker, after unlocking the first key, shall not remain present when the locker is opened by the locker-hirer. The Bank shall ensure that there is adequate privacy to the locker-hirers while operating the locker.
- i. Banks shall send a SMS alert to the registered mobile number of the locker hirer(s) before the end of the day, as a positive confirmation intimating the date and time of the locker operation and the Bank's contact number, in case of unauthorized locker access.
- j. As a precautionary measure, the Bank custodian shall carry out a physical check of the locker to ensure that the lockers are properly closed. If any locker is found open, the locker hirer should be immediately contacted and called back to the Bank. No other customer would be allowed access to the locker area till then. The locker door shall be closed immediately with the customer key when he/she is back to the Bank. Locker hirer confirmation has to be obtained confirming all the locker contents to be intact.
- k. If any item is found in the locker room, all the locker hirers attendees of the day should be contacted to confirm if the same belongs to anyone. Due diligence should be followed during this process. Any such item found should be entered in the Lost and Found Register and kept in sealed conditions in the vault, till locker hirer(s) comes to pick it up.
- l. Locker hirers acknowledgment should be obtained when he/she collects the item from the branch.
- m. The Bank Custodian of the locker room shall carry out a physical check of the locker room at the end of the day to ensure that no person is inadvertently trapped in the locker room after banking hours
- n. Locker Operation should not be allowed if there is pending rent recovery/ pending KYC/ locker attached by competent authority/ Court Order.
- o. In case of dispute amongst Locker Hirers the issue will be handled case-to-case basis under guidance of Bank's Legal Team.

6) Security of the Strong Room/Vault:

- a. Bank 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.
- b. Bank shall have a single defined point of entry and exit to the locker room/vault.
- c. 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 minimized.
- d. The area housing the lockers should remain adequately guarded at all times.
- e. 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.
- f. In case any **locker hirer(s)** 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, bank shall preserve the CCTV recording till the police investigation is completed and the dispute is settled.
- g. The internal auditors shall verify and report the compliance to ensure that the procedures are strictly adhered to.

7) Locker Standards

- a. All the new mechanical lockers installed by the Bank are conformed 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.
- b. The 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 and as per RBI directives.

- c. Further, the custodian of the locker shall periodically check the keys maintained in the branch to ensure that they are in a proper condition.
- d. The 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 locker holder to use an additional padlock of her /his own if there are such provisions available in lockers.

8) Nomination Facility

The bank shall offer nomination facility in case of safe deposit lockers, 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 Banks (Nomination) Rules, 1985.

In case the nominee is a minor,

- (a) The locker holder shall appoint another person/Appointee (who is not a minor) lawfully entitled to act on behalf of the minor. As per Policy on Safe Deposit Lockers, 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.
- (b) The Bank shall ensure that, the contents of locker, when sought to be removed on behalf of a minor nominee, are handed over to the Appointee, as mentioned in point 8 (a) above
- (c) Further, the banks shall prepare an inventory of the articles in the presence of two independent witnesses, along with one officer of the Bank who is not custodian of the locker, and the claimant (s), who may be a nominee or the Appointee receiving the articles, on behalf of a minor nominee.
- (d) 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 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.

For the various Form (Forms SL1, SL1A, SL2, SL3 and SL3A for Safety Lockers) prescribed under Banking Companies (Nomination) Rules, 1985/Co-operative Banks (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.

Bank shall have appropriate systems and procedures in place to register the nomination, Cancellation and / or variation of the nomination made by the locker hirers, in their books.

Bank shall acknowledge the receipt of duly completed form of nomination, cancellation and /or variation of the nomination. Such acknowledgement shall be given to all the **locker hirer(s)** irrespective of whether the same is demanded by the **locker hirer(s)** or not.

While giving access to the survivor(s) / nominee(s) of the deceased locker hirer , 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.

In case where the deceased locker hirer has not made any nomination or where the joint hirers have 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 Board approved claim policy to facilitate access to legal heir(s) / legal representative of the deceased locker hirer.

Option to the customers not to make a nomination

- At the time of account opening, Bank shall explicitly inform the prospective customer of the availability and purpose of the nomination facility and offer him/her the option to avail the same. The bank shall also clearly explain to the customer the advantages of the nomination facility, including but not limited to simplification of the claim process in the event of the account holder's demise and facilitation of smooth and prompt transfer of funds to the nominee without legal complications. If he/she refuses to provide the written declaration, the bank shall record the fact of **refusal to submit written confirmation** in the account opening records.

2. Types of Nomination for Lockers

Customer can nominate multiple nominees under Successive nomination

Successive Nomination-

This type of nomination can be availed by accounts with single as well as joint ownership. This facility is available for individual deposit accounts, proprietary accounts, term deposits as well as for Lockers. A customer can provide nomination of up to four nominees for each account with specific sequence. If first nominee expires, only then the second nominee would be considered, so on and so forth.

Nomination shall be made in respect of the whole amount of deposit.

Example: Mr. A is holding a Safe Deposit Locker, and has opted for **successive nomination** and submitted nomination form as under-

Name of the nominee	Relationship	Order of priority
Mr. E	Son	3 rd
Mr. B	Brother	2 nd
Ms. C	Spouse (deceased)	1 st
Ms. D	Care taker	4 th

Bank will settle the claim of Late Mr. A in favour of Mr. B (2nd in order of priority) if 1st in order of priority, Ms. C is deceased.

9) Settlement of Claims in case of death of a Customer

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) / legal heirs, as the case may be, within a period not exceeding 15 days from the date of receipt of all the required claim documents 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.

In case where the deceased locker hirer has not made any nomination or where the joint hirers have 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 Board approved claim policy to facilitate access to legal heir(s) / legal representative of the deceased locker hirer.

Banks shall, however, ensure the following before giving access to the contents to nominee/ survivor:

- Exercise 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.
- Make diligent effort to find out whether there is any order or direction from Court/Forums restraining it from giving access to the locker of the deceased and.
- Make it clear to the survivor(s) / nominee(s) that access to articles in the locker 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 effect the right or claim which any person may have against the survivor(s)/nominee(s) to whom the access is given.

10)Locker Break Open:

Closure and Discharge of Locker items : The Breaking open of the locker other than through normal access by customer using her/his original key 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 bank is of the view that there is 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.
- iii. If the Government enforcement agencies have approached the bank with orders from the Court or appropriate competent authority to seize lockers and requested to access to the lockers; or

Bank have approved policy together with Standard Operating Procedure (SOP) for breaking open the lockers for all possible situations keeping in view the relevant legal and contractual provisions`

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

1. All charges for opening the locker, changing the lock and replacing the lost key will be communicated and recovered from the locker hirer.
2. Key replacement /opening of the locker to be carried out by an authorized vendor in the presence of the locker hirer and the bank official.
3. Panchanama of the same need not to be done.
4. An undertaking is to be obtained from the customer that the key is lost, and if found in future, will be handed over to the bank.
5. The opening of the locker has to 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 locker hirer for breaking open the locker.
6. The operation shall be done in the presence of the locker hirer(s) and an authorized 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.
7. Locker holder confirmation is to be obtained that all the locker contents are intact.

ii. If the bank is of the view that there is 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.

A. Non-Payment of locker Rent: Rent not paid continuous three years in a row

1. Bank shall initiate the process of locker break open, if the rent has not been paid by the customers for **continuous three years in a row**.
2. Bank has to send three intimation reminder letters to the customer's last known address as per Bank's records, mentioning the recovery of pending rent amount to be paid to the Bank.
3. If locker holder still does not respond to the Bank and pays the pending dues, a public notice shall be issued in two local leading newspapers, one of which shall be English and another in a vernacular language, giving reasonable time to the locker hirer or to any other person/s who has interest in the contents of the locker, to respond.
4. The locker will be broken open in the presence of an officer of the bank and two independent witnesses.
5. Bank will 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. Panchanama and video recording of the entire break-open process to be conducted by Bank and copy of the same to be held on record and can be shared with Locker holder/s, if requested.

6. After breaking open of locker, contents of the locker (if any) will be kept in a sealed envelope, along with the detailed inventory inside a fireproof safe, in a tamper-proof way until customer claims it.
7. While returning the contents of the locker, the bank shall obtain an acknowledgement of the customer on the inventory list to avoid any dispute in future.

B. Inoperative Lockers: Discharge of locker contents if the locker remains inoperative for a period of 7 years.

1. As per RBI guidelines, if the locker remains inoperative for a period of seven years and the locker hirer can not 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 as the case may be. (Same procedure of breakopen of lockers from point 2 to point 7 will be followed)
2. If the locker remains inoperative for a period of seven years at least one year of locker rent pending, Bank can go ahead with Locker break open process. The security deposit should be used to recover the pending Bank charges. (Same procedure of breakopen of lockers from point 2 to point 7 will be followed)
3. Further if rent is received regularly but locker is inoperative, Bank will send intimation letters and SMS to locker hirer to operate their locker.
4. Bank shall also ensure that the details of breaking open of locker is documented in CBS or any other computerized systems compliant with the Cyber Security Framework issued by RBI, apart from locker register.
5. Bank shall ensure that the inventory prepared after breaking open the locker and during settlement of claims, is in the appropriate formats
6. Further, Bank shall not open sealed / closed packets left with them found in locker while releasing them to the nominee(s) and surviving locker hirers, unless required by law.
7. In case of death of all locker holders, death claim process is to be followed as per Claim Policy of the Bank.

iii) Attachment and Recovery of contents from Locker by any Law Enforcement Agency:

When the Bank receives an Attachment Order for a Locker of a customer, from a Law Enforcement Agency, Bank shall inform the locker hirer /s through a letter and on the registered email-ID that Government authorities have approached them for effecting attachment and recovery or seizure of the locker or its articles. In case of recovery or break open, Panchanama to be conducted by enforcement and copy of the same to be held on record and shared with Locker hirer/s

11) Surrender of Locker through Locker hirer(s) :

For surrendering the locker, all locker holders must visit the branch personally and submit a written request for surrendering the locker which shall be duly signed by all locker holders.

- a. If locker hirer/s desires to surrender the locker, the overdue rent, if any, shall be recovered first and then the locker holder/s may be permitted to open the locker and remove the contents therein.
- b. The normal procedure for giving access to the locker hirer /s to the locker may be followed for this purpose.
- c. After removing the contents of the locker, the locker hirer/s shall hand over the Customer key to the branch Custodian. The branch Custodian shall verify the key number from the record, seal it and keep in the key cabinet.
- d. If the locker is surrendered in the middle of the financial year, the proportionate amount (excluding

- the GST amount) of advance rent collected shall be refunded to the locker hirer.
- e. The security deposit kept with the Bank under Lien shall be released to the locker holder at the time of surrender of locker. The hirer may also decide for continuance of deposit till its maturity to avoid loss of interest.
 - f. Once the locker is surrendered, the lock of the surrendered Locker shall be inter- changed with that of a vacant locker. Only after changing the lock of the surrendered Locker the same could be hired out to another customer.
 - g. As a precautionary measure, the Bank custodian shall carry out a physical check of the locker to ensure that the locker holder has not left any valuables in locker while surrendering the locker and the locker is vacant / empty at the time of surrendering the locker.

12) Shifting of Locker

1. If there is any event such as merger /closure/ shifting of branch premises warranting physical relocation of the lockers, the Bank shall give notice to all such locker hirer/s at least 2 months' in advance intimating the Locker hirer/s. This notice letter should inform the customer about the closure/ shifting of premises and to vacate the locker before the same.
2. Also in case of relocation as mentioned in above point, Bank shall also send a public notice in two newspapers (including one local daily in vernacular language), two months in advance giving the locker hirer option to change or close the facility.
3. In case of an unplanned shifting, on account of natural calamities or any other such emergency situation, the Bank shall make efforts to intimate their locker hirer suitably at the earliest.

13) Liability of bank :

Bank shall take due care including ensuring proper functioning of the locker system, guarding against unauthorized 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.

a. Liability of bank 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. Bank shall, however, exercise appropriate care to their locker systems to protect their premises from such catastrophes.

b. 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 bank 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 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 incidents mentioned above or attributable to fraud committed by its employee(s), the banks' liability shall be for an amount equivalent to one hundred times the prevailing annual rent of the safe deposit locker.

14) Locker Content Insurance :

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

15) Customer Guidance and Publicity :

The bank shall display the model locker agreement with all the Terms & Conditions and the Standard Operating Procedures (SOPs) on various aspects on the websites for public viewing. The bank shall ensure that the customers are made aware of the bank's terms and conditions to avail those facilities. Bank shall display updated information on all kinds of charges for safe deposit lockers on their websites.

- Updated in April 2026