

THE MALAD SAHAKARI BANK LIMITED

6, Sujata Niketan CHS, Rani Sati Marg,
Malad (East), Mumbai - 400 097.

SAFE DEPOSIT LOCKER POLICY 2025-2026



THE MALAD SAHAKARI BANK LIMITED**Safe Deposit Locker Policy****2025-2026****Introduction:**

Safe deposit lockers facility is one of the ancillary services extended by bank at our selected branches and the names of branches are available in the Bank website. The locker units are leased out to customers after obtaining adequate KYC documents. The relationship between the banker and the customer of a locker is that of lessor and lessee.

Eligibility:

The Lockers should be allotted to account holders only. Bank's lockers will be available to person, having contractual capacity i.e. capacity to enter into a contract. Thus locker can be hired by an individual singly and / or two or more individuals jointly as well as firms, Limited Companies, Societies, Associations, Clubsetc. For allotting a locker to a limited company, society or association, a copy of the resolution passed in the managing committee of the respective institutions authorizing the official/s to hire a locker and operate the same is required.

Allotment of locker:

- Allotment of lockers shall be based on the duly filled in application of the prospective hirers on the printed format provided by the bank.
- Lockers will be allotted by the branches on first-come-first-serve basis.
- Due diligence of KYC norms, will be duly applied before allotment of locker.
- Branches will maintain a wait list for the purpose of allotment of lockers and will ensure transparency in allotment of lockers. All applications received for allotment of locker will be acknowledged and given as per wait list number.

Locker Agreement:

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 his/her rights and responsibilities. Original Agreement shall be retained with the bank's branch where the locker is situated.

Fixed Deposit as Security for Lockers:

To ensure prompt payment of locker rent, at the time of allotment, a minimum fixed deposit is obtained which would cover 3 years' rent and the charges for breaking open the locker in case of an eventuality.

Nomination:

- i) The nomination can be made in favour of only one individual.
- ii) Nomination, cancellation or variation in existing nomination can be made either at the time of hiring of the locker or subsequently at any time during occupancy of the locker.



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iii) The prescribed form of nomination or cancellation/variation of nomination as the case may be obtained from hirer/s duly completed in all respects, which will be recorded in a register maintained with the Bank and an acknowledgment given to the hirer.

iv) Where the hirer/s prefers not to nominate, the same will be recorded in the application form.

v) Nomination facility on safe deposit lockers shall be extended by the Bank to release the contents to the nominee of the Hirer, in the event of death of hirer. If the locker is held jointly and one of the hirers dies, the contents can only be removed jointly by the nominee and survivors.

Locker Rent – Rent Charges

Locker rents are payable in advance annually. Rents vary depending upon the size of the locker and the Branch Location. Delay in payment of locker rents may result in denial of access to the lockers and would also attract prescribed penalties, in addition to the annual locker rent payable in advance.

Non-payment of locker rents beyond the due date may result in the bank breaking open the locker as per prescribed procedure laid down in this respect. Costs for breaking open the locker and safe custody charges for the contents of the locker would be payable by the locker hirer.

If locker rent is collected in advance, in the event of surrender of locker by a customer, the proportionate amount of advance rent collected shall be refunded to the customer.

Operations of Safe Deposit Vaults/Lockers:

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

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

Before operating the locker, the hirer/s should sign the locker operation register which shall be kept at the bank.

The Locker can be surrendered at any time without any damage.

Customer due diligence

Branches will carry out customer due diligence for both new and existing customers at least to the levels prescribed for customers classified as medium risk. If the customer is classified in a higher risk category, customer due diligence as per KYC norms applicable to such higher risk category should be carried out.

Measures relating to lockers which have remained un operated

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

ii) This exercise will be carried out even if the locker hirer is paying the rent regularly. Further, branches will ask the locker hirer to give in writing, the reasons why he/she did not operate the locker.



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iii) In case the locker-hirer has some genuine reasons as in the case of persons who are out of town due to a transferable job etc., branches will allow the locker hirer to continue with the locker.
iv) In case the locker-hirer does not respond nor operate the locker or rents are overdue branches will consider opening the lockers in the presence of well-known Person/Potential Customer/VROs/Police after giving due notice to locker hirers.

Embossing identification code:

Branches will ensure that identification Code of the bank / branch is embossed on all the locker keys with a view to facilitate Authorities in identifying the ownership of the locker keys.

Breaking Open of Locker:

- i) Locker may be broken open either at the request of the hirer/s or by the bank for default in payment of prescribed charges or for any other reason.
- ii) Break Open charges shall be recoverable from the hirer/s.
- iii) Bank shall engage the suppliers of the locker unit to break open the lockers.
- iv) When the locker is break open at the request of the hirer, the same shall take place in the presence of the hirer or his nominee, as the case may be.
- v) When the locker is break open at the instance of the bank, the customer shall be provided notices in advance as per the internal procedures.
- vi) And then it will be break open by the representative of the manufacturers/suppliers in the presence of two respectable non-staff independent witnesses, in addition to the officers of the branch.
- vii) For break open lockers, the bank shall publish the names of the defaulter who have not paid rents on its notice board in spite of notices sent.
- viii) In case of break open of lockers, Rs.1000/- will be recovered as incidental charges over and above actual cost incurred for the same.
- ix) In cases where the locker is break open by the Bank for non-payment of locker rent, the Caution Money deposited by the hirer/s, will be appropriated for recovery of expenses incurred by the Bank in (i) Break open the locker, (ii) replacement of lock, 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.

Freezing / Unfreezing of Lockers

The Bank will give due cognizance to orders received from a competent authority having statutory powers for freezing / unfreezing of locker.

Death of the hirer:

Notice of knowledge of the death of a hirer or a surviving hirer in the case of 'E or S' hirers will be recorded in the Locker Register (L. 7) with date and source of information under the initials of an officer.

As a further precaution, a slip reading 'hirer deceased' will be pasted on the locker. Thereafter access to the locker should be allowed on production of legal representation.

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Access may however be allowed, for making an inventory of the contents with a view to obtaining the necessary legal representation to known heirs of the deceased in the presence of their lawyers / solicitors or to persons authorised by a court for this purpose.

Where authority has been given to the survivor or survivors to operate the locker in writing specifically at the time of lease of the locker, in the case of joint account, the question of legal representation does not arise unless the survivor also dies.

Section 45ZE of the Banking Regulation Act, 1949 does not preclude a minor from being a nominee for obtaining delivery of the contents of a locker. However, the responsibility of the branches in such cases will be to ensure that when the contents of a locker were sought to be removed on behalf of the minor nominee, the articles were handed over to a person who, in law, was competent to receive the articles on behalf of the minor.

Procedure for return of contents of Lockers to Survivor/Nominee/Legal heirs:

In order to ensure that the contents of lockers are returned to the genuine nominee, as also to verify the proof of death, bank has devised our own claim formats and will also follow the procedure suggested by the Indian Banks' Association /appropriate authorities.

Access to the safe deposit lockers (with survivor / nominee clause)

- i. If the sole locker hirer nominates a person, banks will give to such nominee access of the locker and liberty to remove the contents of the locker in the event of the death of the sole locker hirer.
- ii. In case the locker was hired jointly with the instructions to operate it under joint signatures, and the locker hirer(s) nominates person, in the event of death of any of the locker hirers, the bank should give access of the locker and the liberty to remove the contents jointly to the survivor(s) and the nominee(s).
- iii. In case the locker was hired jointly with survivorship clause and the hirers instructed that the access of the locker should be given over to "either or survivor", "anyone or survivor" or "former or survivor" or according to any other survivorship clause, banks will follow the mandate in the event of the death of one or more of the locker-hirers. However, banks will take the following precautions before handing over the contents:

- (a) Branches will 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;
- (b) Branches will make diligent effort to find out if there is any order from a competent court restraining the bank from giving access to the locker of the deceased; and
- (c) Branches will make it clear to the survivor(s) / nominee that access to locker is given to them only as a trustee of the legal heirs of the deceased locker hirer i.e., such access given to him shall not affect the right or claim which any person may have against the survivor(s) / nominee to whom the access is given.

Bank will note that since the access given to the survivor(s) / nominee (s), subject to the foregoing conditions, would constitute a full discharge of the bank's liability, insistence on production of legal representation is superfluous and unwarranted and only serves to cause entirely avoidable inconvenience to the survivor(s) / nominee (s) and would, therefore, invite serious supervisory disapproval. In such case, therefore, while giving access to the survivor(s) / nominee(s) of the deceased locker hirer, the bank will desist from insisting on production of succession certificate, letter of administration or probate, etc., or obtain any bond of indemnity or surety from the survivor(s)/nominee(s).



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Access to the safe deposit lockers (without survivor / nominee clause)

There is an imperative need to avoid inconvenience and undue hardship to legal heir(s) of the locker hirer(s). In case where the deceased locker hirer had not made any nomination or where the joint hirers had not given any mandate that the access may be given to one or more of the survivors by a clear survivorship clause, the bank will adopt a customer- friendly claim procedure, drawn up, then and there, for giving access to legal heir(s) / legal representative of the deceased locker hirer.

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

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

Surrender of Locker:

- Locker can be surrendered by the hirer/s at any time during the contract period through a written application and handing over of keys to the Bank Officials.
- Bank can also request for surrender of locker with due notice.
- In cases where the hirer wishes to surrender the locker before expiry of existing lease period, surplus of rent over the 12 months' tenure, if any, will be refunded.

Surrender of the locker after expiry of the lease period, will be allowed on payment of arrears of locker rent, at the stipulated rate structure.

Settlement of Claim:

Settlement of claim to the nominee or the legal heirs shall be subject to the following: •

- Proper identification and establishing the identity of the survivor(s) / nominee(s) •
- Production of death certificate issued by competent authority.
- There should not be any order from a competent court restraining the bank from giving access to the locker of the deceased.
- In case nomination is available, contents of the locker shall be delivered to the nominee after proper identification of the nominee and subject to production of necessary documents.
- Where no nomination is available, settlement shall be made to the legal heirs as per Bank's claim settlement policy.

Other aspects:

- ✓ The Bank will exercise due care and necessary precautions for the protection of lockers and the locker hirer while operating the locker.
- ✓ In all cases except where locker is continued to be used by surviving hirers, locker key will be taken back from nominee/claimants, by terminating the original contract.
- ✓ In case the claimant does not have the locker keys, locker needs to be break open. This should be done post obtaining documentation and approval.



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- ✓ Nomination, cancellation or variation in existing nomination can be made either at the time of hiring of the locker or subsequently at any time during occupancy of the locker.
- ✓ The prescribed form of nomination or cancellation / variation of nomination, as the case may be obtained from hirer/s duly completed in all respects, which will be recorded in a register maintained with the Bank and an acknowledgement given to the hirer.
- ✓ No notice of claim of any person, other than hirer/s of a locker, will be entertained by the Bank. The Bank is also not bound by any such notice even though expressly given, provided that where any decree, order, certificate or other authority from a court of competent jurisdiction relating to the locker or its contents is produced before the Bank, the Bank shall take due note of such decree, order, certificate or other authority.
- ✓ Where the hirer/s prefers not to nominate, the same will be recorded in the application form.

Liability of Bank:

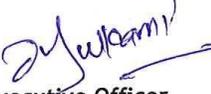
The Bank will, in no way, be responsible / liable for the contents/articles kept in the locker by the hirer. In case of theft, burglary or similar unforeseen events, action will be initiated as per law.

Review of the Policy:

One year from the date of approval of this policy. But in case of any amendments, clarifications, circulars etc issued by competent authorities of the bank on the basis of any amendments to the Laws & Rules of the Land, not being consistent with the provisions laid down in this Policy and this policy shall stand amended accordingly. The Board has the power to replace this policy entirely with a new policy. Any guidelines issued by any Regulatory Authority which has the effect of changing any of the provisions of this policy will also become part of the policy from the date of issuance of such guidelines.


 Manager


 Chief Manager


 Chief Executive Officer


 Hon. Committee Chairman
 (Audit Committee)
Approved / Ratified in Board Meeting

No: Held on:



Hon. Chairman

Date: 28/3/2025

