

Safe Deposit Locker Policy

Current Version: 3

Policy Document

Document Review & Approval History:

(All revisions made to this document are listed in chronological order)

Version No.	Date of Board Approval	Purpose of Submission	Management Committee Approval (1 st Level)	Recommending Committee Approval (2 nd Level)	Board
1.0	16th December 2021	New Policy	-	Head Operations	Board of directors
2	09th August 2023	Annual Review	-	Head Operations	Board of directors
3		Annual Review	PAC	Customer service committee of Board	Board of directors

Approving Committee	Date Of Approval	Minutes of the Meeting (Attach MOM)
Management Committee		
Recommending Committee		
Board		

Preparation and Review

Particulars	Name of the Person	Department
Prepared by	Nikhil Raut	Retail Banking
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Approved by	Nikhil Rajadhyaksha	Retail Banking

Ownership

Sr no.	Primary Owner Department	Secondary Owner Department
1	Retail Banking Team	Enterprise Operations Team

Regulations and Other references

Reference	Details	Date Published
RBI /IBA Circular	Master Direction - Know Your Customer (KYC) Direction, 2016	Updated as on November 06, 2024
IBA Circular	IBA Legal Circular No. 1/2023 - Model Safe Deposit Locker Agreement	Dated: 28/02/2023
Other References	Extract from RBI circular on Safe Deposit Locker / Safe Custody Article Facility- Revised Instructions – Circular	Dated: August 18, 2021.

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1 Background

The safe deposit locker facility is one of the ancillary services extended by SBM Bank through the branches. The relation between SBM Bank and the customer is of owner and lessee.

RBI has come out with revised guidelines after considering of various development in banking and technology and the nature of grievances and feedback received from Indian Banks Association (IBA) and the principles enumerated by the Honourable Supreme Court in Amitava Dasgupta v/s United Bank of India (Judgment dated February 19, 2021, in CA No. 3966 of 2010).

This policy will be effective from 1-Janury 2022 and will be applicable to both new and existing safe deposit lockers facility with SBM Bank.

2 Purpose and Scope

The purpose of this document is to present a high-level policy statement of SBM Bank (India) Limited (SBM Bank) regarding Deposit lockers facility provided by SBM Bank to its customers.

This Policy also envisages the purpose of aiding staff of SBM Bank in understanding their obligations in Deposit lockers facility as per the applicable statutory provisions and regulatory requirements for customers which have subscribed for locker facility. This policy is applicable to SBM Bank as whole, i.e., all branches.

3 Important Definitions

- a. "Board of Directors" or "Board" shall mean the Board of Directors of 'SBM Bank (India) Limited', as constituted from time to time.
- b. "Applicable Law" means any Law, Rules, Circulars, Guidelines or Standards issued by the Central Government, Reserve Bank of India, Securities Exchange Board of India, Ministry of Corporate Affairs, or any other statutory/regulatory authorities, in which the preservation of the Documents is prescribed, and are applicable to SBM Bank

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4 Customer Due Diligence (CDD) for Lockers

- 4.1 The existing customers of SBM Bank who have made an application for locker facility and who are fully compliant with the CDD criteria under as mentioned in banks board approved KYC policy.
- 4.2 Customers who are not having any other banking relationship with SBM Bank may be given the facilities of safe deposit locker after complying with the CDD criteria under the Master Direction – Know Your Customer (KYC) Directions, 2016 (as updated from time to time) and subject to on-going compliance. The due diligence to be carried out for all the customers in whatever rights and capacities they may be hiring the locker.
- 4.3 SBM Bank shall incorporate a clause in the locker agreement that the locker – **lessee** to not keep anything illegal or any hazardous substance in the Safe Deposit locker. If SBM Bank suspects, deposit of any illegal or hazardous substance by any customer in the safe deposit locker, SBM Bank shall have the right to take appropriate action against such customer as it deems appropriate under the circumstances.
- 4.4 SBM Bank 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 SBM Bank's branch.

5 Locker Allotment

- 5.1 To facilitate customers in making informed choices, SBM Bank shall maintain a branch wise list of vacant lockers as well as a waitlist either in Core Banking System (CBS) – Finacle or in any other computerized system compliant with Cyber Security Framework issued by RBI. This will facilitate allotment of lockers and ensure transparency. SBM Bank 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 at the time.
 - 5.1.1 SBM Bank shall have a Board approved format/template for agreement for safe deposit lockers. This agreement shall be in conformity with these instructions and the directions of the Hon'ble Supreme Court in this regard. SBM Bank shall ensure that any unfair terms or conditions are not incorporated in the locker agreements. Further, terms of the contract shall not be more onerous than required in ordinary course of business to safeguard the interests of SBM Bank.
 - 5.1.2 SBM Bank will ensure that at the time of allotment of the locker to a customer, the locker agreement is duly signed and stamped. A copy of the locker agreement in duplicate shall be signed and a copy of the same shall be furnished to the customer for their reference. The agreement shall also highlight the customer's rights and responsibilities. Original copy of the agreement shall be retained with the respective branch where the locker is situated.
- 5.2 Locker Rent
 - 5.2.1 SBM Bank may face situations where the locker-hirer / customer neither operates the locker nor pays the rent. To ensure prompt payment of locker rent, SBM Bank is allowed

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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. SBM Bank, however, shall not insist on such Term Deposits from the existing locker holders or those who have satisfactory operative account. The allotment of locker facility with placement of term deposits beyond what is specifically permitted above will be considered as a restrictive practice.

- 5.2.2 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 to be refunded to the customer.
- 5.2.3 If there is any event such as merger / closure / shifting of branch warranting physical relocation of the lockers, **-the bank 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, banks shall make efforts to intimate their customers suitably at the earliest.**

6 Infrastructure and Security Standards

6.1 Security of the Strong Room/Vault

- 6.1.1 SBM Bank will 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. It shall be ensured that there is 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 minimized. SBM Bank will conduct necessary engineering / safety verification regularly to identify the risks and carry out necessary rectification if required. Such an assessment shall be carried out once in 5 years.
- 6.1.2 The area housing the lockers should remain adequately always guarded all the time. SBM Bank to install Access Control System, if required as per their risk assessment, which would restrict any unauthorized entry and create digital record of access to locker room with time log. SBM 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 SBM Bank that his/her locker is opened without his/her knowledge and authority, or any theft or security breach is noticed/observed, SBM Bank to preserve the CCTV recording till the police investigation is completed and the dispute is settled.
- 6.1.3 The security procedures to be well-documented and the staff concerned to be properly trained in the procedure. The internal auditors verify and report the compliance to ensure that the procedures are strictly adhered to.

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6.2 Locker Standards

- 6.2.1 All the new mechanical lockers to be installed by SBM Bank to 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. Bank 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, SBM Bank to 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, cannot be shared with third parties without their consent. SBM Bank to 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. SBM Bank to comply with the relevant statutory / regulatory guidelines/requirements applicable for IT / data protection. SBM Bank to 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.
- 6.2.2 SBM Bank to ensure that identification Code of SBM 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. The custodian of the locker to, regularly/periodically check the keys maintained in the branch to ensure that they are in proper condition. SBM Bank to permit the locker-hirer to operate the locker only with the key provided by SBM Bank, although there is no restriction in allowing the customer to use an additional padlock of her /his own if there are such provisions in lockers.

7 Locker Operations

7.1 Regular Operations by Customers

- 7.1.1 The locker hirer and/or the persons duly authorized by him/ her only to be permitted to operate the locker after proper verification of their identity and recording of the authorization by the staff of SBM Bank. SBM Bank to 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 SBM Bank's staff to be maintained to record the movement of individuals in the Vault Room area with their signatures at appropriate place in the records/ register.
- 7.1.2 SBM Bank staff authorizing the locker-hirer to access the locker, after unlocking the first key / password to not remain present when the locker is opened by the locker-hirer. SBM Bank to ensures that there is adequate privacy to the locker-hirers in the operations when customers access the lockers at the same time.

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- 7.1.3 SBM Bank to send a communication i.e., email and SMS alert to the registered email ID and mobile number of the customer before the end of the day as a positive confirmation intimating the date and time of the locker operation and the redressal mechanism available in case of unauthorized locker access.

7.2 Internal Controls by Bank

- 7.2.1 SBM Bank will have a system / procedure for \inter-changing the locks whenever the locker is surrendered by the hirer. The keys of vacant lockers to be kept in sealed envelopes. There to be proper record of joint custody of master keys. SBM Bank shall conduct surprise periodic verification of surrendered/vacant lockers and their keys by an officer of SBM Bank who is not connected with their custody and proper record to be maintained as a proof of such verification. The duplicate master keys to be deposited with another branch / central office or with another bank nearby.
- 7.2.2 SBM Bank will maintain details of the Locker Register and the Locker Key Register either in CBS – Finacle or any other computerized system compliant with the Cyber Security Framework issued by the Reserve Bank. The Locker Register to be updated in case of any change in the allotment with complete audit trails.
- 7.2.3 SBM Bank custodian to 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 to 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. SBM Bank custodian to record the fact of not closing the locker properly in the register and its closure by SBM Bank with the date and time. Further, the branch custodian of the locker room to 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.

8 Nomination Facility and Settlement of Claims

8.1 Nomination Facility

- 8.1.1 SBM Bank to 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. In case the nominee is a minor, the same procedure as prescribed for SBM Bank accounts to be followed by SBM Bank. 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.
- 8.1.2 For the various Forms (Forms SL1, SL1A, SL2, SL3 and SL3A for Safety Lockers) prescribed under Banking Companies (Nomination) Rules, 1985/Co-operative Bank (Nomination) Rules, 1985, only Thumb-impression(s) to be required to be attested by two witnesses. Signatures of the account holders need not be attested by witnesses.

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- 8.1.3 SBM Bank to have appropriate systems and procedures in place to register the nomination, cancellation and / or variation of the nomination, in their books, made by the locker hirers.
- 8.1.4 SBM Bank to devise a proper system of acknowledging the receipt of duly completed form of nomination, cancellation and / or variation of the nomination. The acknowledgement to be given to all the customers irrespective of whether the same is demanded by the customers or not.

8.2 Settlement of Claims in case of death of a Customer

- 8.2.1 SBM Bank has a Board approved policy for settlement of claims. The policy to be in conformity with the regulatory instructions and the Model Operational Procedure (MOP) for settlement of claims of the deceased constituents formulated by the IBA. The same has been covered in Settlement of Claims in Deceased Person / Missing person assumed to be dead Policy of SBM Bank.
- 8.2.2 To ensure that the articles left in contents of lockers are returned to the genuine nominee, as also to verify the proof of death, SBM bank to devise their own claim formats, in terms of applicable laws and regulatory guidelines.
- 8.2.3 Time limit for settlement of claims: SBM Bank to settle the claims in respect of deceased locker hirers and release contents of the locker to survivor(s) / nominee(s), as the case may be, within a period not exceeding 15 days from the date of receipt of the claim subject to the production of proof of death of the depositor and suitable identification of the claimant(s) with reference to nomination, to SBM Bank's satisfaction.
- 8.2.4 SBM Bank report to the Customer Service Committee of the Board, at appropriate intervals, on an ongoing basis, the details of the number of claims received pertaining to deceased locker-hirers accounts and those pending beyond the stipulated period, with reasons therefor. Customer Service Committee of the Board of SBM Bank to review the settlement of claims and make suggestions to ensure that the claims are settled as early as possible unless there is any litigation pending before the Courts or any difficulty is being faced in identifying the true claimant with reference to nomination.
- 8.2.5 SBM Banks customer service committee of the board to review the settlement of claim and make suggestions to ensure that the claims are settled as soon as possible unless there is a litigation pending before the court or difficulty faced in identifying the true claimant with reference to nomination

8.3 Access to the articles in the safe deposit lockers.

- 8.3.1 If the sole locker hirer nominates an individual to receive the contents in the locker, in case of his death, after verification of the death certificate and satisfying the identity and genuineness of such individual approached, SBM Bank to give access of the locker to such nominee with liberty to remove the contents of the locker, after an inventory is taken in the prescribed manner. In case the locker was hired jointly with the instructions to

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operate it under joint signatures, and the locker hirer(s) nominates any other individual(s), in the event of death of any of the locker hirers, SBM Bank to give access of the locker and the liberty to remove the contents jointly to the survivor(s) and the nominee(s) after an inventory is taken in the prescribed manner. In case the locker was hired jointly with survivorship clause and the hirers instructed that the access of the locker should be given to "either or survivor", "anyone or survivor" or "former or survivor" or according to any other survivorship clause permissible under the provisions of the Banking Regulation Act, 1949, SBM Bank to follow the mandate in the event of death of one or more of the joint locker-hirers.

- 8.3.2 SBM Bank to ensure the following before giving access to the contents to nominee / survivor:
- a. 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. Make diligent effort to find out whether there is any order or direction from Courts/Forums restraining it from giving access to the locker of the deceased; and
 - c. 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 to not affect the right or claim which any person may have against the survivor(s) / nominee(s) to whom the access is given.
- 8.3.3 SBM Bank to ensure that, the contents of locker, when sought to be removed on behalf of a minor nominee, are handed over to a person who is, in law, competent to receive the articles on behalf of such minor. Further, SBM Bank to prepare an inventory of the articles in the presence of two independent witnesses, one officer of SBM Bank who is not associated with the locker facility or safe deposit of articles and the claimant (s), who may be a nominee or an individual receiving the articles, on behalf of a minor.
- 8.3.4 SBM Bank to obtain a separate statement from the nominee (claimant) or the person competent to receive articles on behalf of the minor that all the contents in the locker of SBM Bank are received and the locker is empty, and they have no objection to allotment of the locker to any other customer as per norms.
- 8.3.5 While giving access to the survivor(s) / nominee(s) of the deceased locker hirer, SBM 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.
- 8.3.6 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, SBM bank to adopt a Board approved policy to facilitate access to legal heir(s) / legal representative of the deceased locker hirer.

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9 Closure and Discharge of locker items

9.1 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 SBM Bank with orders from the Court or appropriate competent authority to seize lockers and requested for access to the lockers; or
- (iii) SBM 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. Standard Operating Procedure (SOP) for breaking open the lockers for all possible situations keeping in view the relevant legal and contractual provisions to be put in place.

9.1.1 Discharge of locker contents at the request of customer

9.1.1.1 If the key to the locker, supplied by SBM bank is lost by the locker-hirer, the customer (locker hirer) to notify SBM Bank immediately. An undertaking may also be obtained from the customer that the key lost, if found in future, will be handed over to SBM 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 to be communicated to the locker hirer.

9.1.1.2 The opening of the locker must be carried out by SBM Bank or its authorized technician only after proper identification of the hirer, proper recording of the fact of loss and written authorization by the customer for breaking open the locker.

9.1.1.3 The operation to be affected in the presence of the customer/s and an authorized official of SBM Bank. It must be ensured that the adjoining lockers are not impacted by any such operations and the contents of the lockers are not exposed to any individual other than the locker-hirer during the break-up or restoration process.

Attachment and recovery of contents in a Locker of SBM Bank by any Law Enforcement Authority

9.1.2 In case of attachment and recovery of the contents in a locker of a customer of SBM 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, SBM Bank to co-operate in execution and implementation of the orders.

9.1.3 SBM Bank to verify and satisfy itself about the orders and the connected documents received for attachment and recovery of the contents in a locker of SBM Bank. The customer (locker-hirer) to be informed by letter as well as by email/SMS to the registered email id/mobile phone number that the Government Authorities have approached for attachment and recovery, or seizure of the locker. An inventory of the contents of locker

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and articles seized and recovered by the Authority to be prepared in the presence of such Government Authorities, two independent witnesses and an officer of SBM Bank and to be signed by all. A copy of the inventory may be forwarded to the customer to the address available in SBM Bank's records or handed over to the customer against acknowledgement.

- 9.1.4 SBM Bank to 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. The record cannot be destroyed.

9.2 Discharge of locker contents by SBM bank due to non-payment of locker rent

- 9.2.1 SBM Bank to 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. SBM Bank to ensure to notify the existing locker-hirer prior to any changes in the allotment and give him/her reasonable opportunity to withdraw the articles deposited by him/her. A clause may be incorporated in the locker agreement to this effect.
- 9.2.2 Before breaking open the locker, SBM Bank to give due notice to the locker-hirer through a letter and through email and SMS alert to the registered email id and mobile phone number. If the letter is returned undelivered or the locker-hirer is not traceable, SBM Bank to 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. The locker to be broken open in the presence of an officer of SBM Bank and two independent witnesses. In case of electronically operated lockers (including Smart Vaults), the use of 'Vault Administrator' password for opening of locker to be assigned to a senior official and complete audit trail of access to be preserved. Further, SBM bank to also record a video of the break open process together with inventory assessment and its safe keep and preserve the same to provide evidence in case of any dispute or Court case in future. SBM Bank to 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. After breaking open of locker, the contents to 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 to invariably be maintained. While returning the contents of the locker, SBM Bank to obtain acknowledgement of the customer on the inventory list to avoid any dispute in future.
- 9.2.3 SBM Bank to ensure that the inventory prepared after breaking open of the locker and during settlement of claims, is in the appropriate forms as provided at the end of this circular or as near thereto as circumstances require. SBM Bank to not open sealed/closed packets left with them or found in locker while releasing them to the nominee(s) and surviving locker hirers, unless required by law.

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

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- 9.3.1 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, SBM Bank to be at liberty to transfer the contents of the locker to their nominees/legal heir or dispose of the articles in a transparent manner. Before breaking open the locker, SBM Bank to follow the procedure as prescribed in this policy. SBM Bank to ensure that the procedure to be followed by them for disposal of the articles left unclaimed for a reasonably long period of time as mentioned above is incorporated in their locker agreement.
- 9.3.2 SBM Bank to 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 SBM Bank from liability in case the locker is not in operation and the locker is opened by SBM 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.

10 Compensation Policy / Liability for SBM Bank

- 10.1 SBM Bank will put in place a Board approved policy outlining the responsibility owed of SBM Bank for any loss or damage to the contents of the lockers due to their negligence and duty of care . The duty of care includes ensuring proper functioning of the locker system, guarding against unauthorized access to the lockers and providing appropriate safeguards against theft and robbery. SBM Bank shall adhere to the Master Directions on Frauds for reporting requirements about the instances of robberies, dacoities, thefts and burglaries.
- 10.2 SBM 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. SBM Bank to, however, exercise appropriate care to their locker systems to protect their premises from such catastrophes.
- 10.3 Liability of SBM bank arising from events like fire, theft, burglary, dacoity, robbery, building collapse or in case of fraud committed by the employees of SBM Bank. SBM Bank shall be responsible for taking all steps for the safety and security of the premises in which the safe deposit vaults are housed and ensuring that incidents like fire, theft/ burglary/ robbery, dacoity, building collapse do not occur in SBM Bank's premises due to its own shortcomings, negligence and by any act of omission/commission. However, as SBM 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), SBM Bank' liability in such cases shall be limited to an amount equivalent to one hundred times the prevailing annual rent of the safe deposit locker.

11 Risk Management, Transparency and Customer Guidance

11.1 Branch Insurance Policy

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SBM Bank shall have a branch insurance policy to minimize the loss due to incidents like robbery, fire, natural calamities, loss during shifting/merger of branch, etc., affecting contents of lockers.

11.2 Insurance of locker contents by the customer

11.3 SBM Bank shall clarify in the locker agreement that as they do not keep a record of the contents of the locker or of any articles removed therefrom or placed therein by the customer, the customer would not be under any liability to insure the contents of the locker against any risk whatsoever. SBM Bank shall under no circumstances offer, directly or indirectly, any insurance product to its locker hirers for insurance of locker contents. Customer guidance and publicity

11.3.1 SBM Bank shall display the model locker agreement with all the Terms & Conditions and the Standard Operating Procedures (SOPs) on various aspects on their websites and/or at branches (if official website is not available) where locker facility is being provided by them for public viewing. SBM Bank shall ensure that the customers are made aware of SBM Bank's terms and conditions to avail these facilities.

11.3.2 SBM Bank to display updated information on all kinds of charges for safe deposit lockers on their websites.

11.3.3 SBM Bank shall place on their websites, the instructions together with the policies / procedures put in place for giving access of the locker to the nominee(s) / survivor(s) / legal heir(s) of the deceased locker hirer. Further, a printed copy of the same to also be given to the nominee(s) / survivor(s) / legal heir(s).

11.4 Board approved policies and SOPs

SBM Bank will put in place a comprehensive revised Board approved policy and SOPs on safe deposit locker facility as per the revised instructions mentioned herein.

12 Safe Deposit Locker Policy Reviews

This Safe Deposit Locker Policy will be reviewed at least annually. Further, inputs from the MD & CEO will also be sought at the time of each review.

13 Policy Amendment Authority

SBM Bank India's Customer Service Committee of Board of the Board of Directors may review the policy on an annual basis and approve any changes or amendments to the policy. The regulatory guidelines take precedence over the provisions of this policy and the policy will be stand amended with immediate effect and subsequently reviewed by the RMC to avoid any conflict between the regulatory guideline and the policy.

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14 Regulatory References

Circular UBD.CO.BPD. (PCB). Cir.No.22/12.05.001/2009-10 Extension of Safe Deposit Locker/Safe Custody Article Facility and Access to Safe Deposit Lockers/Return of Safe Custody Articles by banks – Urban Co-operative Banks dated November 16, 2009 & RPCD.CO. RF. BC.No.42/07.38.01/2009-10 Safe Deposit Lockers November 13, 2009. RBI /2021-2022/86 DOR.LEG.REC.40/09.07.005/2021-22 dated 18-August-2021.

IBA Legal Circular No. 1/2023, Dated 28/02/2023 – Model Safe Deposit Locker Agreement

Any change in regulatory guidelines will supersede the provisions of the existing policy.

15 Annexures

Annexure 1

SBM BANK (INDIA) LIMITED

_____ BRANCH

Form of Inventory of Contents of Safety Locker Hired from Banking Company

(Section 45ZE (4) of The Banking Regulation Act, 1949)

The following inventory of contents of Safety Locker No. _____ located in the Safe Deposit Vault of _____, _____ Branch at _____.

* Hired by Shri/Smt. _____ deceased in his/her sole name.

*Hired by Shri/Smt. (i) _____ (deceased)

(ii) _____ Jointly

(iii) _____

was taken on this _____ day of _____ 20__.

Sr. No.	Description of Articles in Safety Locker	Other Identifying Particulars if any

To inventory, access to the locker was given to the Nominee/and the surviving hirers

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- who produced the key to the locker.
- by breaking open the locker under his/her/their instructions.

The above inventory was taken in the presence of:

1. Shri/Smt. _____ (Nominee) _____
Address _____ (Signature)

Or

1. Shri/Smt. _____ (Nominee) _____
Address _____ (Signature)

and

Shri/Smt. _____
Address _____ (Signature)

Shri/Smt. _____ Survivors of Address
_____ (Signature) joint hirers

2. Witness(es) with name, address, and signature:

* I, Shri/Smt. _____ (Nominee) *We, Shri/Smt. _____ and
_____ (Nominee), Shri/Smt. _____ and
Shri/Smt. _____ the survivors of the joint hirers, hereby acknowledge the
receipt of the contents of the safety locker comprised in and set out in the above inventory together
with a copy of the said inventory.

Shri/Smt. _____ (Nominee) Shri/Smt. _____ (Survivor)

Signature _____ Signature _____

Date & Place _____

Shri/Smt. _____ (Survivor) Signature _____ Date &
Place _____

(* Delete whichever is not applicable)

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Annexure -2

[Stamp Duty payable of Appropriate Value as Agreement]

SAFE DEPOSIT LOCKER AGREEMENT

THIS LOCKER AGREEMENT (“AGREEMENT”) IS MADE AT [•] ON THE [•] DAY OF [•], 202[•]

BY AND BETWEEN

SBM Bank (India) Limited (CIN U65999MH2017FLC293229), a company incorporated under Companies Act, 2013, having its registered office at 1st Floor Raheja Centre, Free Press Journal Marg, Nariman Point, Mumbai – 400021, India and its corporate office at 306A, 3rd floor, The Capital, G Block BKC. Mumbai 400051, (hereinafter called “**Bank**” or “**SBM**” which expression shall, unless repugnant to the context and meaning thereof, be deemed to mean and include its successors, administrator, assigns, subsidiaries, affiliates and representatives) of the ONE PART

AND

[[•], an adult individual (AADHAR No. [•]), having his/her residence at [•];

OR

[•], a proprietorship firm, through its proprietor [•], having PAN [•], and having its registered office at [•];

OR

[•], a partnership firm, registered under the Indian Partnership Act, 1932, having PAN [•], and having its registered office at [•]

OR

[•], a Hindu Undivided Family (HUF), having PAN [•], through its coparcener [•] having its residence at [•]

(hereinafter called “**Customer**” which expression shall include its members and their survivor(s), legal heir(s), executor(s), administrator(s) and legal representative(s)) of the OTHER PART;

OR

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[•], a limited liability partnership firm, registered under the Limited Liability Partnership Act, 2008 ,
having LLPIN [•], and having its registered office at [•]

OR

[•], a company incorporated under the Companies Act, [2013/1956] having CIN [•], and having its
registered office at [•]

(hereinafter called “**Customer**” which expression shall include its successors, executors,
administrators, representatives and assigns) of the OTHER PART;¹

SBM Bank and the Customer are individually referred to as a “**Party**” and collectively as
“**Parties**”.

WHEREAS:

- (A) The Customer being desirous to avail of safe deposit locker facility, has approached SBM Bank for such facility;
- (B) SBM Bank is agreeable to provide to the Customer the safe deposit locker facility subject to certain terms and conditions; and
- (C) The Parties have decided to enter into this Agreement to set out the understanding between them in this regard.

IT IS AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. LOCKER LICENCE

- 1.1 SBM Bank as a licensor hereby grants to the Customer as a licensee, the licence to use the safe deposit locker, the details of which are more particularly described in the Schedule to this Agreement (hereinafter referred to as the “**Locker**”), in consideration of the Rent (defined hereinafter) and subject to the terms and conditions as set out under this Agreement (“**License**”).
- 1.2 The Customer hereby accepts the license granted in terms hereof for fee as specified in the Schedule hereunder by way of rent (the “**Rent**”).
- 1.3 A key deposit of Rs.500 (Rupees Five Hundred Only) for the Locker shall be paid by the Customer to SBM Bank which is returnable when the Locker is vacated and the key to the Locker is returned in good condition and there is no arrears of rent or charges by the Customer. The deposit amount may change from time to time as per the guidelines of SBM Bank.
- 1.4 The License to use the Locker hereby granted is:
 - (a) Personal and for the Customer’s own use and not for the use of any person other than the Customer;

¹ Retain as Applicable

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- (b) Non- transferable;
 - (c) Only for legitimate purposes such as storing of valuables like jewelry and documents etc.;
 - (d) Not for storing:
 - i. cash or currency and/or
 - ii. arms, weapons, explosives, drugs and/ or any contraband material; and/ or
 - iii. any perishable material and/ or radioactive material and/ or any illegal substance; and/or
 - iv. any material which can create any hazard or nuisance to SBM Bank or to any of its customers.
- 1.5 The Customer shall have no right or property in the Locker other than the right to access and use the Locker in accordance with the terms and conditions specified under this Agreement.
- 1.6 The Customer shall be allowed to operate the Locker:
- (a) On a working day of SBM Bank during ordinary banking hours for customers i.e. from 10 AM to 2 PM (“**Banking Hours**”) and will remain entirely closed on Bank’s holidays. The Customer is to note that SBM Banking Hours may be subject to change from time to time. However, in the event of SBM Bank not being able to operate for any reason beyond its control or natural calamities or Acts of God including but not limiting to flood, riot, curfew, lockout etc., SBM Bank shall not have any obligation to allow operation of Locker. Further, during extraordinary contingencies like war, riots, floods etc., and/or or natural calamities or Acts of God (as stated earlier) SBM Bank reserves the right of closing the safe deposit vault/ discontinuing the facility for such time as it may consider necessary;
 - (b) After the Customer entering the details of such operation in SBM Bank’s records in the form and manner as stipulated by SBM Bank; and
 - (c) After the Customer provides identity proof, if so demanded by SBM Bank.
- 1.7 Locker can be rented by the Customer either in his / her sole name or in the name of himself/ herself jointly with one or more customers (in such case each person shall be the Customer). Access to the Locker shall be held by the Customer and in case of joint Customers by all of them together or by such one or more of them as may be indicated by special instructions given in writing by all the Customers from time to time and which instructions any one of them may cancel in which case access will only be allowed to, all of them together. Access may also be allowed to a duly appointed agent by the Customer, provided the authority in favor of such agent is duly recorded in the books of SBM Bank and in the case of joint Customers such authority may be revoked by any one of them at any time.
- 1.8 In the event SBM Bank is required to give access to any government enforcement agencies on the orders of the court/appropriate competent authority, the Customer will be informed by SBM Bank about such seizure, recovery or attachment of the Locker through email or SMS or any other acceptable mode of communication.
- 1.9 Any work to be done to the Locker shall be done exclusively by workmen/authorized technician appointed by SBM Bank.

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- 1.10 If the Customer does not have an ongoing banking relationship with SBM Bank, the Locker facilities may be provided in accordance with this Agreement after complying with the customer due diligence criteria, as under the Master Direction – Know Your Customer (KYC) Directions, 2016 (as updated from time to time) and subject to on-going compliance.

2. PAYMENT TERMS

The Customer agrees, confirms and acknowledges that:

- (a) the Customer shall strictly pay the Rent in advance. SBM Bank reserves the right of refusing access to the Locker in the event of the Rent not being paid when due, whether the same is demanded or not;
- (b) in the event of non-payment of the Rent or any enhanced Rent amount thereof in respect of the Locker, SBM Bank may: (a) refuse access of the Customer to the Locker; and/or (b) recover / debit such Rent amount to any account of the Customer with SBM Bank without reference to the Customer. To ensure timely payment of the Rent amount, SBM Bank, at its discretion, may demand from the Customer, a term deposit aggregating to an amount equal to Rent amount of 3 (three) years and the charges which may be required for breaking open the Locker. The arrears of the Rent amount shall at once be payable to SBM Bank with interest at 12 % per annum, till payment in full is made. The interest rate can change from time to time as per the guidelines of SBM Bank. SBM Bank shall be at liberty to enhance the Rent amount at its absolute discretion at any time and the Customer shall be liable to pay at such enhanced rate/s of Rent amount from time to time. SBM Bank shall be at its discretion and not bound, to inform in advance, the Customer of its intention to enhance the Rent;
- (c) the Customer(s) has/have remitted the Rent amount for 1 (one) year in advance. It is distinctly understood that no interest is payable to the Customer(s) on the Rent amount so remitted;
- (d) the Customer(s) may request and authorize SBM Bank to close the subject FDR on the date of maturity and to force at the time of renewal of the Agreement and the Locker facility in accordance with the Reserve Bank of India (“RBI”) directives and as amended from time to time;
- (e) it is not obligatory on the part of SBM Bank to renew the Locker facility even though the fixed deposit is in force and /or the Rental Amount is continuing and the right to terminate the Agreement in this situation rests with SBM Bank. Even though the advance equivalent to the Rental Amount for one-third years has been paid, if the yearly Rental Amount is not paid by the Customer(s) in the normal course, it may be treated as default and SBM Bank is free to take usual action in accordance with the rules of SBM Bank and as provided herein;
- (f) all properties for the time being in the Locker are subject to a general lien for all moneys due from the Customer as rent or other charges with power to sell property or part thereof /realizing from time to time such rent or charges;
- (g) Without prejudice to any remedy which SBM Bank may have against the Customer, all rights to the use of the Locker shall at the option of SBM Bank be forfeited upon non-payment of the Rent amount whether the same shall be demanded or not, upon breach of any of the conditions hereof by the Customer.

3. CUSTOMER'S RIGHTS, UNDERTAKINGS AND OBLIGATIONS

The Customer shall:

- (a) shall have, subject to terms of this agreement, a right to use the Locker for keeping belongings and expect reasonable care by SBM Bank for protecting such belongings and in case of SBM Bank's failure to do so, avail of such remedies as may be available from time to time under the applicable law and regulations.
- (b) Use the Locker only for the purpose for which it is provided and in accordance with applicable law and regulations;
- (c) Abide by rules and regulations for Locker operation as SBM Bank may from time to time adopt;
- (d) Keep the key, password or any other identification mechanism provided by SBM Bank for opening of the Locker in a place of safety, not share the same with any other person and not allow the same to fall into hands of any other person, so as to save unauthorized use of the Locker;
- (e) Operate the Locker only using the key, password or any other identification mechanism provided by SBM Bank and not otherwise;
- (f) ensure before leaving the vault that the Locker is properly closed and locked and no article is left outside, further the Customer shall provide SBM Bank with his/her present email-id/registered mobile number, for SBM Bank to verify any discrepancies in the contents of the Locker;
- (g) Not to temper with or make a copy of key or any other identification mechanism provided by SBM Bank for operation of the Locker;
- (h) Inform SBM Bank forthwith in case of loss of the key, password or any other identification mechanism provided by SBM Bank for the operation of the Locker in writing without any delay and a new key may be issued to the Customer on the Customer's written request against giving an indemnity along with FIR/Police Complaint acknowledgement to SBM Bank;
- (i) Return forthwith to SBM Bank in case of finding the key, password or any other identification mechanism provided by SBM Bank for the operation of the Locker, earlier having been reported to SBM Bank as lost;
- (j) The Customer/s are cautioned to keep the customer key of his/her Locker in a place of safety and not divulge the number of his/her Locker and/or their password (if any given) to any other person and not to deliver the customer key to any person other than his/her/their duly authorized agent (if appointed). The Customer shall acknowledge the receipt of the customer key and surrender the same to SBM Bank upon, termination of this Agreement.
- (k) Pay to SBM Bank the Rent when due and bear all costs/ charges incurred by SBM Bank for-
 - i. Opening the Locker, changing the lock, repairs to the Locker and restoring the Locker to its original condition on the Customer's reporting of loss of key provided by SBM Bank;

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- ii. Breaking open of the Locker in terms of this Agreement;
 - iii. Charges incurred for replacing the lost key.
- (l) Inform SBM Bank forthwith in case of the change of address of the Customer providing new address and contact details including phone number, email id, mobile number etc. Any notice or communication by SBM Bank sent by post to the last registered address of the Customer shall be considered to have been duly served.
- (m) All the Customer/s are mandatorily required to be present in the Locker branch to surrender the Locker.
- (n) shall not use the Locker for any illegal activity or keep anything illegal/ contraband or any hazardous substance in the Locker. In the event SBM Bank suspects the deposit of any illegal/ contraband or hazardous substance by the Customer in the Locker, the Customer agrees and acknowledges that SBM Bank shall have the right to take such appropriate action against the Customer including opening of the Locker, termination of the right to use the Locker or termination of this Agreement as it deems fit. The rights of SBM Bank in this regard shall not be limited and SBM Bank shall be entitled to take all such actions as may be permitted by law.
- (o) shall indemnify SBM Bank and keep SBM Bank indemnified and save harmless at all times from all and any loss, damages, costs, expenses, actions, proceedings that may be incurred/suffered or made/taken by against SBM Bank by reasons of any breach of any terms and conditions and use of the Locker by the Customer in contravention of the provisions hereof. The Customer shall whenever be required by SBM Bank permit it to inspect the contents of the Locker for ascertaining that above condition is fulfilled;
- (p) In order to assist SBM Bank to minimize the risks and prevent criminal break-ins and assist SBM Bank in complying with Part III (Infrastructure and Security Standards) of the RBI Circular no. RBI/2021-2022/86 DOR.LEG.REC/40/09.07.005/2021-22 dated August 18, 2021 on the Safe Deposit Locker / Safe Custody Article Facility- Revised Instructions as amended from time to time and other notifications, press releases, guidelines etc. in this regard (“**RBI Circular**”) the Customer shall be permitted to access or to operate the Locker only with the key provided by SBM Bank. Wherever applicable and possible, the Customer may be permitted to use an additional padlock of her /his own for the Locker;
- (q) Abide by such rules and regulations which SBM Bank may adopt from time to time with regards to the Lockers.
- (r) In case of death of one or more of joint Customers, the survivors or the survivor amongst them according to the instructions given to SBM Bank by all the Customers including the deceased and recorded by SBM Bank in the lifetime of the deceased shall be entitled, after proving such death and identity of the survivors or the survivor to the satisfaction of SBM Bank, to have access to the Locker and the liberty to remove the content of the Locker.
- (s) The heir or representatives or nominee of the deceased Customer shall have no power to cancel or vary such instructions and shall not be recognized by SBM Bank except under the orders of a court of competent jurisdiction. In the case of the death of a sole Customer or the last survivor of the joint Customers, SBM Bank may permit any person or persons claiming to be his legal representative(s)/nominee and whose rights have been established to the satisfaction of SBM Bank to inspect the contents of the Locker and on submission of proof of death and identity to the satisfaction of SBM Bank shall have power to deal with the contents of the Locker and shall

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be deemed to be Customer in the place of the deceased. In the event of joint Customers nominating any person/s under the nomination rules to receive the contents of the Locker, the contents shall be delivered as per the nomination instructions and not as per this clause and this clause will not operate when the Customers opt for nomination. Such access to the content of the Locker by the survivor(s)/legal heirs/nominees of the deceased Customer shall be provided after complying with the relevant provisions of Sections 45 ZC to 45 ZF of the Banking Regulation Act, 1949 (as amended from time to time), SBM Banking Companies (Nomination) Rules, 1985/Co-operative Banks (Nomination) Rules, 1985 (as amended from time to time), the relevant provisions of Indian Contract Act, 1872 (as amended from time to time), Indian Succession Act, 1965 (as amended from time to time) and the board approved policy(as amended from time to time) of SBM Bank framed in this regard.

- (t) In the event of death of the Customer SBM Bank shall settle claims of the deceased Customer and shall provide access to the content of the Locker to the survivor(s)/legal heirs/nominees of the deceased Customer within a period of 15 (fifteen) days from the date of receipt of such claim and on submission of proof of death and identity to the satisfaction of SBM Bank and in accordance with relevant directions of the RBI Guidelines.
- (u) SBM Bank's acknowledges the Customer's right as may prevail from time to time under the applicable law and regulations.

3A. BANK'S RIGHTS AND OBLIGATIONS

3A.1 SBM Bank shall have a right to:

- (a) Recover the Rent and any other cost incurred by SBM Bank in relation to the Locker to the debit of the Customer's account, in the event the same is not paid by the Customer, when due; and
- (b) Refuse access to the Locker-
 - (i) In case the rent due on the Locker remains unpaid; and
 - (ii) Customer fails to provide proof of identity when demanded by SBM Bank, at the time of seeking access to the Locker.
 - (iii) In the event the Key is lost, till the time the same is either found or a duplicate is issued.

3A.2 SBM Bank shall be responsible to take all steps for the safety and security of the premises in which the safe deposit vaults are housed. SBM Bank shall ensure that incidents like fire, theft/ burglary/ robbery, dacoity, building collapse do not occur in SBM Bank's premises due to its own shortcomings, negligence and by any act of omission/commission. Parties acknowledge that 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 in this clause or attributable to fraud committed by its employee(s), SBM Banks' liability shall not exceed an amount equivalent to one hundred times the prevailing annual rent of the Locker.

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- 3A.3 SBM Bank reserves the right to change one or all of rules and regulations without previous intimation to the Customer and it would be sufficient for SBM Bank to exhibit the change at the notice board of SBM Bank.

3B. Breaking Open Of The Locker And Dealing With Its Contents

- i. SBM Bank shall have a right to break open the Locker and deal with its contents in accordance with the provisions under this Agreement, without being liable for any loss or damage caused to the contents inside the Locker thereby, SBM Bank's internal policy (ies) and procedure(s) and the applicable laws and regulations, in case of any one or more of the following events-
 - (a) In the event Termination Notice in accordance with Clause 4.1.1 hereof is served to the Customer and the Customer does not surrender and vacate the Locker after the end of the notice period stipulated under the Termination Notice;
 - (b) The Rent remains unpaid for 3 (three) consecutive years; and
 - (c) The Locker remains inoperative (irrespective of whether Rent is paid or not) for a period of 7 (seven) years or more; and the Customer cannot be located by SBM Bank.
- ii. Before exercising the right to break open the Locker, SBM Bank shall send to the Customer a notice (in addition to the Termination Notice under Clause 4.1.3) in writing of not less than 3 (three) months by registered post/ speed post (and also by (i) email where email id of the Customer is available; and (ii) SMS and/or WhatsApp where the mobile phone number of the Customer is available) of SBM Bank's proposed action of breaking open of the Locker ("**Break Open Notice**").
- iii. Notwithstanding, anything contained under this Agreement SBM Bank shall take all possible efforts to contact the Customer by sending messages on mobile phone of the Customer, sending a personal messenger to the Customer's address, making phone calls on the Customer's land line/ mobile phone etc. before breaking open of the Locker.
- iv. In case the Termination Notice and the Breaking Open Notice as foresaid sent by SBM Bank is returned undelivered or the Customer is not found to be traceable despite SBM Bank having taken reasonable efforts including those stated under Clause3 B(ii) and Clause3 B(iii), SBM Bank shall, before breaking open the Locker, issue a public notice of not less than 3 (three) months about SBM Bank's intention to break open the Locker, in minimum 2 (two) newspapers (one in English and another in local language) in the same location where the Customer resides as evidenced by the Customer's address as stated in the Agreement/ as per SBM Bank's records or as further communicated by the Customer to SBM Bank.

The breaking open of Locker would be done in the presence of a committee consisting of 2 (two) officers of SBM Bank and 2 (two) independent persons acting as witnesses. In the event of electronically operated Locker (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.

- v. Upon breaking open of the Locker, having followed the procedure as set out above, SBM Bank shall prepare inventory of the contents of the Locker and get valuation of the contents done by SBM Bank's approved Valuer and the contents of the Locker shall be kept in sealed envelope along with detailed inventory inside a fireproof safe in a tamper-proof way.

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- vi. In addition to the above, SBM Bank shall also record a video of the break open process together with inventory assessment and safe keep and preserve the same so as to provide evidence in case of any dispute or court case in future.
- vii. Furthermore, SBM Bank shall also ensure that the details of breaking open of locker is documented in SBM Bank's Core Banking System (CBS) or any other computerized system compliant with the Cyber Security Framework issued by RBI from time to time, apart from Locker register.
- viii. Disposal of the articles of the Locker as recorded in the inventory prepared in the manner as stated in the paragraphs above, shall be done either by sale in public auction and the sale proceeds shall be applied first towards the Customer's dues to SBM Bank (including outstanding Rent, breaking open charges and any other dues) and balance be refunded to the Customer or held for the disposal at the order of the Customer.
- ix. Before sale of the contents of the Locker by conducting public auction, a notice of not less than 3 (three) months in writing by registered post/ speed post (and also by (i) email where email id of the Customer is available; and (ii) SMS and/or WhatsApp where the mobile phone number of the Customer is available) shall be issued by SBM Bank to the Customer about the intention of SBM Bank to auction the contents of the locker for recovery of the dues to SBM Bank. The said notice ("**Auction Notice**") shall contain the date, time and place of auction and a copy of the inventory of the contents of the Locker made in terms hereof.

4. Termination of License

4.1 The Parties agree that:

- 4.1.1 Either Party may terminate the agreement by giving to the other Party a 30 days' prior notice to the date on which the Party intends to terminate the Agreement. The key to the Locker shall in such a case be delivered by the Customer to SBM Bank during SBM Banking Hours on the day of termination of the Agreement. In the event of the termination of the agreement, the proportionate amount of the advance rent already paid by the Customer shall be refunded by SBM Bank.
- 4.1.2 If notice in accordance with paragraph 4.1.1 above was not given and the key was not returned, the licensing of the Locker shall be considered renewed. However, this condition is without prejudice to the rights of SBM Bank accrued in the meantime.
- 4.1.3 SBM Bank shall have, in the event of the Customer's breach or violation of or default under this Agreement and/ or SBM Bank being of the view that the Customer is not co-operating and/or complying with the terms and conditions of this Agreement, a right to terminate this Agreement and the license granted hereunder, after issuing to the Customer a prior written notice of not less than 3 (three) months by registered post or speed post (and also by (i) email where email id of the Customer is available; and (ii) SMS and/or WhatsApp where the mobile phone number of the Customer is available) ("**Termination Notice**").
- 4.1.4 Upon receipt of the Termination Notice, the Customer shall forthwith and before the end of the notice period stipulated under the Termination Notice surrender and vacate the Locker and handover the keys, password or any other identification mechanism and documents provided

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by SBM Bank for opening of the Locker, to SBM Bank.

- 4.1.5 This Agreement will terminate at noon of the date of expiry of the Term and when the Customer shall deliver the key to the Locker to SBM Bank.
- 4.1.6 In case of joint Customers where the operational condition is several, the notice of termination and surrender of keys by one or more of them shall be construed to have been made under the express authorization of other/s of the joint Customers and the notice of termination so given and surrender of key by one or more of them shall be binding on others of them and SBM Bank shall treat such notices and surrender of key as if it is from all the joint Customers for all purposes and intents.
- 4.1.7 The Customer is bound to provide an acknowledgement to SBM Bank at the time when the contents of the Locker are being returned by SBM Bank. Further, SBM Bank shall not be liable in any manner whatsoever for any cost, loss, damage, etc. to the Customer.

5. RELOCATION OF LOCKER

- 5.1 When at any time, any of the Locker unit(s) has/have to be relocated for any reason whatsoever such as merger / closure / shifting of branch, SBM Bank shall give: (a) public notice in two newspapers (including one local daily in vernacular language) in this regard, and (b) 2 (two) months' notice to the Customer with an option to have the Lockers rented by them vacated to enable the Locker unit(s) and reoccupy them at the new place where Locker unit(s) had been fixed up or to close the Locker facility availed by them. In the event the Locker is required to be shifted due to any natural calamities or any such emergencies, SBM Bank shall not be bound to give an advance notice of 2 (two) months to the Customer. However, best possible efforts will be made by SBM Bank to inform the Customer at the earliest about such eventuality. The Customer is obliged to vacate the Locker within the stipulated time. If any Locker is not vacated after the expiry of the notice period above, SBM Bank will not be held responsible for any damage to the property kept in the Locker, due to the shifting of the Locker unit(s).

6. SBM BANK'S DISCHARGE FROM OBLIGATIONS AND LIABILITY

- 6.1 SBM Bank shall not be liable for in any case for deterioration or damage to the contents of the Locker whether caused by rain, flood, earthquake, lighting, civil disturbance or commotion, riot or war or in the event of any terrorist attack or by any other similar cause(s).
- 6.2 SBM Bank shall not be liable for any damage/ loss of contents of the Locker arising from any act that is attributable to the fault or negligence of the Customer whatsoever, including negligence of the Customer while operating the Locker, such as failing to properly close his Locker, dropping down the valuables or by failing to place the valuable(s) inside the Locker absent-mindedly, or any other actions of the Customer.
- 6.3 SBM Bank shall be discharged of its obligations and shall not be liable for any cost, loss or liability incurred by the Customer (including for any damage and/or loss of contents of Locker) in the event the Locker is broken open and its contents dealt with in keeping with the provisions of this Agreement.

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- 6.4 Regardless of the above, SBM Bank's liability on the Locker shall always be subject to limitation under the applicable law and regulation.
- 6.5 The Customers in their own interest, may insure any item of value deposited in Locker with SBM Bank.
- 6.6 SBM Bank does not keep a record of the contents of the Locker or of any articles removed therefrom or placed therein by the Customer. The contents of the Locker shall in no manner be considered insured by SBM Bank, and SBM Bank shall not have any liability to insure the contents of the Locker against any risk whatsoever.
- 6.7 Parties acknowledge that 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 like fire, theft/ burglary/ robbery, dacoity, building collapse do not occur in SBM Bank's premises due to its own shortcomings, negligence and by any act of omission/commission or attributable to fraud committed by its employee(s), SBM Banks' liability shall not exceed an amount equivalent to one hundred times the prevailing annual rent of the Locker

7. Relationship between the parties

It is clearly understood that the relationship between SBM Bank and Customer shall be limited to licensing of the Locker and neither that of a bailee and bailor, or lessor or lessee nor that of a banker and a customer.

8. LAW AND JURISDICTION

This Agreement is made subject to Indian law and all matters arising out of it shall be subject to the jurisdiction of courts at the place where SBM Bank is situated or in the jurisdiction of which SBM Bank falls.

SCHEDULE

1	DESCRIPTION OF LOCKER	LOCKER NUMBER:
		KEY NUMBER:
2	LOCKER RENT PER YEAR	Rs.(in figures): _____ Rupees(in words): _____ (As may be revised from time to time) (Payable in advance)
3	PERIOD OF LICENCE	1 (One) year from the date of this Agreement which at the end of such one year shall stand automatically extended for a further period of 1 (one) year every time unless terminated in terms hereof.
4	OPERATING MANDATE	
5	ANY OTHER TERM	

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IN WITNESS WHEREOF, the Parties hereto have executed this Agreement.

For the Customer			
	1	2	3
Signature			
Name			
Designation/ Capacity*			

(*in case where the Customer is non individual/ not signing in person)

For SBM Bank [Bank Name/ Branch Name]:
Signature:
Name of the signatory:
Designation:

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ANNEXURE-I

SAFE DEPOSIT LOCKER APPLICATION

SBM BANK (INDIA) LIMITED

----- BRANCH

Date:

The Manager,

SBM Bank (India) Limited,

.....Branch .

India

Dear Sir,

I / We wish to rent a Safe Deposit Locker from your Bank and the relevant details are furnished below:

Name of the Customer(s) :

Address for Communication :

Mode of Operation :

Locker No. : Key No.:

Term : From: To

Account Number :

I/ We have read the agreement pertaining to the renting of the Locker and have understood the same.

I agree to abide by the terms and conditions annexed thereto.

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Specimen Signature of the persons authorized to operate:

Name

Signature

(i)

(ii)

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ANNEXURE-II

PROCEDURE FOR DISPOSAL OF UNCLAIMED ARTICLES

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, SBM Bank shall perform the following procedure:

1. 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.
2. Before breaking open the locker, SBM Bank shall follow the below procedure:
 - I. SBM Bank shall give due notice to the locker-hirer through a letter and through email and SMS alert to the registered email id and mobile phone number
 - II. If the letter is returned undelivered or the locker-hirer is not traceable, SBM 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 SBM Bank and two independent witnesses.
 - IV. 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.
 - V. Further, SBM 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
 - VI. SBM 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
 - VII. 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.

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- VIII. A record of access to the fireproof safe shall invariably be maintained. While returning the contents of the locker, SBM Bank shall obtain acknowledgement of the customer on the inventory list to avoid any dispute in future.
- IX. SBM Bank shall ensure that the inventory prepared after breaking open of the locker and during settlement of claims, is in the appropriate forms
- X. Further, SBM bank shall not open sealed/closed packets left with them or found in locker while releasing them to the nominee(s) and surviving locker hirers / depositor, unless required by law.
2. SBM Bank shall ensure that the procedure to be followed by them for disposal of the articles left unclaimed for a reasonably long period of time as mentioned above is incorporated in their locker agreement.
3. SBM Banks 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.
4. A clause may also be incorporated in the locker agreement to discharge SBM Bank from liability in case the locker is not in operation and the locker is opened by SBM 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.



Deposit Locker and
Safe Custody Policy V