

IndusInd Bank Safe Deposits Locker Policy



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1 Introduction

Safe deposit lockers facility is one of the ancillary services extended by Bank at our select branches. The locker units will be 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.

2 Secrecy & Confidentiality

The Bank will ensure utmost secrecy of the Safe Deposit Lockers hired by the customer and will not divulge any information about hiring of lockers, mode of operation etc. to anyone, except when the disclosure is required to be made with the clear consent of the hirer(s) or in compliance of the orders of a competent authority having statutory powers.

Bank's lockers will be available to any 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, Clubs etc.

3 Allotment of Locker

Safe deposit lockers may be hired by an individual (being not a minor) singly or jointly with another individual(s), HUFs, firms, limited companies, associates, societies, trusts etc.

The Bank before allotment of any locker will carry out due diligence as required under "Know Your Customer (KYC) guidelines issued by RBI and Prevention of Money Laundering Act and /or such other norms or procedures adopted by the Bank.

The existing customers of a Bank who have made an application for locker facility and who are fully compliant with the CDD criteria under the Master Direction – Know Your Customer (KYC) Directions, 2016 (as updated from time to time) may be given the facilities of safe deposit lockers/ safe custody article subject to on-going compliance.

Customers who are not having any other Banking relationship with the Bank may be given the facilities of safe deposit locker / safe custody article after complying with the CDD criteria under the Master Direction – Know Your Customer (KYC) Directions, 2016 (as updated from time to time) and subject to on-going compliance and customer opening a CASA relationship with Bank. The due diligence shall be carried out for all the customers in whatever rights and capacities they may be hiring the locker.



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The locker application forms and agreement would be provided to the prospective hirer by the Bank. The same will contain details of information to be furnished and documents to be produced for verification and / or for record, it is expected of the Bank official issuing the locker, to explain the procedural formalities and provide necessary clarifications sought by the prospective hirer when he approaches for allotment of locker.

Lockers will be allotted by the branches having locker facility on first-come-first serve basis. The Bank may earmark the larger locker sizes, if available at a branch, for its premium customers.

Wait List of Lockers:

In order to facilitate customers making informed choices, Bank will maintain a branch wise list of vacant lockers as well as a wait-list for the purpose of allotment of lockers and ensure transparency in allotment of lockers. The Bank will acknowledge the receipt of all applications for allotment of locker and provide a wait list number to the customers, if the lockers are not available for allotment.

As and when locker becomes available, customer in wait list notified regarding the same, the customer has 7 days to apply for the same. For larger lockers sizes customer relationship value, account type and programme to be the governing criteria for wait listing of lockers

Locker Agreements:

Bank shall have a Board approved agreement for safe deposit lockers. For this purpose, Bank may adopt the model locker agreement to be framed by IBA. This agreement shall be in conformity with these revised instructions and the directions of the Hon'ble Supreme Court in this regard. Bank shall ensure that any unfair terms or conditions are not incorporated in their locker agreements. Further, the terms of the contract shall not be more onerous than required in ordinary course of business to safeguard the interests of the Bank.

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 will be provided to the locker hirer to know his/her rights and responsibilities. However original agreement will be retained with Bank's branch where the locker is situated.



4 Locker Rent

Safe Deposit Locker rent shall be decided by the Bank, depending on their size, geographic location and branch location. The rent tariff and related service charges will be publicized among the customers, suitably.

Such rental charges will be reviewed regularly to ensure the same are in line with the market practice and regulatory guidelines, as prescribed from time to time. The Bank shall ensure that charges are duly approved by Head Consumer Banking or Head Branch Banking and will be communicated among the customers, suitably.

To ensure prompt payment of locker rent, Bank at its discretion at the time of allotment, may obtain a minimum fixed deposit from the hirer which would cover 3 years' rent and the charges for breaking open the locker in case of an eventuality.

However, Bank will not insist on such Term Deposits from the existing locker holders or those who have satisfactory operative account.

Safe Deposit Locker rent will be payable in advance and in the event of locker rent remaining unpaid by the hirer for three years in a row, the Bank will have the right to refuse access to the locker and without prejudice to Bank's right to break open the locker after giving due notice to the hirer on the same.

If the locker is hired in the name of the staff member, either singly or jointly with his / her spouse, a nominal concession could be allowed at the discretion of the Bank. However, a staff member would be eligible to hire only one locker at concessional rent at the Bank.

Locker rent will be recovered on annual basis. The lease period of one year will start from the date of hiring the locker and will continue till the preceding day of the corresponding date in the subsequent year.

If locker rent is collected in advance, in the event of surrender of a locker by a customer, the proportionate amount of advance rent collected shall be refunded to the customer. This will be applicable from 2nd year onwards

Bank may offer discount on the locker rental based on any of the following:

1. Discount based on the linked (Debit Account) CASA account variant held by the client



2. Specific discount offered at client level based on relationship type / value as approved by competent authority as per prevailing DoP (Delegation of Power)

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, Bank shall make efforts to intimate their customers suitably at the earliest.

5 Locker Operations

Bank 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.

Only the locker hirer/s will be allowed to enter the vault room area for the purpose accessing the Locker. Locker hirer / s can authorize a person to accompany him / her to access the Locker.

The locker hirer and/or the persons duly authorized by him/ her only shall be permitted to operate the locker after proper verification of their identity and recording of the authorization by the Branch officials. The Bank shall maintain a record of all individuals, including the locker-hirers, who have accessed the lockers and the date and time (both check-in and check-out time) on which they have opened and closed the locker and obtain their signature.

The bank's officer authorizing the locker-hirer to access the locker, after unlocking the first key / password shall not remain present when the locker is opened by the locker-hirer. The banks shall ensure that there is adequate privacy to the locker-hirers in the operations when customers access the lockers at the same time.

Customer due diligence

Branches will carry out customer due diligence for both new and existing customers as per the KYC norms defined in the RBI KYC Master Circular.



Internal Controls

There shall be a system of inter change of locks whenever the locker is surrendered by the hirer. The keys of vacant lockers shall be kept in sealed envelopes. The duplicate master keys shall be deposited with another branch of the Bank. There shall be proper record of joint custody of master keys. Bank shall conduct surprise periodic verification of surrendered/vacant lockers and their keys by an officer of the Bank who is not connected with their custody and proper record shall be maintained as a proof of such verification.

Bank shall ensure that the Locker Register and the Locker Key Register are maintained in CBS.

The Bank custodian shall check whether the lockers are properly closed post locker operation. If the same is not done, the lockers must be immediately closed, and the locker-hirer shall be promptly intimated through e-mail, if registered or through SMS, if mobile number is registered or through letter so that they may verify any resulting discrepancy in the contents of the locker. The Bank custodian shall record the fact of not closing the locker properly in the register and its closure by the Bank with the date and time. Further, the custodian of the locker room shall carry out a physical check of the locker room at the end of the day to ensure that lockers are properly closed, and that no person is inadvertently trapped in the locker room after Banking hours.

6 Inoperative Lockers

If the locker is not operated for a period of one year or more, then notwithstanding the fact that there is no default in payment of rent payable by hirer(s), the Bank may, by giving notice to hirer(s) call upon him/ them to either operate the locker or surrender or show cause for not operating the locker.

Further, branches will ask the locker hirer to give in writing, the reasons why he / she did not operate the locker. In case the locker-hirer has some genuine reasons as in the case of NRIs or persons who are out of town due to a transferable job etc., branches will allow the locker hirer to continue with the locker operations. If the hirer(s) give sufficient reasons for not operating the locker, then the Bank may allow hirer(s) to continue to operate the locker.

If the locker remains inoperative for a period of seven years and the locker-hirer cannot be located, even if rent is being paid regularly, the Bank shall be at liberty to break open the locker and 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. However, before breaking open the locker, the Bank will give due notice to the locker hirer(s) as per laid down guidelines.

Above clauses would be included in the locker agreement.

7 Embossing of Keys

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.

Further, the custodian of the locker shall, regularly/periodically, check the keys maintained in the branch to ensure that they are in proper condition. Banks shall permit the locker-hirer to operate the locker only with the key provided by the bank, although there is no restriction in allowing the customer to use an additional padlock of her /his own if there are such provisions in lockers.

8 Breaking Open of Locker

Break-open of locker may happen under any one of the following circumstances:

- If the hirer loses the key and requests for breaking open the locker at his/her cost;
- If the Government enforcement agencies have approached the Bank with order from the Court or appropriate competent authority to seize lockers and requested for access to the lockers; or
- If the Bank is of the view that there is a need to take back the locker as the locker hirer is not co-operating or not complying with the terms and conditions of the agreement viz. rent overdue, inoperative locker

Appropriation of “Caution Money” towards overdue locker rent and other Bank charges.

Break Open charges shall be recoverable from the hirer/s. In cases of break-open of lockers carried out by the Bank for non-payment of locker rent, the Caution Money deposited by the hirer/s or from linked Savings / Current Account, the charges will be appropriated for recovery of expenses incurred by the Bank in (i) breaking open the locker, (ii) replacement of lock, and (iii) recovery of Bank's dues on account of overdue locker rent.

Bank shall engage the suppliers of the locker unit to break open the lockers.

When the break-open of locker is done 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.



When the break-open of locker is done at the instance of the Bank, the customer shall be provided notices in advance as per the internal procedures and then it will be broken 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.

9 Closure and Discharge of Locker Items (Break Open)

9.1 Discharge of locker contents at the request of customer

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

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 customer for breaking open the locker.

The operation shall be done in the presence of the customer/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.

9.2 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.

In case of attachment and recovery of the contents in a locker of a customer or the articles left by a customer for safe custody of the Bank by any Authority acting either under the orders of a Court or any other competent authority vested with the power to pass such orders, the Bank shall co-operate in execution and implementation of the orders.

The customer (locker-hirer) shall be informed by letter as well as by email/SMS to the registered email id/mobile phone number that the Government Authorities have approached for attachment and recovery or seizure of the locker or articles deposited for safe custody. An inventory of the contents of locker and articles seized and recovered by the Authority shall be prepared in the presence of such Government Authorities, two independent witnesses and an officer of the Bank and shall be signed



by all. A copy of the inventory would be forwarded to the customer to the address available in the Bank's records or handed over to the customer against acknowledgement.

Bank shall also record a video of the break-open process and the inventory assessment, wherever legally permissible, and preserve the video to produce as evidence in case of any dispute or Court or fraud case in future.

9.3 Discharge of locker contents by Banks due to non-payment of locker rent

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

Before breaking open the locker, the Bank shall give due notice to the locker-hirer through a letter and through email and SMS alert to the registered email id and mobile phone number, if & wherever available. If the letter is returned undelivered or the locker-hirer is not traceable, the Bank shall issue public notice in two newspaper dailies (one in English and another in local language) giving reasonable time to the locker-hirer or to any other person/s who has interest in the contents of locker to respond. The locker shall be broken open in the presence of an officer of the Bank and two independent witnesses. Further, 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. Bank shall also ensure that the details of breaking open of locker is documented in CBS, apart from locker register. After breaking open of locker, the contents shall be kept in sealed envelope with detailed inventory inside the Branch Vault in a tamper-proof way until customer claims it. A record of access to the Branch Vault is maintained by the Branch. On payment of outstanding dues, while returning the contents of the locker, the Bank shall obtain acknowledgement of the customer on the inventory list to avoid any dispute in future.

Bank shall ensure that the inventory prepared after breaking open of the locker and during settlement of claims, is in the appropriate forms as documented in the Standing Operating Procedure.

9.4 Discharge of locker contents if the locker remains inoperative

If the locker remains inoperative for a period of seven years and the locker-hirer cannot be located, even if rent is being paid regularly, the Bank shall be at liberty to transfer the contents of the locker to their nominees/legal heir or dispose of the articles in a transparent manner, as the case may be. Before breaking open the locker, the Bank shall follow the procedure as prescribed above in section



9.3. 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.

10 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 case the locker is surrendered within the first year of allotment, the proportionate amount of advance rent collected shall be refunded to the customer. From second year onwards charges on quarterly pro-rata basis will be refunded to the locker hirer.

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.

11 Nomination facility

Nomination facility is available in respect of lockers hired singly as well as jointly. In respect of lockers in joint names, nomination rules are applicable only if lockers are operated jointly.

The Bank shall offer nomination facility in case of safe deposit lockers and safe custody of articles, 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, the same procedure as prescribed for the Bank accounts shall be followed by the 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.

Bank shall have proper procedures are in place to register the nomination, cancellation and / or variation of the nomination, in their books, made by the locker hirers. Bank shall ensure acknowledging the receipt of duly completed form of nomination, cancellation and / or variation of the nomination. Such acknowledgement shall be given to all the customers irrespective of whether the same is demanded by the customers or not.

Where the lockers are hired jointly, on death of any of the joint hirers, the contents of the locker are allowed to be removed only jointly by the nominee(s) and the survivor(s) after an inventory is taken in the prescribed manner. In such a case, after such removal preceded by an inventory, the nominee



and the surviving hirer(s) may still keep the entire contents with the same Bank, if they so desire, by entering into a fresh contract of hiring a locker.

Bank is not required to open sealed/closed packets found in locker while releasing the same to the nominee or nominees and surviving hirers. Description of the sealed/closed packet(s) will however be mentioned in the inventory.

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. The responsibility of the Bank in such cases is to ensure that when the contents of a locker are sought to be removed on behalf of the minor nominee, the articles are handed to over to a person who, in law, is competent to receive the articles on behalf of the minor.

12 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 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 as per the mandate. 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, the banks shall follow the mandate in the event of death of one or more of the joint locker-hirers.

13 Settlement of Deceased Claims

In order to ensure that the contents of lockers are returned to the genuine nominee, as also to verify the proof of death, Bank will devise own claim formats and will also follow the procedure suggested by the Indian Banks' Association /appropriate authorities. The Settlement in case of Deceased Claims would be done within the period as defined by regulatory for Deceased Claim Settlement.

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.
- Make it clear to the survivor(s) / nominee(s) that access to articles in the locker / safe custody articles 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 affect the right or claim which any person may have against the survivor(s) / nominee(s) to whom the access is given.
- 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 or in the safe custody 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.

13.1 Single Locker with or without nomination

13.1.1 With Nomination

The nominee will be allowed to access the locker and remove the contents on verification of his / her identity (by collecting KYC documents as per Bank's policy) and verification of proof of death of locker hirer.

The nominee will be allowed to access the locker and remove the contents on verification of his / her identity (by collecting KYC documents as per Bank's policy) and verification of proof of death of locker hirer. Before permitting the nominee to remove contents of the Safe Deposit Locker, the Bank would prepare an inventory of the articles in the presence of nominee and two independent witnesses.

13.1.2 Without Nomination

Legal heir(s) of the deceased locker hirer or a person mandated by the legal heir(s) will be allowed to access the locker and remove the contents on verification of proof of death of locker hirer. The legal heir(s) will have to produce documents to establish his/their identity. Before permitting legal heir(s) to remove contents of the Safe Deposit Locker, the Bank would prepare an inventory of the articles in the presence of legal heir(s)/mandate holder and two independent witnesses.



13.2 Joint Locker with or without nomination (operated jointly)

13.2.1 With Nomination:

In the event of death of one (or more but not all) of the joint locker hirers the nominee(s) will be jointly allowed to access the locker and remove the contents on identification and verification of proof of death of the locker hirer(s) along with the surviving hirer(s)

In the event of death of both / all joint locker hirers the nominee(s) will be allowed to access the locker and remove the contents on establishing his/her/their identity and verification of proof of the death of the hirers.

Before permitting surviving hirer(s) and / or nominee(s) to remove contents of the Safe Deposit Locker, the Bank would prepare an inventory of the articles in their presence along with two independent witnesses.

13.2.2 Without Nomination:

In the event of death of one (or more but not all) of the locker hirers, the surviving hirer(s) and legal heirs of the deceased hirer (or a person mandated by them) would be allowed to access the locker and remove the contents on verification of authority of legal heirs and proof of death of the hirer.

In the event of death of both/all the joint locker hirers, all the legal heirs (or any one of them as mandated by all legal heirs) would be allowed to access the locker and remove the contents on verification of authority of legal heirs and proof of death of the locker hirers.

Before permitting surviving hirers and mandated legal heir(s) to remove contents of a Safe Deposit Locker, the Bank would prepare an inventory of the articles in the presence of surviving hirers, mandated legal heir(s) and two independent witnesses.

13.3 Joint Locker with mandate “Either or Survivor” / “Former or Survivor” / “Anyone or Survivors” / “Latter or Survivors” - with or without nomination:

13.3.1 With Nomination

At present B R Act (Section 45 ZE) does not provide nomination facility in respect of lockers with “Either or Survivor” / “Former or Survivor” / “Anyone or Survivors” / “Latter or Survivor” mandate. Hence operational instructions are not given in this regard.

13.3.2 Without Nomination

In the event of death of one (or more but not all) of the joint hirers, the surviving hirer(s) will be allowed to access the locker and remove the contents on verification of proof of death of the joint hirer(s).



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In the event of death of all the locker hirers, all the legal heirs of the deceased joint hirers (or any of them as mandated by all legal heirs) would be allowed to access the locker and remove the contents on verification of the authority of legal heirs and proof of death of the locker hirers.

Before permitting the surviving hirers/legal heir(s) to remove contents of a Safe Deposit Locker, the Bank would prepare an inventory of the articles in the presence of the surviving hirers/legal heirs and two independent witnesses.

13.4 Time Norms 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), 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 the Bank's satisfaction.

Bank shall 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 / depositors of safe custody article accounts and those pending beyond the stipulated period, with reasons therefor. Customer Service Committee of the Board of the Bank shall 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.

14 Infrastructure & Security Standards

- ✓ 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.
- ✓ Bank shall have a single defined point of entry and exit to the locker room/vault. The place where the lockers are housed would 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. The Bank shall conduct necessary engineering / safety verification regularly to identify the risks and carry out necessary rectification.
- ✓ The area housing the lockers should remain adequately guarded at all times.
- ✓ The Bank might decide to install Access Control System, if required as per the risk assessment, which would restrict any unauthorized entry and create digital record of access to locker room with time log.
- ✓ Bank may cover the entry and exit of the strong room and the common areas of operation under CCTV camera and preserve its recording for a period of not less than 180 days. In case any customer has complained to the Bank that his/her locker is opened without his/her knowledge and authority, or any theft or security breach is noticed/observed, the Bank shall



preserve the CCTV recording till the police investigation is completed and the dispute is settled.

- ✓ All the new mechanical lockers to be installed by the Bank shall conform to basic standards / benchmarks for safety and security as prescribed by Bureau of Indian Standards (BIS) or any other enhanced industry standards applicable in this regard.
- ✓ Bank may decide in future to offer electronically accessed Lockers. As and when, Bank decides to offer this, following controls as laid down by RBI would be adhered to:
 - In case the lockers are being operated through an electronic system, the Bank shall take reasonable steps to ensure that the system is protected against hacking or any breach of security.
 - The customers' personal data, including their biometric data, shall not be shared with third parties without their consent.
 - Further, Bank shall ensure that the electronically operated lockers are compliant with the Cyber Security Framework prescribed by the Reserve Bank.
 - The system should be capable of maintaining unalterable log of locker activities.
 - The Bank shall comply with the relevant statutory / regulatory guidelines/requirements applicable for IT / data protection.
 - Further, the Bank shall also devise a standard operating procedure for issue of new password in lieu of lost passwords to customers in a safe and secure manner in case of electronically operated lockers.

15 Branch Insurance Policy

Bank, with the approval of their Board, 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.

Bank shall clarify in their locker agreement that as they do not keep a record of the contents of the locker or of any articles removed therefrom 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.

16 Bank's Liability & Compensation Policy on Lockers

The Bank shall put in place a detailed Board approved policy outlining the responsibility owed by them for any loss or damage to the contents of the lockers due to their negligence as Banks owe a separate duty of care to exercise due diligence in maintaining and operating their locker or safety deposit systems. The duty of care includes ensuring proper functioning of the locker system, guarding against unauthorized access to the lockers and providing appropriate safeguards against theft and robbery. Further, Bank shall adhere to the Master Directions on Frauds for reporting requirements about the instances of robberies, dacoities, thefts and burglaries.

The Liability of the Bank would be as per the Board approved "Customer Compensation Policy".

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.

Force Majeure:

Bank shall not be liable if any transaction does not fructify or may not be completed or for any failure on part of the Bank to perform any of its obligations contemplated hereunder if performance is prevented, hindered or delayed by a force majeure event (defined below), and in such case its obligations shall be suspended for so long as the Force Majeure. "Force Majeure Event" means any event due to any cause beyond the reasonable control of the Bank, including without limitations, unavailability of any communication systems, breach, or virus in the processes or payment or delivery mechanism, sabotage, fire, flood, explosion, natural disasters or other "Acts of God", war, damage to the Bank's facilities or of its correspondent Bank(s), civil commotion, strikes or industrial action of any kind, riots, insurrection, acts of government, computer hacking, unauthorized access to computer data and storage devices, computer crashes, malfunctioning in the computer terminal or the systems getting affected by any malicious, destructive or corruptive code or program, mechanical or technical errors/failures or power shut down, faults or failures in telecommunication etc., which prevents it from performing its obligations within the specified service delivery parameters.

17 Redressal of Complaints and Grievances

Redressal of Customer Complaints and Grievances would be as per the Board approved Policy on "Grievance Redressal Policy".

18 Other Aspects:

- ✓ The Bank will exercise due care and necessary precautions for the protection of lockers and the locker hirer while operating the locker. The security procedures shall be well-documented and the staff concerned shall be properly trained in the procedure. The internal auditors shall verify and report the compliance to ensure that the procedures are strictly adhered to.
- ✓ 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 broken open. This should be done post obtaining documentation and approval.
- ✓ 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.



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- ✓ The 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 at branches where locker facility is being provided by them 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 and safe custody articles on their websites.
- ✓ Bank shall place on their websites, the instructions together with the 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 shall also be given to the nominee(s) / survivor(s) / legal heir(s).
- ✓ Bank shall ensure that the Locker Register and the Locker Key Register are maintained in CBS and in physical Locker Register. The Locker Register shall be updated in case of any change in the allotment with complete audit trails.
- ✓ Customer Communications:
 - The Bank custodian shall check whether the lockers are properly closed post locker operation. If the same is not done, the lockers must be immediately closed, and the locker-hirer shall be promptly intimated through e-mail, if registered or through SMS, if mobile number is registered or through letter so that they may verify any resulting discrepancy in the contents of the locker.
 - Bank shall send an email and SMS alert to the registered email ID and mobile number of the customer before the end of the day as a positive confirmation intimating the date and time of the locker operation and the redressal mechanism available in case of unauthorized locker access.
 - Before breaking open the locker, the Bank shall give due notice to the locker-hirer through a letter and through email and SMS alert to the registered email id and mobile phone number.
 - The customer (locker-hirer) shall be informed by letter as well as by email/SMS to the registered email id/mobile phone number that the Government Authorities have approached for attachment and recovery or seizure of the locker or articles deposited for safe custody.

Disclaimer:

- ✓ 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.

19 Right to alter or add Rules:

The Bank reserves the right to alter or add to these rules and such alteration and additions shall be binding on the account holder. Such alteration will be made known to the account holder through website and SMS / Email Communications.

