



## **Sub: Standard operating procedure for Safe Deposit Locker**

Safe deposit lockers is one of the facilities offered to existing customers by Model Cooperative Bank Ltd. for safekeeping of valuables and documents. This note provides the Standard Operating Procedure for Safe Deposit Lockers in the following areas:

1. Locker Allotment
2. Locker Operations
3. Addition or deletion of Hirers
4. Locker Nomination
5. Locker Key Lost by the Locker Hirer
6. Locker Surrender
7. Break-open of Locker

### **Locker Allotment:**

The safe deposit locker facility can be availed by individual and non-individual KYC compliant customers of the Bank. To avail a safe deposit locker facility, franked locker agreement and two photographs are required. Additionally, for non-individual entities, a Board resolution mentioning the persons authorised to access the locker will be required. Safe deposit locker facility cannot be availed by Minors.

Locker rent will be collected in advance for the entire year. For timely collection of locker rent, the locker hirer should have an active operative account with Model Cooperative Bank Ltd. If the customer does not have an account, one will have to be opened. Additionally a fixed deposit of Rs.12,000/- for small size lockers- Rs.18,000/- for medium size lockers and Rs.28,000/-, for large size lockers will be taken from the locker hirer as security deposit. The tenor of the fixed deposit will be three years and scheme of the fixed deposit will be quarterly interest payable wherein interest will be credited to the savings or current account of the locker hirer.

### **Locker Operations:**

Locker can be operated only during Banking hours. Only one locker customer will be allowed to operate at a time in the locker room for privacy. Customer next in line for locker operation can enter locker room after the earlier customer comes out. The locker should be operated with the key provided by Model Cooperative Bank Ltd. and can be operated as per the mode of operation selected at the time of locker allotment. Locker hirer can provide physical (signature in presence of bank officer) authentication to operate the locker. Bank shall record in and out time of locker operation executed by the locker hirer. The locker hirer should check the locker area to ensure that no articles are left behind and the locker is properly closed. Bank sends email and SMS alert to the registered email id and mobile number of locker hirer intimating the date and time of locker operation. The locker hirer will not be allowed to operate the locker if locker rent is in arrears or there is any notice to stop locker operation from competent statutory authority.



The locker needs to be operated at regular intervals failing which the locker will be deemed as “inoperative” (not used by locker hirer for one year, three years or seven years or more depending on the risk category of the customer) and the locker hirer cannot be located, even if the rent is being paid regularly. Once the locker is deemed “inoperative”, the locker hirer should provide a letter, as per the mode of operation stating the reason for non-operation of locker and then operate the locker to activate the same.

Locker hirer/s should not keep anything illegal or any hazardous substance in the Safe Deposit locker. If the Bank suspects the deposit of any illegal or hazardous substance by any customer in the safe deposit locker, the Bank has the right to take appropriate action against such customer as it deems fit and proper in the circumstances.

### **Addition or deletion of hirers:**

#### **Addition of hirers:**

Request letter signed by all the locker hirers is required to add a hirer. Additionally, a new locker agreement, KYC of the new hirer and photographs of all hirers will also be required. The existing hirers along with the person whose name is to be added, must come personally to the Bank and give a request with the revised mode of operation. At least one locker hirer should have an active operative account (CASA) with Model Cooperative Bank Ltd. for rent collection.

#### **Deletion of hirers:**

Request letter signed by all the existing locker hirers is required for the deletion of the locker hirer. Additionally, the new mode of operation needs to be mentioned in the request letter. A new locker agreement with the now remaining hirers will also be required. At least one locker hirer should have an active operative account (CASA) with Model Cooperative Bank Ltd. for rent collection.

### **Locker Nomination:**

Nomination enables the Bank to release the contents/securities/articles of a locker to the nominee(s) of the hirer(s). The locker hirer/s will use the Bank's "form for nomination, cancellation of nomination and variation of nomination" in respect of bank deposits and safe deposit lockers. Simultaneous nomination facility is not available for lockers, only successive nomination is allowed. In successive nomination, locker hirer shall nominate persons as per his/her/their order of preference. If any nominee dies prior to receiving the nomination benefits from the Bank, the nomination in respect of such nominee alone shall become ineffective.

The form should be signed by all the hirers for either nomination, cancellation of nomination and variation of nomination. There can be as many nominees as there are locker hirers. That is, the number of nominees cannot exceed the number of hirers. Nomination not permissible in favour of a corporate body/firm/trust/association/society or any identity other than an individual.



At the time of nomination, locker hirer has the option to provide a photograph of the nominee.

### **Locker Key Lost by the Locker Hirer**

A locker hirer should immediately notify the Bank on the loss of the locker key and place a request for a new key. The cost of the new key will be recovered from the locker hirers. Request letter and the indemnity, will be required to be signed by all the locker hirers as per the Bank's format. Presence of all the locker hirers will be required at the Bank branch for obtaining a new key. Customer shall handover the lost key to the Bank branch, if found in future.

### **Locker Surrender:**

If a locker hirer(s) desires to surrender the locker, the overdue rent if any, should be recovered prior to locker surrender. All locker hirers should be present for surrender. Locker operation will be allowed as per the mode of operation, to empty the locker contents. Locker should be surrendered in vacant condition and by handing over the original key to the bank official. In case the key is lost, the procedure mentioned under Locker Key Lost by the Locker Hirer, will be followed.

If the locker rent is collected in advance, the proportionate amount of advance rent collected shall be refunded (for the remaining months) to the locker hirer's CASA account with Model Cooperative Bank Ltd. from which rent is deducted.

### **Break-open of Locker:**

Model Cooperative Bank Ltd. will conduct break open of safe deposit locker under any one of the following circumstances :

- On customer request, due to loss of the locker key – Charges for key replacement will be recovered from the locker hirer. Key replacement will be done by an authorised technician in the presence of the locker hirer and Bank official.
- Attachment and recovery of contents by any Law Enforcement Agency – Bank shall inform the locker hirer through a letter and on the registered email id that Government authorities have approached Bank for attachment and recovery or seizure of the locker and its articles.
- 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 after issuing a notice of not less than 3 months by registered post/speed post to the customer's communication address AND also by email if email id of customer is updated with the Bank. This will be called **Termination Notice**.



- Non payment of locker rent – Bank shall initiate the process of locker break open, if the rent has not been paid by the customers for three consecutive years in a row.
- If the locker remains inoperative for a long period of time – if the locker remains inoperative for a period of seven years or more and the locker hirer cannot be located, even if the rent is being paid regularly. Model Cooperative Bank Ltd. shall be at liberty to dispose of the articles in a transparent manner.

Before exercising the right to break open the Locker for unpaid rent, inoperative locker and for breach of terms and conditions/non-compliance, the Bank shall send to customer a notice **(in addition to termination notice)** in writing of not less than three months. This notice will be sent by registered post/speed post to customer's communication address and also by email if email id of customer is updated with the Bank regarding the Bank's proposed action of breaking open locker **(Break Open Notice)**.

In case Termination notice and Break open notice as aforesaid is returned undelivered or customer is not found traceable by the Bank despite having taken reasonable efforts, the Bank shall, before breaking open the locker, issue a public notice of not less than three months about the Bank's intention to break open the Locker in minimum two newspapers (one in English and another in local language) giving reasonable time to the locker hirer or nominee/legal heirs to respond. Content of the locker if any will be kept in a sealed envelope along with the detailed inventory.

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