

Safe Deposit Locker Policy

Version	Date	Document by	Reviewed by	Remarks
1.0	07th January, 2022	Parnita Choudhary	Sandeep Arora	As per RBI guidelines dated 18th August, 2021 , a new Policy on Safe Deposit Locker was prepared
2.0	28th April, 2023	Parnita Choudhary	Ashish Saxena	Below points have been duly added in the policy - Point. 12 - Keys of vacant (unrented) Lockers : A separate locker to be opened for branch use to keep all the authorized documents (unrented keys, original agreement) - Keys of vacant (unrented) lockers to be verified and tallied once a month by BM - Point 21 & 22- Break-open of Locker when rent is in arrear and Surrender of Lockers : Keys of surrender & break open lockers to be inter-changed & to be updated in CBS before allotting to a new customer
3.0	06 th March, 2025	K Gnana Prakash	Akshay Dattani	- Modification of Locker Break – open clause in less than 7 years even when rent is due if the locker remains un-operated. - Addition of additional padlock point in Embossing of Locker Keys section - Addition of Locker Standards and certain Internal controls - Enhanced customer due diligence in allotment of Lockers

Contents

Introduction:.....	3
Locker Standards:.....	3
Allotment of Lockers.....	3
Fixed deposits as Security for lockers.....	3
Waitlist for Allotment of Lockers.....	4
Providing a copy of the agreement	4
Recovery of Locker Rent.....	4
Refund of Rent	4
Customer due diligence for allotment of lockers	4
Embossing of Locker Keys	4
Regular Locker Operations	5
Internal Controls.....	5
Master Key of Safe Deposit Locker	5
Keys of vacant (unrented) Lockers	5
Allowing Locker Access.....	5
Nomination Facility	6
Settlement of Claims in case of death of a Customer	6
Precautions to be followed by the bank before handing over/ return of articles placed in the safe custody of the bank.....	6
Access to the safe deposit lockers (with survivor / nominee clause)	6
Access to the safe deposit lockers (without survivor / nominee clause)	6
Loss of Locker Master Key	7
Attachment of contents and articles in a Locker/safe custody by any Law Enforcement Authority	7
Break-open of Locker when rent is in arrears	7
Surrender of Lockers.....	7
Measures Relating to Lockers which have Remained Inoperative for Long.....	7
Safe Deposit Locker facilities for visually impaired persons.....	7
Engineering/safety verifications.....	7
Guarding of Locker, Digital record of access & Internal Audit.....	8
Safety and Security of Locker	8
Maintenance of Registers	8
Liability of bank.....	8
Branch Insurance Policy	8
Policy Effective Date.....	8

Introduction:

Safe Deposit Locker to the customers plays a pivotal role in meeting the growing demands of the customers, expanding the customer base, and augmenting the non-interest income of the bank. It is therefore imperative for the bank to put in place a Comprehensive Policy on Extension of and Access to Safe Deposit Lockers so as to enable the customers to avail of these facilities with ease. As such, this Policy on Extension of Access to Safe Deposit Lockers has been formulated in tune with the Guidelines of Reserve Bank of India furnished in their circular DOR.LEG.REC/40/09.07.005/2021-22, Dated August 18, 2021. 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 the lessor and lessee.

Brief description of the policy	This policy lists the guidelines that shall be followed by Jana Small Finance Bank (JSFB) in offering Safe Deposit Lockers facility involves renting lockers to the customers for Safe-keeping the valuables.
Requirements	The service is provided based on the demand for lockers and the availability of infrastructure at the branches. JSFB may install traditional locker cabinets or E-lockers at selected branches.
Regulatory Requirements	As per the Reserve Bank of India, Safe Deposit Locker and Safe Custody Article Facility provided by Bank – August 18, 2021, Comprehensive revised Board approved policy and SOPs on Safe Deposit locker facility as per revised instructions.
Review	The Policy shall be reviewed at least on an annual basis or whenever there is any regulatory changes necessitating for such amendments.

Locker Standards:

All the new mechanical lockers installed by the banks shall meet 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.

Allotment of Lockers

The lockers should ordinarily be rented to individuals in single or joint names and should not be rented to minors. The lockers may also be rented to Partnership Firms and Limited Companies, Registered Societies, Associations, Clubs, etc. in special cases and genuine requirements. Bank shall maintain a branch wise list of vacant lockers as well as a wait-list in Core Banking System (CBS) for the purpose of allotment of lockers and ensure transparency in allotment of lockers. The Bank shall 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. At the time of allotment of the locker to a customer, the Bank shall enter into an agreement with the customer to whom the locker facility is provided, on a paper duly stamped. A copy of the locker agreement in duplicate signed by both the parties shall be furnished to the locker- hirer to know his / her rights and responsibilities. Original Agreement shall be retained with the branch where the locker is situated.

Fixed deposits as Security for lockers

There may be situations where the locker-hirer neither operates the locker nor pays rent. To ensure prompt payment of locker rent, the Bank shall at the time

of allotment, obtain a Fixed Deposit which would cover three years' rent and the charges for breaking open the locker in case of an eventuality. However, the Bank shall not insist on such Term Deposits from the existing locker holders or those who have a satisfactory operative account. The packaging of allotment of locker facility with placement of term deposits beyond what is specifically permitted above will not be permitted.

Waitlist for Allotment of Lockers

Bank shall maintain a branch-wise list of vacant lockers as well as a wait-list in Core Banking System (CBS) or any other computerized system compliant with Cyber Security Framework, for the purpose of allotment of lockers and ensure transparency in allotment of lockers. The Bank shall acknowledge the receipt of all applications for allotment of the locker and provide a waitlist number to the customers if the lockers are not available for allotment.

Providing a copy of the agreement

Bank shall give a copy of the locker agreement in duplicate signed by both the parties to the locker-hirer to know his / her rights and responsibilities. Original Agreement shall be retained with the branch where the locker is situated. Bank shall ensure that any unfair terms or conditions are not incorporated in the locker agreements.

Recovery of Locker Rent

Locker rent and service charges will be decided by the Bank, depending on their size from time to time. The rent tariff and related service charges will be publicized among the customers and also displayed on the branch notice board. Safe Deposit Locker rent shall be payable in advance and in the event of locker rent remaining unpaid, when due, the Bank shall have the right to refuse access to the locker and without prejudice to Bank's right to break open the locker. Locker rent shall be recovered on annual basis and the lease period of one year shall start from the date of hiring the locker and continue till the preceding day of the corresponding date in the subsequent year. The branches should ensure that the rent is recovered from all the locker hirers. The outstanding rent report should be generated from the CBS software. The branch should follow up with the locker hirers for recovery of the rent. The letters sent to the locker hirers should be held on record.

Refund of Rent

On surrendering the lockers, the pro-rata rent (for the number months left in the financial year) shall be refunded to locker hirer/s if the rent is already received/ recovered for the full year.

Customer due diligence for allotment of lockers

- For an existing customer of the Bank : May be given the facilities of safe deposit lockers/safe custody 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 (updated from time to time) subject to ongoing due diligence.
- For a customer who does not have any other banking relationship with the 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 shall be carried out for all the customers in whatever rights and capacities they may be hiring the locker.
- The Bank shall obtain recent passport size photographs of locker-hirer(s) and individual(s) authorized by locker hirer(s) to operate the locker and preserve in the records pertaining to locker-hirer being maintained in the bank's branch.

Embossing of Locker Keys

Bank shall ensure that the 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 in case of need. Bank shall permit the locker-hirer to operate the locker only with the key provided by the bank, although there is no restriction in allowing the

customer to use an additional padlock of her /his own if there are such provisions in lockers.

Regular Locker Operations

- The locker hirer and/or the person duly recognized / authorized by him /her shall only be permitted to operate the locker with proper verification of their identity and recording of authorization by the concerned officials of the bank.
- The Bank shall maintain a record of all individuals including the locker hirer who has accessed the lockers from date & time (check in & check out) and obtain their signature.
- The Bank's officer after authorizing the locker-hirer, after unlocking the first key/password shall not be present when the locker is opened by the locker-hirer. Bank shall ensure that there is adequate privacy for the locker-hirer in accessing his/her locker.
- Bank shall send an email & SMS alert to the registered email ID & mobile number of the customer before the end of the day as a positive confirmation intimating the date & time of locker operation and the redress mechanism available in case of any unauthorized locker access.
- The Bank shall ensure that there is adequate privacy to the locker-hirers in the operations when customers access the lockers at the same time.
- The Locker Register shall be updated in case of any change in the allotment with complete audit trails.

Internal Controls

Bank shall ensure that the Locker Register and the Locker Key Register are maintained in CBS or any other computerized system. The Locker Register shall be updated in case of any change in the allotment with complete audit trails. The locks shall be interchanged whenever the locker is surrendered by the hirer. The keys of vacant lockers shall be kept in sealed envelopes. 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.

Master Key of Safe Deposit Locker

The Master Key of the lockers is supplied by the manufacturers in duplicate or triplicate. Only one key shall be held in the branch for operations, while the others, duplicate and triplicate (where provided), shall be deposited for safe custody with other branch/other Bank, as the case may be, along with the other duplicate keys.

Keys of vacant (unrented) Lockers

Keys of vacant lockers shall be kept in sealed envelopes in the separate locker opened for the branch purpose. The duplicate shall be deposited with another branch. There shall be a proper record of joint custody of master keys. Bank shall conduct surprise periodic quarterly 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 proof of such verification. Branch Manager of the branch shall also conduct verification of the count of locker keys.

Allowing Locker Access

All the relevant portions of the Locker Access Register should be appropriately filled in and signed by the locker hirers as per the mode of operation. The custodian should verify the photograph, signature of the hirer as per branch record, check the operating instructions, and tally the cabinet number, locker and key number, etc. to confirm the identity of the locker hirer before permitting operations of the locker. 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 on a daily basis 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. The custodian of the locker shall, check the keys maintained in the branch to ensure that they are in proper condition.

Nomination Facility

When the safe deposit locker facility is extended to locker-hirers, it is advisable to obtain a nomination, more especially where the locker is held in a single name. Nomination will enable the Bank to release the contents/securities/articles of a locker to the nominee(s) of the hirer(s), after making an inventory of the contents of the locker and obtaining the discharge of the nominee thereon. 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 customer, at his / her option and preserved in the records

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 locker-hirer.

Settlement of Claims in case of death of a Customer

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 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 the nomination.

Precautions to be followed by the bank before handing over/ return of articles placed in the safe custody of the bank.

- Branches shall exercise due care and caution in establishing the identity of the survivor(s) / nominee (s) and the fact of the death of the locker hirer by obtaining appropriate documentary evidence.
- Branches shall make a diligent effort to find out if there is any order from a competent court restraining the bank from giving access to the locker of the deceased.
- Branches shall make it clear to the survivor(s) / nominee that access to locker is given to them only as a trustee of the legal heirs of the deceased locker hirer i.e., such access given to him shall not affect the right or claim which any person may have against the survivor(s) / nominee to whom the access is given.
- The bank shall 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. The bank shall 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 or in the safe custody of the 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.

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

The 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 while giving access to the survivor(s) / nominee(s) of the deceased locker hirer.

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

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.

Loss of Locker Master Key

If the key of the locker, supplied by bank is lost by the locker-hirer, the customer (locker hirer) shall notify the bank immediately. An undertaking may also 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.

Attachment of contents and articles in a Locker/safe custody by any Law Enforcement Authority

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. 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.

Break-open of Locker when rent is in arrears

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 may be incorporated in the locker agreement to this effect. The keys of the surrender lockers have to be inter-changed by the vendor and proper updation is to be done in CBS with correct key number.

Surrender of Lockers

If a hirer/s desires to surrender the locker, the overdue rent, if any, should be recovered and then the hirer/s may be permitted to operate and remove the contents from the locker by following the extant process of giving access to the locker hirer/s. Additionally, a discharge certificate duly signed by all the locker hirers should be obtained. The keys of the surrender lockers have to be inter-changed by the vendor and proper updation is to be done in CBS with correct key number.

Measures Relating to Lockers which have Remained Inoperative for Long

In case 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 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, the bank shall follow the procedure as prescribed by RBI. And the procedure shall be incorporated in their locker agreement. Bank shall incorporate a clause in the locker agreement to discharge the bank from liability in case the locker is not in operation and the locker is opened by the 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.

Safe Deposit Locker facilities for visually impaired persons

Reserve Bank of India has directed all the Bank to extend full banking facilities to the visually impaired without any discrimination and ensure that all possible assistance and service is rendered to them for availing various banking facilities.

Engineering/safety verifications

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 and secured enough to protect against the 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 risks of accessibility of an allotted locker from any side without involvement of the locker-hirer concerned may be assessed and kept on record. Banks shall have a single defined point of entry and exit to the locker

room/vault. Bank shall conduct necessary engineering / safety verification annually to identify the risks and carry out necessary rectification.

Guarding of Locker, Digital record of access & Internal Audit

The area housing the lockers should remain adequately guarded at all times. The branch is advised to 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 of any dispute, the Bank shall preserve the CCTV recording till the police investigation is completed and the dispute is settled. 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.

Safety and Security of Locker

There should be monthly checks to prevent the appearance of insects or other pests in the vault and the vault premises should be subjected to treatment against termite menace at regular intervals

Maintenance of Registers

- Safe Deposit Locker Ledger
- Safe Deposit Locker Access Register
- Safe Deposit Locker Accounts Opened / Closed Register
- Key-cum-Key Movement Register

Liability of bank

The bank shall not be liable for any damage and/or loss of contents of locker arising from natural calamities or Acts of God like earthquake, floods, lightning, and thunderstorm or any act that is attributable to the sole fault or negligence of the customer. The bank shall, however, exercise appropriate care to its locker systems to protect its premises from such catastrophes.

Bank shall take all steps for the safety and security of the premises in which the safe deposit vaults are housed to ensure that incidents like fire, theft/ burglary/ robbery, dacoit, 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 the loss of contents of the locker are due to incidents mentioned above or attributable to fraud committed by its employee(s), the Bank' liability shall be for an amount equivalent to one hundred times the prevailing annual rent of the safe deposit locker.

Branch Insurance Policy

Bank shall have a branch insurance policy to minimize the loss due to incidents like robbery, fire, natural calamities, loss during shifting/merger of the branch, etc., affecting contents of lockers. In the event 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. 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, Bank shall make efforts to intimate customers suitably at the earliest.

Policy Effective Date

This policy comes into effect immediately on approval by the Board of Directors of the Bank and shall remain in force till further review by the Board.
