



**BASSEIN CATHOLIC
CO-OPERATIVE BANK LTD**

(SCHEDULED BANK)

Standard Operating Procedure

**For Settlement of Claims in Deposit Accounts and Safe Deposit
Lockers/Articles in Safe Custody of Deceased Customers**

Version 1.0



DOCUMENT DETAIL

Document Title	Standard Operating Procedure for Settlement of Claims in Deposit Accounts and Safe Deposit Lockers/Articles in Safe Custody of Deceased Customers	
Document Version	1.0	
Prepared By	Legal Department	
Placed for Discussion & Advice	Board of Management	10-11-2025
Approved By	Customer Service Sub-committee of Board	01-11-2025
	Legal and Recovery sub-committee of Board	11-11-2025
	Board of Directors	14-11-2025
Effective Date	01 st December 2025	
Owner Department	Legal Department	

DOCUMENT VERSION HISTORY

Sr No	Date	Particulars	Remarks
1			
2			

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STANDARD OPERATING PROCEDURE (SOP)

Settlement of Claims in Deposit Accounts and Safe Deposit Lockers/Articles in Safe Custody of Deceased Customers

1. Objective

To establish a standardized, transparent, and legally compliant framework for the settlement of claims in respect of deceased customers of Bassein Catholic Co-operative Bank Ltd., ensuring timely and efficient resolution of such claims across all branches. This SOP aims to minimize operational ambiguity and reduce the emotional and procedural burden on nominees, survivors, and legal heirs by:

- **Streamlining procedures** for settlement of deposit accounts, safe deposit lockers, and articles in safe custody, in accordance with the Reserve Bank of India's Directions RBI/2025-26/82 DoR.MCS.REC.50/01.01.003/2025-26 dated September 26, 2024.
- **Ensuring uniformity** in documentation, verification, and processing across all branches of the Bank, thereby eliminating inconsistent practices and enhancing customer service.
- **Safeguarding the interests of legal heirs** by clearly defining the rights and responsibilities of nominees and survivors, and ensuring that settlements are made with appropriate fiduciary disclosures.
- **Facilitating simplified procedures** for claims up to the threshold limit of Rs.5 lakhs, as applicable to Urban Co-operative Banks, without insisting on legal documents such as Succession Certificates or Probate, unless mandated by law or in case of disputes.
- **Promoting awareness** among customers regarding the importance of registering nominations and survivorship clauses to avoid delays and complications in claim settlement.
- **Ensuring compliance** with statutory timelines by mandating that all claims be settled within 15 calendar days from the date of receipt of complete documentation, and providing for compensation in case of delays attributable to the Bank.
- **Empowering branch staff** with clear operational guidelines, checklists, and standardized forms to handle claims efficiently, empathetically, and in accordance with regulatory expectations.



- **Upholding the Bank's fiduciary responsibility** by ensuring that all settlements are made with due diligence, proper verification, and in the absence of any restraining legal orders or disputes.

This objective reflects the Bank's commitment to customer-centric service, regulatory compliance, and ethical banking practices in handling sensitive matters related to the demise of account holders.

2. Applicability

- This Standard Operating Procedure (SOP) is applicable to all branches and extension counters of Bassein Catholic Co-operative Bank Ltd., an Urban Co-operative Bank, and governs the process for settlement of claims in respect of deceased customers across various banking services. It covers all types of deposit accounts held by individual customers, whether singly or jointly, including Savings Bank Accounts, Current Accounts, Fixed or Term Deposits, Recurring Deposits, and any other deposit product offered by the Bank. The SOP also applies to safe deposit lockers hired by customers, either individually or jointly, and includes procedures for granting access to the contents of such lockers and handing over possession to the rightful claimant(s), whether nominee(s), survivor(s), or legal heir(s). Additionally, it encompasses articles placed by customers in the Bank's safe custody facility, such as customer's valuables, and outlines the process for their return upon the death of the customer.
- However, this SOP does not apply to Government-administered savings schemes such as the Public Provident Fund (PPF), Senior Citizen Savings Scheme (SCSS), Sukanya Samriddhi Account, National Savings Certificates (NSC), and Kisan Vikas Patra (KVP), even if these are operated through the Bank. Settlement of claims under such schemes shall be governed strictly by the rules and procedures prescribed under the respective scheme guidelines issued by the Government of India and the operating agency. The Bank shall ensure that such claims are redirected appropriately and handled in accordance with the applicable statutory provisions.



PART A: DEPOSIT ACCOUNTS

1. Settlement of Claims in Deposit Accounts with Nomination or Survivorship Clause

When a deposit account is held by a deceased customer and a valid nomination has been registered under Section 45ZA of the Banking Regulation Act, 1949, or the account is styled with a survivorship clause (such as “either or survivor”, “former or survivor”, “anyone or survivor”), the Bank shall follow a simplified and expedited procedure for settlement of the claim. This process is designed to ensure that the nominee(s) or surviving account holder(s) receive the proceeds without unnecessary legal hurdles, while also safeguarding the interests of the legal heirs.

Settlement Procedure: Upon receipt of intimation of the death of the account holder(s), the branch shall:

- **Verify the existence of nomination or survivorship clause** in the account records.
- **Obtain documentary evidence** confirming the death of the account holder(s), preferably the original death certificate for verification and a copy for record.
- **Establish the identity and address of the nominee(s)/survivor(s)** through an Officially Valid Document (OVD) as defined under RBI’s KYC Master Direction.
- **Obtain a duly filled and signed Claim Form (Annex I-A)** from the nominee(s)/survivor(s), clearly indicating the account details and the claimant’s relationship to the deceased.
- **Ensure there is no restraining order from any competent court** prohibiting the Bank from making payment to the nominee(s)/survivor(s).
- **Inform the nominee(s)/survivor(s) in writing** that the payment is being made to them in their capacity as trustee(s) of the legal heirs of the deceased, and that such payment does not affect the rights of other legal heirs to claim their share from the nominee(s)/survivor(s).
- **Process the claim without insisting on legal documents** such as Succession Certificate, Probate of Will, or Letter of Administration, and without requiring any



indemnity bond or surety, irrespective of the amount standing to the credit of the deceased account holder(s).

- **Credit the proceeds directly to the account of the nominee(s)/survivor(s)** after adjusting any dues payable to the Bank by the deceased customer.

Conditions to be Fulfilled:

- The **identity of the nominee(s)/survivor(s)** and the **death status of the account holder(s)** must be verified with due care and caution.
- There must be **no known legal dispute or court order** restraining the settlement of the claim.
- The nominee(s)/survivor(s) must **acknowledge receipt of the funds** and confirm that they are acting as trustee(s) for the legal heirs of the deceased.

Note:

- In the case of **joint accounts**, the nominee's right arises only after the death of **all account holders**.
- If the account is styled with a survivorship clause, the **surviving account holder(s)** shall be entitled to operate the account or receive the proceeds, unless otherwise directed by a court or if a Will exists that contradicts the survivorship mandate.
- The Bank shall maintain a record of all such settlements, including the documents submitted and the communication made to the nominee(s)/survivor(s).

2. Settlement of Claims in Accounts Without Nomination or Survivorship Clause

A. Simplified Procedure (Claim Amount upto Rs.5 lakhs):

In cases where a deceased customer has not registered a nomination or the account does not carry a survivorship clause, and the total claim amount including accrued interest does not exceed Rs.5 lakhs, the Bank shall adopt a simplified and customer-friendly approach for settlement of the claim. This procedure is designed to avoid undue hardship to the legal heirs and expedite the release of funds, while ensuring compliance with the RBI Directions.



Eligibility:

The simplified procedure shall be followed only if:

- No nomination or survivorship clause is registered in the account.
- The deceased customer has not left behind a Will.
- There is no dispute among the legal heirs or claimants.
- There is no restraining order from any competent court prohibiting the Bank from making the payment.

Step-by-Step Procedure:

- **Receipt of Claim Request**

The branch shall receive the claim application from the legal heir(s) or claimant(s) and verify whether the account qualifies under the simplified procedure based on the above eligibility criteria.

- **Documents Collection**

The claimant(s) shall be asked to submit the following documents:

- **Claim Form (Annex I-B):** Duly filled and signed by the claimant(s).
- **Death Certificate:** Original for verification and a copy for record.
- **Officially Valid Document (OVD):** For identity and address verification of the claimant(s).
- **Indemnity Bond (Annex I-C):** Executed by the claimant(s), indemnifying the Bank against future claims.
- **Letter of Disclaimer/No Objection (Annex I-D):** Signed by non-claimant legal heirs relinquishing their rights.
- **Legal Heir Certificate** issued by a competent authority,
OR

Affidavit/Declaration (Annex I-E) preferably a shareholder or an independent person well known to the family, not a party to the claim, and acceptable to the Bank.



- **Verification of Documents**

The branch shall verify all documents submitted, ensuring they are complete, authentic, and consistent. Originals must be verified and copies retained.

- **No Requirement of Surety Bond:** As per RBI Directions, **no surety bond** from third parties shall be insisted upon for claims up to Rs.5 lakhs.
- **Due Diligence and Approval:** The branch shall conduct due diligence to confirm:
 - The genuineness of the claim.
 - Absence of any dispute or conflicting claims.
 - No restraining legal orders.
- **Settlement of Claim:** Upon satisfactory verification, the claim shall be processed and the proceeds credited directly to the account of the claimant(s). The Bank shall exercise its right of lien and set-off, if applicable, before releasing the funds.
- **Timeline Compliance:** The entire process must be completed within **15 calendar days** from the date of receipt of all required documents to the Bank's satisfaction.
- **Record Maintenance:** The branch shall maintain a proper record of the claim, including all documents submitted, approvals obtained, and communication made to the claimant(s).

B. Claims Above Threshold Limit (Rs.5 lakhs and above)

When the total claim amount in a deceased customer's deposit account exceeds the threshold limit of Rs.5 lakhs (as applicable to Urban Co-operative Banks), the Bank must follow a more rigorous process to ensure legal compliance and safeguard against future disputes. The procedure is as follows:

Step-by-Step Procedure

- **Initial Assessment**

Upon receiving a claim request, the branch must verify that:



- No nomination or survivorship clause exists.
- The claim amount exceeds Rs.5 lakhs.
- The claimant(s) are legal heirs or beneficiaries.

- **Document Collection**

The claimant(s) must submit the following:

- **Claim Form (Annex I-B):** Duly filled and signed.
- **Death Certificate:** Original for verification and copy for record.
- **Officially Valid Document (OVD):** For identity and address verification.
- **Succession Certificate** issued by a competent civil court,

OR

Legal Heir Certificate issued by a competent authority,

OR

Affidavit/Declaration (Annex I-E) preferably a shareholder or an independent person well known to the family, not a party to the claim, and acceptable to the Bank.

- **Indemnity Bond (Annex I-C):** Executed by the claimant(s).
- **Letter of Disclaimer/No Objection (Annex I-D):** From non-claimant legal heirs.
- **Surety Bond (Annex I-C):** From third-party individuals (including non-claimant legal heirs), acceptable to the Bank and good for the claim amount, if required

- **Verification and Due Diligence**

The branch shall:

- Verify all documents from originals.
- Confirm the absence of disputes or restraining court orders.
- Ensure the claimants are legally entitled to the funds.

- **Approval and Settlement:** Upon satisfactory verification, the claim shall be processed and the proceeds credited directly to the account of the claimant(s). The Bank shall exercise its right of lien and set-off, if applicable, before releasing the funds.



- **Timeline Compliance:** The claim must be settled within **15 calendar days** from the date of receipt of all required documents.
- **Record Keeping:** Maintain a complete record of the claim, including all documents, approvals, and communication.

C. Claims Involving Will

i. Claims Involving Will (Without Dispute)

If the deceased customer has left behind a Will and there is no dispute among the legal heirs or beneficiaries, the Bank may settle the claim based on the Will, subject to the following:

Preferred Documents

- **Probate of Will** issued by a competent court, wherever applicable.
- OR
- **Letter of Administration** granted by a competent authority.

Discretionary Settlement Without Probate

The Bank may, at its discretion, act upon the Will without insisting on probate, provided:

- The Will is **genuine, legally valid, and consistent with applicable laws.**
- There is **no dispute** among legal heirs or beneficiaries.
- The Bank is satisfied with the **authenticity of the Will.**

Additional Documents Required

- **Indemnity Bond (Annex I-C)** from the claimant(s).
- **Letter of Disclaimer/No Objection (Annex I-D)** from non-claimant legal heirs.



ii. Claims Involving Will (With Dispute)

If there is a dispute among legal heirs or beneficiaries named in the Will, or if multiple Wills exist, the Bank shall not act on the Will without legal validation. In such cases, settlement shall be made only on the basis of:

- **Probate of Will**
- **Succession Certificate**
- **Letter of Administration**
- **Court Order or Decree**

The Bank shall not entertain the claim until the dispute is resolved and a valid legal document is produced. During this period, the claim shall be kept on hold and the claimant(s) shall be informed accordingly.

3. Other Provisions Related to Settlement of Death Claims

A. Premature Withdrawal of Term Deposits

In the event of the death of a depositor, the Bank shall allow **premature closure of term deposits without levying any penal charges**, even if the deposit is within the lock-in period. This provision applies to both individual and joint term deposits.

- For **individual term deposits**, the nominee(s) or legal heir(s) may request premature withdrawal, and the Bank shall process the same without penalty.
- For **joint term deposits**, the following conditions apply:
 - If the account is styled with a **survivorship clause**, and a **specific mandate** has been provided by all depositors at the time of opening or during the tenure of the deposit, the surviving depositor(s) may request premature withdrawal without requiring consent from the legal heirs of the deceased.
 - If no such mandate exists, the Bank shall obtain **written consent** from the surviving depositor(s) and the legal heir(s) of the deceased joint holder before allowing premature withdrawal.



This ensures that the funds are made available to the rightful claimants without delay or financial loss.

B. Treatment of Credits Received Post Settlement

Once the deposit account/s of a deceased customer has been settled and closed, any **subsequent credit** received in the name of the deceased shall be **returned to the remitter** with the remark **“Account holder deceased”**.

- The Bank shall not accept or retain such credits.
- The nominee(s), survivor(s), or legal heir(s) shall be **intimated in writing** about the return of such funds.
- **This provision ensures that no transactions are processed in the name of a deceased customer post-settlement, maintaining the integrity of the account closure.**

D. Settlement of Claims in Respect of Missing Persons:

In cases where a customer is reported **missing**, the Bank shall treat the claim as equivalent to a death claim only upon receipt of a **court order** declaring the civil death of the individual under Sections 110 or 111 of the Bharatiya Sakshya Adhiniyam, 2023.

However, to avoid undue hardship to claimants in cases where the **aggregate claim amount is Rs.1 lakh or less**, the Bank may accept the following documents **in lieu of a death certificate or court order**:

- **First Information Report (FIR)** filed with the police.
- **Non-traceable report** issued by the police authorities confirming that the person is missing and untraceable.

Upon receipt of these documents, the Bank shall follow the simplified procedure for settlement of claims, similar to that applicable in cases of deceased customers. This provision ensures compassionate handling of sensitive cases involving missing persons, especially where the financial impact is minimal.



PART B: SAFE DEPOSIT LOCKERS & ARTICLES IN SAFE CUSTODY

1. Claims with Nomination or Survivorship Clause

When a customer who has hired a safe deposit locker or placed articles in safe custody with the Bank passes away, and a valid nomination or survivorship clause is registered, the Bank shall follow a simplified and expedited procedure to allow access and removal of contents by the rightful claimant(s). This ensures timely settlement while protecting the interests of legal heirs.

Access and Removal:

- **In case of Sole Locker Hirer:** The nominee(s) named in the nomination form shall be granted access to the locker and permitted to remove its contents.
- **In case of Joint Locker Hirers (Joint Operation Mandate):** Upon the death of one hirer, access shall be granted jointly to the **survivor(s)** and the **nominee(s)**.
- **In case of Joint Locker Hirers with Survivorship Clause:** Access shall be granted to the **survivor(s)** as per the mandate (e.g., “either or survivor”, “former or survivor”, etc.).

The nominee’s right arises only after the death of all hirers.

Documents Required:

Before granting access, the Bank shall obtain the following documents:

- **Claim Form (Annex I-A):** Duly filled and signed by the nominee(s)/survivor(s).
- **Death Certificate:** Original for verification and copy for record.
- **Officially Valid Document (OVD):** For identity and address verification of the nominee(s)/survivor(s).

Procedure for Inventory and Settlement:

- **Verification of Identity and Death Status:** The Bank shall exercise due care in verifying:
 - The identity of the nominee(s)/survivor(s).



- The death status of the locker hirer(s) through appropriate documentation.
- **Check for Legal Restrictions:** The Bank must ensure that there is **no restraining order from any court or authorities** prohibiting access to the locker or removal of its contents.
- **Disclosure to nominee(s)/survivor(s):** The nominee(s)/survivor(s) shall be informed in writing that they are receiving access to the locker as **trustee(s) of the legal heirs**, and such access does not affect the rights of other legal heirs.
- **Inventory of Locker Contents:** The Bank shall fix a date and time for inventory in writing and conduct the inventory in the presence of:
 - The nominee(s)/survivor(s) or their authorized representatives.
 - **Two independent witnesses** (not employees or ex-employees of the Bank).
 - **The safe deposit vault custodian.**
 - **Another Bank employee not associated with locker operations.**
 - The inventory shall be recorded using **Annex I-F** (Inventory Form).
- **Acknowledgement and Handover:** After inventory, the contents shall be handed over to the nominee(s)/survivor(s), and an **acknowledgement** shall be obtained confirming:
 - Receipt of all contents.
 - That the locker is now empty.
 - No objection to re-allotment of the locker to another customer.
- **No Requirement of Legal Documents or Indemnity:** The Bank shall **not insist on Succession Certificate, Probate, Letter of Administration, or Indemnity Bond**, unless:
 - There is a discrepancy in the nomination.
 - There is a legal dispute or restraining order.

2. Claims Without Nomination or Survivorship Clause

A. Simplified Procedure (*No Will, No Dispute, Claimants in Agreement*)



In cases where the deceased locker hirer or safe custody customer has not registered a nomination or survivorship clause, and there is no Will or dispute among legal heirs, the Bank shall adopt a simplified procedure to facilitate access and settlement.

Eligibility Criteria:

- No nomination or survivorship clause registered.
- No Will left behind by the deceased.
- No dispute among legal heirs or claimants.
- No restraining court order.

Documents Required:

- **Claim Form (Annex I-B):** Duly filled and signed by the claimant(s).
- **Death Certificate:** Original for verification and copy for record.
- **Officially Valid Document (OVD):** For identity and address verification of claimant(s).
- **Letter of Disclaimer/No Objection (Annex I-D):** From non-claimant legal heirs.
- **Legal Heir Certificate** issued by a competent authority,
OR

Affidavit/Declaration (Annex I-E) preferably a shareholder or an independent person well known to the family, not a party to the claim, and acceptable to the Bank.

Procedure:

- **Verification of Documents:** The branch shall verify all submitted documents, ensuring completeness and authenticity.
- **Fixing Inventory Date:** Upon satisfactory verification, the Bank shall correspond with the claimant(s) and fix a date and time for conducting an inventory of the locker or safe custody articles.
- **Inventory Process:** The inventory shall be conducted in the presence of:
 - Claimant(s) or their authorized representatives.
 - **Two independent witnesses** (not employees or ex-employees of the Bank).



- **Vault custodian.**
- **Another Bank employee not associated with locker operations.**

The inventory shall be recorded using **Annex I-F** (for lockers) or **Annex I-G** (for safe custody articles).

- **Valuation of Contents:** An **independent valuer** shall assess the value of the contents, and the valuation shall be recorded in the **Bond of Indemnity (Annex I-H)**.
- **Indemnity Bond Execution:** The claimant(s) shall execute the **Bond of Indemnity (Annex I-H)** before removal of contents.
- **Handover and Acknowledgement:** The contents shall be handed over to the claimant(s), and an **acknowledgement** shall be obtained confirming:
 - Receipt of all contents.
 - That the locker/safe custody is now empty.
 - No objection to re-allotment of the locker.

B. Claims Involving Will or Dispute

In cases where the deceased has left behind a Will or there is a dispute among legal heirs or claimants, the Bank shall follow a legally rigorous process to ensure proper settlement.

Documents Required:

- Claim Form (Annex I-B)
- Death Certificate
- OVD of claimant(s)
- **Letter of Disclaimer/No Objection (Annex I-D):** From non-claimant legal heirs. (*only in case of Claims involving 'Will' without any dispute*)
- **Legal Heir Certificate** issued by a competent authority,
OR

Affidavit/Declaration (Annex I-E) preferably a shareholder or an independent person well known to the family, not a party to the claim, and acceptable to the Bank. (*only in case of Claims involving 'Will' without any dispute*)

- Probate, wherever applicable or Succession Certificate or Court Order



- In cases where a person other than a legal heir is named as a beneficiary in the Will, applicable documents shall also be obtained from her/ him.

Procedure

- **Verification of Legal Documents:** The branch shall verify the authenticity and validity of the legal documents submitted.
- **Inventory and Handover:** The Bank shall follow the same inventory procedure as outlined in the simplified process, using **Annex I-F** or **Annex I-G**, and conduct the inventory in the presence of all required parties.
- **Handover and Acknowledgement:** The contents shall be handed over to the claimant(s) as per the legal document, and an acknowledgement shall be obtained.

3. Safe Custody Articles

Safe custody services involve the Bank holding sealed packets, documents, valuables, or other items on behalf of customers. Upon the death of a customer who has availed this facility, the Bank shall follow a structured and secure process to return the articles to the rightful claimant(s), ensuring legal compliance and safeguarding the interests of all stakeholders.

Applicability: This procedure applies to:

- Articles placed in safe custody by individual or joint customers.
- Cases where nomination or survivorship clause is registered.
- Cases without nomination or survivorship clause, including those involving Will or disputes.

Procedure prescribed for Safe Deposit Lockers Settlement shall be followed mutatis mutandis for return of articles kept by the deceased customer in the safe custody of the bank. However, the Inventory Form and Acknowledgement given in Annex I-G shall be used.



PART C: OPERATIONAL GUIDELINES

1. Submission and Tracking:

To ensure transparency, accessibility, and timely resolution of death claims, the Bank shall implement a streamlined process for submission, acknowledgment, and tracking of claims across all branches and digital platforms.

A. Submission of Claims

- **Multi-Branch Acceptance:** Claimants may submit death claim applications at **any branch** of Bassein Catholic Co-operative Bank Ltd., regardless of the location of the deceased customer's account, locker, or safe custody articles. The receiving branch shall be responsible for initiating and coordinating the claim settlement process.
- **Claim Form and Documentation:** The claimant(s) shall be required to submit the prescribed **Claim Form** (Annex I-A or I-B, as applicable) along with supporting documents such as:
 - Death Certificate
 - Officially Valid Document (OVD) for identity and address
 - Legal representation documents (if applicable)
 - Indemnity and No Objection Letters (as per claim type)
- **Acknowledgment of Claim Submission:** Upon receipt of the claim and initial documents, the branch shall issue a **written acknowledgment** to the claimant(s), confirming:
 - Receipt of the claim application
 - List of documents submitted
 - List of pending or incomplete documents, if any

B. Confirmation of Document Completion

- **Verification of Completeness:** Once all required documents are submitted and verified to the Bank's satisfaction, the branch shall issue a **confirmation letter** to the claimant(s), stating that:



- All necessary documents have been received
- The claim is now under processing
- The expected timeline for settlement (within 15 calendar days)
- **Pending Document Communication:** If any document is incomplete, incorrect, or missing, the branch shall inform the claimant(s) in writing, specifying:
 - The nature of the deficiency
 - The required corrective action
 - The impact on processing timelines

C. Online Claim Submission and Tracking

- **Digital Submission Facility:** The Bank shall provide a facility on its official website or mobile banking platform for **online submission of death claims**, allowing claimants to:
 - Upload claim forms and supporting documents
 - Receive digital acknowledgment and confirmation
 - Track the status of their claim in real-time
- **Branch Verification of Originals:** If the Bank requires physical verification of original documents, the claimant(s) shall be permitted to present them at **any branch**, regardless of where the claim was submitted, the branch verifying the originals to affix stamp “Verified with Originals” alongwith its Employee code..
- **Status Updates and Notifications:** The Bank shall ensure that claimants receive timely updates on the progress of their claim via:
 - SMS or email notifications
 - Online dashboard or tracking portal

D. Record Maintenance and Monitoring

- Each branch shall maintain a **register of death claims**, recording:
 - Date of receipt



- Type of claim (deposit, locker, safe custody)
- Status of documentation
- Date of settlement or rejection
- Claims pending beyond the prescribed timeline shall be escalated to the **Customer Service Committee of the Board** for review and resolution.

2. Timeframe

- **Deposit Accounts:** Bank shall settle a claim in respect of deposit accounts of a deceased customer within a period not exceeding 15 calendar days from the date of receipt of all the required documents associated with the claim.
- **Lockers/Safe Custody:** In case of safe deposit locker/ articles in safe custody, the bank shall, within 15 calendar days of receipt of all the required documents, process the claim and communicate with the claimant(s) for fixing the date for making inventory of the locker/ articles in safe custody.

3. Compensation for Delay

- **Deposit Claims:** If any deposit related claim is not settled within the timeframe prescribed above, then the bank shall communicate the reasons for such delay to the claimant(s). Further, in cases of delay attributable to the bank, compensation shall be paid by the bank in the form of interest, at a rate not less than the prevailing Bank Rate + 4% per annum, on the settlement amount due for the period of delay. The reference date for reckoning the amount due and the prevailing Bank Rate shall be the date of receipt of all required documents from the claimant.
- **Locker/Safe Custody:** For claims related to safe deposit locker/ articles in safe custody, the bank shall be required to pay compensation to the claimant(s) at the rate of Rs.5,000 for each day of delay, in cases where it doesn't adhere to the timeline prescribed herein above.

4. Settlement of Claims in Deposit Accounts of Sole Proprietary Concerns

Nomination facility is also available in respect of deposits held in the name of a sole proprietary concern. Accordingly, a bank shall follow the procedure for settlement of claims in respect of



such accounts as has been prescribed above for the accounts with/ without nominee/ survivorship clause, as applicable.

Further, in accordance with RBI's Master Directions and the Bank's internal policies, the Bank shall **pay interest on the closing balance of the current account held in the name of the sole proprietary concern**, at the rate applicable to savings deposits, **from the date of death of the proprietor until the date of settlement of the claim.**

5. Certification of Foreign Death Documents

In cases where the death of a customer has occurred outside India, and the death certificate or equivalent proof of death is issued by a foreign authority, the Bank must ensure that such documents are properly authenticated before processing any claim. To maintain legal integrity and prevent fraudulent claims, the Bank shall accept foreign-issued death documents only if they are certified through one of the following recognized modes:

Accepted Modes of Certification

1. **Certification by Overseas Branches of Scheduled Commercial Banks Registered in India:** If the document is certified by an authorized official of an Indian bank's overseas branch, it shall be considered valid. The certification must clearly state the authenticity of the document and the identity of the deceased.
2. **Certification by Correspondent Banks Abroad:** If the foreign death certificate is authenticated by a branch of an overseas bank that has a correspondent banking relationship with an Indian banks, it shall be accepted. The correspondent bank must be recognized and the certification must be verifiable.
3. **Attestation by a Court Magistrate, Judge, or Notary Public:** The document may be certified by a judicial authority or a notary public in the country of issuance. The attestation must be official and bear the seal and signature of the certifying authority.
4. **Consularisation by Indian Embassy or Consulate General:** The document may be consularised by the Indian Embassy or Consulate General in the country where the death occurred. This involves the Indian diplomatic mission verifying and endorsing the authenticity of the foreign-issued death certificate.
5. **Apostille Certification:** If the country where the death occurred is a signatory to the **Hague Apostille Convention**, the death certificate may be apostilled. In India, apostille



services are provided by the **Ministry of External Affairs (MEA)**. Apostilled documents are internationally recognized and do not require further legalization.

6. Public Awareness

Display of SOP and Claim Forms

- The Bank shall prominently display the Standard Operating Procedure (SOP) for settlement of death claims at all branches and extension counters.
- The SOP, along with downloadable claim forms (Annex I-A to I-H), shall be made available on the Bank's official website for easy access by customers and claimants.
- A dedicated section titled "Settlement of Deceased Claims" shall be created on the website, outlining the step-by-step process, required documents, timelines, and contact details for assistance.

Promote nomination and survivorship clause benefits.

- The Bank shall actively promote the importance of registering nominations and opting for survivorship clauses in deposit accounts, lockers, and safe custody services.
- Awareness campaigns shall be conducted through:
 - Posters and brochures at branch premises
 - SMS/email alerts to customers
 - Social media and digital outreach
 - Inclusion of nomination prompts in account opening forms and locker agreements
- Staff shall be trained to educate customers during account opening and locker allotment about the legal and operational advantages of having a valid nomination or survivorship mandate.



PART D: Delegation of Authority & Settlement of Death Claims

All death claims in respect of **deposit accounts, safe deposit lockers, and articles in safe custody** where:

- A **valid nomination** is registered, or
- The account or locker is held under a **survivorship clause** (e.g., “either or survivor”, “former or survivor”, “anyone or survivor”),

shall be **settled at the branch level** by the concerned Branch Manager or designated officer, subject to verification of:

- Death certificate of the deceased customer,
- Identity and address proof of the nominee(s)/survivor(s),
- Duly filled claim form (Annex I-A),
- Absence of any restraining court order or dispute.

No legal representation (Succession Certificate, Probate, etc.) or indemnity/surety bond shall be insisted upon in such cases, and the settlement shall be treated as a valid discharge of the Bank’s liability.

For **all other claims**, including those:

- Without nomination or survivorship clause,
- Involving legal heirs,
- Based on Will or involving disputes,

the settlement shall be processed **as per the Delegation of Powers Circular** issued by the Head Office. The approving authority shall be determined based on the **claim amount**, as per the following matrix:

Designation	Claim Amount Limit
Branch Head (All Branches upto AGM)	Up to Rs.5,00,000



Designation	Claim Amount Limit
Deputy General Manager (DGM)	Up to Rs.10,00,000
General Manager (GM)	Up to Rs.15,00,000
Chief Executive Officer (CEO)	Up to Rs.25,00,000
Board of Directors	Above Rs.25,00,000

All claims falling under the approval authority of **Deputy General Manager (DGM) and above** shall be forwarded to the **Legal Department** for scrutiny and **further processing**. The Legal Department shall:

- **Scrutinize the documents** submitted by the branch,
- **Advise on the validity and completeness** of the claim,
- provide its **recommendation** before the claim is placed before the designated sanctioning authority.

All correspondence with the claimant(s), including document collection, clarification, and communication of status, shall be handled **exclusively by the branch**. The Legal Department shall not engage directly with customers.

Branches shall **not forward any claim to the Head Office** unless:

- All prescribed forms are duly filled,
- All supporting documents are verified from originals,
- The claim file is complete in all respects.

Incomplete claims shall be returned to the branch for rectification, and the timeline for settlement shall commence only upon receipt of complete documentation from the customer.

Death Claim Monitoring and Reporting:

Each branch shall maintain a **digital or physical database** of all death claims processed, including:

- Date of receipt,
- Date of death,



- Name of the claimant,
- Type of account(s) involved,
- Claim amount,
- Status of settlement,
- Date of Settlement,
- Reasons for delay, if any.

This database shall be **reported quarterly** to the **Customer Service Committee of the Board**, along with:

- Summary of claims settled,
- Claims pending beyond the prescribed timeline,
- Specific reasons for delay in each case.

No Partial Settlement of Death Claims:

Partial settlement of death claims is strictly prohibited.

Upon receipt of intimation of death of a customer, the branch shall:

- **Freeze operations** in all deposit accounts held by the deceased, including joint accounts (unless survivorship clause applies).
- **Allow credits** such as interest, inward remittances, or refunds, but **no debits or withdrawals** shall be permitted until the claim is settled.
- **Process the claim for all accounts simultaneously.** The branch shall not settle one account and keep others open under any circumstance.

Accounts with Loans or Guarantees:

In cases where the deceased customer has outstanding liabilities or is a guarantor:

1. Loan Accounts Held by the Deceased

- Legal heirs shall be required to **close or take over the loan** before the death claim is settled.
- The branch shall obtain written confirmation of the arrangement and ensure the liability is addressed.

2. Guarantor to Third-Party Loans



- If the deceased was a guarantor, the borrower shall be asked to **arrange a replacement guarantor**.
 - The branch shall update the guarantee documentation accordingly.
3. **Loan Classified as NPA with Recovery Order**
- If the deceased's loan account is classified as **Non-Performing Asset (NPA)** and a **recovery order** has been obtained, the branch may **hold the death claim settlement**.
 - The claimant(s) shall be **informed in writing** of the reason for holding the claim and the legal implications.

Confidentiality in Disclosure of Account Information

The Bank shall maintain strict confidentiality while processing death claims. Information regarding the accounts of the deceased customer shall be disclosed only to the claimant or nominee in respect of the specific account(s) for which they have lodged a claim or are registered as nominee(s). Under no circumstances shall details of other accounts of the deceased be shared with any claimant or nominee who is not entitled to such information.

Each claimant shall receive information only about the account(s) linked to their claim or nomination, and no consolidated account details or unrelated account information shall be provided. This restriction applies to all forms of communication, including verbal, written, and electronic.

Exceptions to this clause shall be made only when there is a statutory order from a competent court or directions from a regulatory authority. In such cases, the Bank shall comply strictly with the provisions of the order or directive and maintain appropriate records of compliance.

