

POLICY ON SETTLEMENT OF CLAIMS IN RESPECT OF DECEASED DEPOSITOR AND MISSING PERSON

To adhere to the instructions of RBI Master Circular RBI/2015-16/5, DCBR.BPD.(PCB).MC.No: 6/13.01.000/2015-16 dated July 1, 2015 on “**Maintenance of Deposit Accounts**” and thereafter circulars and instructions issued by RBI from time to time in this regard, our bank has formulated this policy to facilitate expeditious and hassle free settlement of claims on the death of depositor and missing person.

1) PROCESS:

- **Types of settlement are:**
 - (i) based on Nomination
 - (ii) based on production of Legal Representation (Succession Certificate, Will, Letter of administration etc.) and
 - (iii) settlement in the absence of Nomination or Legal Representation.
- Whenever any branch receives a proper information with supporting documents regarding Death / Missing of an account holder, bank will first freeze the account on “**NO DEBIT**” status and the claimant / nominee / survivor(s) will be advised for further proceedings by providing them a Claim Application Form (Varsai Arji) and the details of required attachments.
- The entirety of the process will be completed ordinarily within 15 business days from the date of receipt of all the required documents and payments will be proceeds through bank transfer / RTGS / NEFT / Banker’s cheque / Demand draft in favour of nominee /claimant / survivor(s) as per details provided in the Claim Application Form.
- In the case of a joint account, the nominee’s right arises only after the death of all account holders.
- Payments to Nominee / Survivor(s) can only be stopped by producing a valid Court Order.
- Payment/delivery is subject to there being
 - (i) No order from a competent court restraining the Bank and/or
 - (ii) The Bank not being in receipt of any contrary claim from any person, in which cases, the account/articles would be placed/remain in no-debit/frozen status.

All of the foregoing applies also to articles and valuables in lockers and/or safe custody with the Bank.

2) DEPOSIT ACCOUNTS (SB / CA / TERM DEPOSITS)

2.1 Individuals / Sole Proprietorship

2.1.1 *Accounts with Nomination*

Payment of balance in the account of the deceased be made to the nominee and the account will be closed on receipt of the documents from the nominee, as listed below:

- Claim Application form [Vaarsai Arjee] with complete details from nominee.
- Certified true copy of Death Certificate (with the Bank having seen the original of the Death Certificate and returning the same to the nominee)
- KYC proof and a passport size photograph of the nominee.

2.1.2 Accounts without Nomination

A. If the balance amount is less than Rs. 2,50,000/- the amount will be released to the claimant(s) after receiving of the documents as listed below :

- Claim application form with complete details.
- Certified true copy of Death Certificate (with the Bank having seen the original of the Death Certificate and returning the same to the Claimant(s))
- KYC proof and a passport size photograph of the Claimant(s)
- Notarized Letter of Indemnity-cum-Affidavit executed by legal heirs **(as per Annexure - B)**

B. For balances in excess of Rs. 2,50,000/- the amount will be released to the claimant(s) after receiving of the documents as listed below :

- Claim application form with complete details.
- Certified true copy of Death Certificate (with the Bank having seen the original of the Death Certificate and returning the same to the Claimant(s))
- Copy of will to corroborate the claim, if available **OR**
- Legal representation in the form of legal heir certificate / probate / letter of administration/ succession certificate in favour of the Claimant(s)
- KYC proof and a passport size photograph of the Claimant(s)
- No Objection certificate from other legal heirs in case the amount is being released in favour of one Claimant

2.2 Joint Accounts

2.2.1 Accounts with Nomination

A. In case of death of both/all the joint account holders, the nominee will be paid by the bank on receipt of the documents from the nominee, as listed below:

- Claim application form with complete details.
- Certified true copy of Death Certificate(s) (with the Bank having seen the original(s) of the Death Certificate(s) and returning the same to the nominee)
- KYC proof and a passport size photograph of the nominee

B. In case of death of one/some of the joint account holders, the balance will be paid jointly to the legal heirs (or any of them as mandated by all the legal heirs), and to the survivors, against a joint claim, on verification of the authority of the legal heir(s) and proof of the death of the deceased, on receipt of the documents, as listed below:

- Claim application form with complete details.
- Certified true copy of Death Certificate(s) (with the Bank having seen the original of the Death Certificate(s) and returning the same to the Claimants)
- KYC proof and a passport size photograph of the Claimants
- Notarized Letter of Indemnity-cum-Affidavit executed by legal heirs **(as per Annexure - B)**

2.2.2 Accounts without Nomination

A. In the case of death of both/all the joint account holders, the balance will be paid to the legal heirs (or any of them as mandated by all the legal heirs), on verification of the authority of the legal heir(s) and proof of the death of the deceased, with the receipt of the documents as listed below:

| | |
|---|-------------------------------------|
| Where balance amount is less than Rs. 2,50,000/- | Documents as listed in para 2.1.2 A |
| Where balance amount is in excess of Rs. 2,50,000/- | Documents as listed in para 2.1.2 B |

B. One/some of the joint account holders, the balance will be paid jointly to the legal heirs (or any of them as mandated by all the legal heirs), and to the survivors, against a joint claim, and on verification of the authority of the legal heir(s) and proof of the death of the deceased, with the receipt of the documents as listed below:

| | |
|---|-------------------------------------|
| Where balance amount is less than Rs. 2,50,000/- | Documents as listed in para 2.1.2 A |
| Where balance amount is in excess of Rs. 2,50,000/- | Documents as listed in para 2.1.2 B |

2.2.3 Accounts with Either or Survivor/Former or Survivor clause

A. In case of death of both/all of the account holders, the balance may be released in favour of the claimant(s) in the absence of a nomination, with the receipt of the documents as listed below:

| | |
|---|-------------------------------------|
| Where balance amount is less than Rs. 2,50,000/- | Documents as listed in para 2.1.2 A |
| Where balance amount is in excess of Rs. 2,50,000/- | Documents as listed in para 2.1.2 B |

B. Both/all of the account holders, the balance may be released in favour of the nominee, on receipt of the documents from the nominee, as listed below:

- Claim application form with complete details.
- Certified true copy of Death Certificates (with the Bank having seen the originals of the Death Certificates and returning the same to the nominee)
- KYC proof and a passport size photograph of the nominee

C. One of the account holders of a joint account which is held "either or survivor" or "former or survivor", the balance will be released in favour of the survivor(s), with the receipt of the document as listed below:

- Certified true copy of Death Certificate (with the Bank having seen the original of the Death Certificate and returning the same to the Survivor(s))

In the cases of death of joint holder(s) (other than first name holder) of an account, and if the first name holder wish to continue the same account by removing the deceased joint holder(s), in such cases bank will permit for the same on receipt of an application and certified true copy of Death certificate of deceased account holder/s with signature/s of all remaining survivor/s.

2.3 Partnership Accounts

2.3.1 When the partnership is dissolved upon death of a partner, operations in the account have to be stopped and balance is to be paid to the surviving partners on obtaining death certificate and confirmation of legal heir/s of the deceased partner.

2.3.2 When the partnership is not dissolved upon the death of the partner, surviving partners can continue to operate the account on submission of supplementary deed of partnership along with an application and certificate of death.

2.3.3 If there is any dispute among the surviving partners and the legal heir/s of the deceased partner, they should be advised to submit court order in this regard.

2.4 Accounts of Executors (of a Will) /Administrators (Letter of Administration) Death of an executor/administrator

2.4.1 On the death of the Executor, his duties will be vested in the surviving Executor(s).

2.4.2 If he / she was the sole Executor, his / her Executors would carry on the Executorship.

2.4.3 On the death of the only / last Administrator, fresh letters of Administration are required to be taken out and a new account has to be opened by the new Administrator.

2.5 HUF Accounts : Death of Karta

2.5.1 In the event of death of Karta, HUF account may be settled as under:

- A. Obtaining certified true copy of Death Certificate of the Karta (with the Bank having seen the original of the Death Certificate and returning the same to the Claimants), and
- B. Where the HUF continues, obtaining affidavit cum indemnity / revised deed of HUF from surviving members and legal heirs with two guarantors confirming their acceptance to one of the member as new Karta of the said HUF. Bank shall allow the new Karta to continue to operate the existing account on the basis of new KYC documents.
- C. Similar procedure to be followed in cases where HUF account is to be closed and balance in the account will be paid to new Karta.

3) PREMATURE TERMINATION OF TERM DEPOSIT ACCOUNTS:

- Premature termination of deceased term deposit account as per terms of contract will be permitted at the request of nominee as per details mentioned under para no. 2.1 of this policy.
- No penal interest should be charged in case of premature withdrawal of term deposit of deceased sole/ first depositor.

4) TREATMENT OF FLOWS IN THE NAME OF THE DECEASED DEPOSITOR:

Subsequent to payment of the proceeds to the survivor(s)/nominee/legal heir(s), the account would be closed and any further payments would be returned to the remitter and the survivor(s)/nominee/legal heir(s) would be required to approach the remitter to effect the payments.

5) **SAFE DEPOSIT LOCKERS :**

5.1 *Death if individual locker hirer*

5.1.1 *Where the hirer has made nomination:*

If nomination had been made in respect of the safe deposit locker, our bank will release the contents of safe deposit lockers to such nominee after obtaining the documents as listed below:

- Claim application form with complete details.
- Certified true copy of Death Certificate (with the Bank having seen the original of the Death Certificate and returning the same to the Claimant)
- KYC proof and a passport size photograph of the nominee
- Declaration from the nominee that he/she would be receiving the payment from the Bank as a trustee for the legal heirs/beneficiaries of the deceased hirer (**As per Annexure - A**)

5.1.2 *Where the hirer has not made nomination:*

If nomination had not been made in respect of the safe deposit lockers, our bank will release the contents of safe deposit lockers to such Claimant after obtaining the documents as listed below:

- Claim application form with complete details.
- Certified true copy of Death Certificate (with the Bank having seen the original of the Death Certificate and returning the same to the Claimant)
- Copy of will to corroborate the claim, if available, or
- Legal representation in the form of legal heir certificate / probate / letter of administration/ succession certificate in favour of the claimant(s)
- No Objection certificate from other claimant(s) in case the amount / articles is being delivered to one claimant
- KYC proof and a passport size photograph of the Claimant.

5.2 **Locker/safe custody in the name of joint hirers**

5.2.1 Where both/all the hirers have died

A. Lockers with nomination:

In the event of death of both / all the joint hirers of the locker and where such joint hirers have nominated one person to receive the articles lying in the locker on their demise, our bank will release the said articles to the nominee subject to obtaining the documents listed below:

- Claim application form with complete details.
- Certified true copy of Death Certificate (with the Bank having seen the original of the Death Certificate and returning the same to the nominee)
- KYC proof and a passport size photograph of the nominee.
- Declaration from the nominee that he/she would be receiving the payment from the Bank as a trustee for the legal heirs/beneficiaries of the deceased hirer (**As per Annexure - A**)

B. Lockers with no nomination:

In the event of death of both / all the joint hirers of the locker and where such joint hirers have not made any nomination with respect to such safe deposit locker, the Bank may release the contents of the locker to the claimant(s) subject to obtaining the documents listed below:

- Certified true copy of Death Certificates (with the Bank having seen the original of the Death Certificates and returning the same to the Claimant)
- Copy of will to corroborate the claim, if available, or
- Legal representation in the form of legal heir certificate / probate / letter of administration / succession certificate in favour of the Claimant(s)
- No Objection certificate from other legal heirs in case the amount is being released in favour of one Claimant
- KYC proof and a passport size photograph of the Claimant

5.2.2 Death of one of the joint hirers:

In case the locker was hired jointly with the instructions to operate it under **joint signatures**, and the locker hirer(s) nominates any other individual as nominee, in the event of death of any of the locker hirer, the bank shall give access of the locker and the liberty to remove the contents jointly to the **survivor(s)** and **nominee** after preparation of an inventory.

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**", the banks shall follow the **mandate** in the event of death of one or more of the joint locker-hirers. In such cases if surviving hirer(s) wish to continue the hiring of the same locker then bank may allow it on receipt of an application, fresh KYC, Nomination and execution of fresh agreement with signature/s of all surviving hirer/s.

6) SETTLEMENT OF CLAIMS IN RESPECT OF MISSING PERSONS :

The Bank will process the requests for balances, as follows:

Where the balance does not exceed the amount of Rs. 2,50,000/-. The Bank, upon receipt of a claim and after considering the circumstances, may release the balance to the nominee/survivor/legal heir, upon receipt of the following documents, at the minimum:

- Certified copy of a 'First Information Report' (FIR) and non-traceable report from the police authorities; and
- Notarized Letter of Indemnity-cum-Affidavit executed by legal heirs (**As per Annexure - C**)
- Where the balance exceeds the amount of Rs. 2,50,000/-. The Bank, upon receipt of a claim and after considering the circumstances, may release the balance to the nominee/survivor/legal heir, upon receipt of the following documents, at the minimum:
 - Certified copy of a 'First Information Report' (FIR) and non-traceable report from the police authorities; and
 - Certified copy of Order of the Competent Court supporting the presumption of death; and
 - Notarized Letter of Indemnity-cum-Affidavit executed by legal heirs (**As per Annexure - C**)

In all above mentioned cases the Bank may seek further documents if needed in case of uncertainty or suspicious if any.

THE VARACHHA CO-OPERATIVE BANK LTD., SURAT

Web: www.varachhabank.com

Email: info@varachhabank.in

(MULTI STATE)

As a policy matter, we review / revise the policy suitably as and when required or fresh instructions / guidelines are issued by Authorities and or RBI.

The Board of Directors have reviewed this “**Policy on settlement of claims in respect of Deceased Depositor and Missing person**” in the Board Meeting held on Dated 21/05/2024 vide Resolution No. 07.

The Varachha Co-op. Bank Ltd., Surat

General Manager

Chairman



Annexure - A

Declaration from the Nominee - Locker (DECEASED)

[Claim Application form to be used when the locker has nomination]

Date:

To

The Varachha Co-op Bank Ltd.,Surat

Re.: Locker No.: _____

Dear Sirs,

The captioned locker at your branch is in the name(s) of the holder(s) named below:

- 1.
- 2.
- 3.

I advise that the holder(s), died on dated _____.

I, _____ son/daughter/wife of _____ presently residing at _____ state as follows:

- (i) I am the registered nominee to the captioned locker. **AND /OR**
- (ii) I am the person authorized to receive the articles and documents and things in the locker on behalf of Master / Miss _____ who is the nominee in the above locker and is a minor as on the date of this claim.

Please arrange to hand-over the articles and documents and things as inventoried in the locker to me.

There is no order of a court of law or any dispute on account of which the Bank may not do so. I confirm that I receive the aforesaid from the bank in trust for the benefit of the legal heir(s) and beneficiaries of the deceased.

I confirm that I will be responsible to ensure that all of the aforesaid are made available to such persons. Accordingly, I will ensure that the rights that any person has to the articles and documents and things, are not prejudicially affected and I will be solely liable if the rights are so affected.

Yours faithfully,

[Signature of the Declarant]

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(MULTI STATE)

ANNEXURE - B

INDEMNITY BOND [for deceased persons]

(to be executed by all the legal heirs of the deceased on a Non Judicial Stamp Paper of value applicable at the place where the same is executed)

(matter not applicable in a particular case should be struck out and the striking out initialed by all the parties)

This **INDEMNITY BOND** is made and executed as on this day of _____ by:

1. Mr./Mrs. _____ wife/son/daughter Mr./Ms. _____
resident of _____ (hereinafter referred to as "Obligor 1")
2. Mr./Mrs. _____ wife/son/daughter Mr./Ms. _____
resident of _____ (hereinafter referred to as "Obligor 2");
3. Mr./Mrs. _____ wife/son/daughter Mr./Ms. _____
resident of _____ (hereinafter referred to as "Obligor 3");

Obligor 1, Obligor 2 and Obligor 3 are hereinafter collectively referred to as the "Obligors" (which expression shall unless it be repugnant to the meaning or context thereof be deemed to mean and include them and their respective heirs, executors, administrators and legal representatives) of the **First Part**.

IN FAVOUR OF:

THE VARACHHA COOPERATIVE BANK, SURAT

a co-operative bank duly registered under the Gujarat Co-operative Societies Act, 1960 now in force, and carrying on the business of banking (hereinafter called the Obligee/Bank, which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) of the **Second Part**.

WHEREAS:

1. The person(s) stated below, hold the following with you:

| Names | Address | Locker |
|-------|---------|--------|
| | | |
| | | |

2. _____ has/have died on _____, without leaving a will.
3. The following among the Obligors are the surviving legal heir(s) according to the law of intestate succession, applicable to

| Names | Address | Relationship with Deceased |
|-------|---------|----------------------------|
| | | |
| | | |

The following among the Obligors is/are the survivor(s) in the Account/Locker.

THE VARACHHA CO-OPERATIVE BANK LTD., SURAT

Web: www.varachhabank.com

Email: info@varachhabank.in

(MULTI STATE)

4. The Obligors have approached the Bank and have requested the Bank to release the funds and/or articles lying in the Account(s)/Locker of the deceased to _____, without a succession certificate/ letters of administration/probate for the said purpose being furnished.
5. At the request of, and on the basis of the representations and warranties of the Obligors, including that (i) there are no claimants other than those described in paragraph 3, and (ii) that the claimants described in paragraph 3 have commonly agreed to the person named in paragraph 4 receiving the effects of the deceased and have no objection in this regard, and (iii) that there is no dispute or threatened or pending litigation on account of which the Bank may not act as requested, and believing the same to be true, the Bank has agreed to release the aforesaid sum and/or articles as requested without insisting on production of letters of administration/succession certificate/probate from the competent court in India subject to the Obligors executing an indemnity as is herein contained.

NOW, THEREFORE, THIS INDEMNITY BOND WITNESSETH as under:

Further to and in view of the matters described in the foregoing recitals, and in consideration therefore, of the Bank having agreed to the request of the Obligors to

1. Pay the balance standing to the credit of the aforesaid Account(s) of the deceased, and/or
2. Hand over the inventoried articles, effects and things described in the Schedule below, lying in the Locker of the deceased, to _____, without insisting on production of letters of administration/probate/succession certificate from the competent court in India, the Obligors hereby jointly and severally agree and undertake to, and shall indemnify and keep indemnified, saved, defended, harmless the Bank and its employees for all times hereafter against any and all future claims that may be made by any person of whatsoever nature or character or identity, as also any and all costs, damages, expenses, fees or penalties that the Bank and/or its employees may have to bear, suffer, incur, or pay to any person, of whatsoever nature or character or identity, or to any authority constituted under the laws of any state of India including legal costs and lawyers' fees incurred by Bank and/or its employees in its and/or their defence. Without prejudice to the foregoing, the Obligors further jointly and severally confirm that in case any claim is received by the Bank in respect of the amounts and/or the articles, effects and things, then on the written demand of the Bank, and without any protest or demur, the Obligors shall deposit the same with the Bank.

IN WITNESS WHEREOF, the Obligors have signed this Bond at the place and on the day, the month and the year first written above in the presence of the following witnesses:

WITNESSES

OBLIGOR 1

1.

OBLIGOR 2

2.

OBLIGOR 3

ANNEXURE - C

INDEMNITY BOND [for missing persons]

(to be executed by all the legal heirs of the missing person on a Non Judicial Stamp Paper of value applicable at the place where the same is executed)

(matter not applicable in a particular case should be struck out and the striking out initialed by all the parties)

THIS INDEMNITY BOND is made and executed at, on this day of 20 by

1. Mr./Ms. _____ wife/son/daughter Mr./Ms. _____
resident of _____ (hereinafter referred to as "Obligor 1")
2. Mr./Ms. _____ wife/son/daughter Mr./Ms. _____
resident of _____ (hereinafter referred to as "Obligor 2");
3. Mr./Ms. _____ wife/son/daughter Mr./Ms. _____
resident of _____ (hereinafter referred to as "Obligor 3");

Obligor 1, Obligor 2 and Obligor 3 are hereinafter collectively referred to as the "Obligors" (which expression shall unless it be repugnant to the meaning or context thereof be deemed to mean and include them and their respective heirs, executors, administrators and legal representatives) of the **First Part**.

IN FAVOUR OF:

THE VARACHHA COOPERATIVE BANK, SURAT

a co-operative bank duly registered under the Gujarat Co-operative Societies Act, 1960 now in force, and carrying on the business of banking (hereinafter called the Obligee/Bank, which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) of the **Second Part**.

WHEREAS:

1. The person(s) stated below, hold the following with you:

| Names | Address | Locker |
|-------|---------|--------|
| | | |
| | | |

2. _____ has/have not been traceable and hence presumed dead under the provisions of the law, and has left no will.
3. The following among the Obligors are the surviving legal heir(s) according to the law of intestate succession, applicable to :

| Names | Address | Relationship with Deceased |
|-------|---------|----------------------------|
| | | |
| | | |

The following among the Obligors is/are the survivor(s) in the Account/Locker.

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(MULTI STATE)

4. The Obligors have approached the Bank and have requested the Bank to release the funds and/or articles lying in the Account(s)/Locker of the deceased to _____, without a succession certificate/letters of administration/probate for the said purpose being furnished.
5. He request of, and on the basis of the representations and warranties of the Obligors, including that (i) there are no claimants other than those described in paragraph 3, and (ii) that the claimants described in paragraph 3 have commonly agreed to the person named in paragraph 4 receiving the effects of the deceased and have no objection in this regard, and (iii) that there is no dispute or threatened or pending litigation on account of which the Bank may not act as requested, and believing the same to be true, the Bank has agreed to release the aforesaid sum and/or articles as requested without insisting on production of letters of administration/succession certificate/probate from the competent court in India subject to the Obligors executing an indemnity as is herein contained.

NOW, THEREFORE, THIS INDEMNITY BOND WITNESSETH as under:

Further to and in view of the matters described in the foregoing recitals, and in consideration therefore, of the Bank having agreed to the request of the Obligors to

1. Pay the balance standing to the credit of the aforesaid Account(s) of the deceased, and/or
2. Hand over the inventoried articles, effects and things described in the Schedule below, lying in the Locker of the deceased, to _____, without insisting on production of letters of administration/probate/succession certificate from the competent court in India, the Obligors hereby jointly and severally agree and undertake to, and shall indemnify and keep indemnified, saved, defended, harmless the Bank and its employees for all times hereafter against any and all future claims that may be made by any person of whatsoever nature or character or identity, as also any and all costs, damages, expenses, fees or penalties that the Bank and/or its employees may have to bear, suffer, incur, or pay to any person, of whatsoever nature or character or identity, or to any authority constituted under the laws of any state of India including legal costs and lawyers' fees incurred by Bank and/or its employees in its and/or their defence. Without prejudice to the foregoing, the Obligors further jointly and severally confirm that in case any claim is received by the Bank in respect of the amounts and/or the articles, effects and things, then on the written demand of the Bank, and without any protest or demur, the Obligors shall deposit the same with the Bank.

IN WITNESS WHEREOF, the Obligors have signed this Bond at the place and on the day, the month and the year first written above in the presence of the following witnesses:

WITNESSES

OBLIGOR 1

1.

OBLIGOR 2

2.

OBLIGOR 3