

BROAD GUIDELINES FOR SETTLEMENT OF CLAIMS IN RESPECT OF DECEASED DEPOSITORS

The contents of our existing policy for settlement of deceased claim are as under: -

- a. While settling the deceased claim, necessary papers such as death certificate, legalheirship certificate issued by village Sarpanch or Municipal Committee, power of attorney, pass book, cheque books, prescribed application form duly filled in, letter of indemnity from all claimants and two sureties from well known person to the branch, letter of disclaimer in respect of those legal heirs who disclaim the right to property etc. are obtained and placed on Bank records.
- b. In case of payment to more than one legal heir, discharge is taken from each one of them jointly.
- c. Payment is made after proper identification.
- d. In respect of Will, it is being ensured that will is genuine and it is the last will.
- e. The Claim form is to be signed by all the claimants/legal heirs and attested by village Sarpanch or President/members of Municipal committee.
- f. Name and relationship of all legal heirs are filled up/ mentioned properly in the form along with their age to know if any of them is minor.
- g. In case of Will, Bank insists for probate of will or in exceptional cases where Branch Manager is satisfied with claim of beneficiaries, all other legal heirs are asked to support and confirm execution of the will by a suitable declaration duly attested by a Notary Public/Magistrate with no objection for payment of claim amount to beneficiary.
- h. In case all the heirs cannot join in obtaining the payment, they are asked to execute letter of disclaimer or power of attorney in favour of one of the heirs duly stamped and attested by Notary Public or Magistrate.
- i. In case of joint accounts with the clauses of "either or survivor", "Former or survivor" no claim form is insisted and payment is made to surviving depositors as per mandate in account opening form. A letter of request and death certificate in such cases are taken and kept on record from the survivor depositors.
- j. As advised by RBI, Bank is not insisting for succession certificate from the legal heirs of deceased depositors where no rival claims are there & Branch Manager is satisfied with claim by legal heirs. However in settling such claims an indemnity bond from all legal heirs & two sureties of respectable persons is insisted.

- k. In case of accounts having valid nomination, payment is made to the nominee after obtaining declaration & death certificate of deceased.
- l. The claims are settled expeditiously & payment is made to legal heirs /survivors/nominee within a period not exceeding 15 days from the date of receipt of the claim provided all formalities/requirements as above are complied with.
- m. The claims/access to safe deposit lockers of deceased depositors is also being permitted on the same lines as that of deposit accounts.

In reference to the policy of **settlement of claims in respect of deceased depositors-simplification of procedure** issued by RBI Branches have to comply all the point as covered above in addition to the following modifications as suggested by RBI: -

ACCOUNTS WITHOUT THE SURVIVOR/NOMINEE CLAUSE-In case where the deceased depositor had not made any nomination or for the accounts other than those styled as "either or survivor" such as single or jointly operated accounts, branches are advised for adopting simplified procedure for payment to legal heir(s) of the depositor without insisting of succession certificate where no rival claimants are there & Branch is satisfied with the claim by legal heirs, taking suitable indemnity from claimants & two sureties known to Branch to avoid any hardships/inconvenience to common man.

PREMATURE TERMINATION OF TERM DEPOSIT ACCOUNTS- The premature withdrawal of term deposit is permitted which is specified in the account opening form that such premature withdrawal would not attract any penal charges in case of the death of the depositor (account holder) before date of maturity from legal heirs/nominee.

TREATMENT OF FLOWS IN THE NAME OF THE DECEASED DEPOSITOR-In order to avoid hardship to the survivor(s)/nominee of a deposit account, with regard to the treatment of pipeline flows in the name of the deceased account holder, the Branches could be authorized by the survivor(s) /nominee of a deceased account holder to open an account styled as "Estate of Shri_____, the Deceased" where all the pipeline flows in the name of deceased account holder could be allowed to be credited, provided no withdrawals are made.