



Operations Department, World Trade Centre, Cuff Parade, Mumbai.

## Policy on Settlement of Death Claim 2023-24

### 1. Background:

In the course of availing of various Banking services, the customer's money or assets may remain in possession of the Bank. So long as the customer is alive, he/she or his/her authorized representative can claim the moneys or assets back from the Bank giving a valid discharge. However, upon the death of the customer, it is his/her registered nominees/legal heirs who are entitled to receive the moneys or assets remaining in possession of the Bank.

Death of a person is a turbulent period, both mentally and financially, for the members of the bereaved family. Speedy disposal of claim petitions of deceased depositors would be a solace to the legal heirs/nominee/survivor of the deceased depositor. The Bank has adopted the policy of effective and efficient handling of claim petitions by branches while ensuring that the money of deceased depositor is claimed by the proper persons who are entitled thereto.

Providing excellent service to our esteemed customers is the key to success. In addition to providing high quality service to our customers, there is a need to settle the claims of rightful legal heirs/ successors/claimants/ nominees, quickly and as per norms. As service oriented bankers, it becomes our duty to properly guide the registered nominees/legal heirs. Prompt and speedy settlement of claims will facilitate enhancing the image of our bank and strengthen our bond with surviving family members. The claims should be settled in such a way that the bank's interest is not jeopardized. Settlement of claims is an important aspect of the branch operations, hence it needs focused attention.

### 2. Scope of the Policy

The Death Claim Policy shall cover the claim settlement function of all the Domestic Branches/Offices of the Amalgamated Entity. For Foreign Branches/Offices rule of the land exists, hence, claims received at foreign land will be governed as per the laws of the land.

### 3. Objective of the Policy

The main objective of the guidelines for settlement of claims is to ensure that only the rightful claimants (nominees/legal heirs/successors) get the moneys or access to lockers belonging to the deceased individual customer in accordance with law.

#### **4. Methods of Settlement**

A claim on the credit balance or the assets of a customer can be settled in any one of the following ways:

##### **4.1. Payment to Nominee:**

4.1.1. Where there is valid nomination, Bank is fully discharged by making payment to the nominee.

4.1.2. Claims and counter claims by legal heirs and others need not be taken into cognizance unless a Court Order is produced.

4.1.3. Payment to nominee can only be stopped by producing a valid Court order.

4.1.4. Nomination is introduced solely for the purpose of simplifying the procedure for Settlement of claims of deceased depositors and nomination facility does not take away the rights of legal heirs on the estate of deceased. The nominee receives the payment as a trustee of the legal heirs and the latter have the right to claim the amount from him.

4.1.5. **Premature payment of Term Deposits held jointly with Either or Survivor or Former or Survivor mandate to survivor upon death of joint holder:** If joint depositors of term/ fixed deposit with 'Either or Survivor' or 'Former or Survivor' mandate intend to allow premature withdrawal of their deposits by one of the joint depositor/s upon death of the other, provided that a specific joint mandate for the said purpose is given to the Bank.

The instruction in this regard can be obtained from all the joint depositors either at the time of opening of term/ fixed deposit or at any point of time before maturity. This mandate will enable the branches to pay the deposit amount before maturity to surviving depositor/s upon expiry of one of the depositor/s without seeking the concurrence of the legal heirs of the deceased joint depositor/s. Further, such premature withdrawal would not attract any penalty. (*Refer I.C. No. 2884-2021 dated 03.11.2021*).

##### **4.2 Payment to Legal Heirs on production of Legal Representation:**

4.2.1 **Legal representation:** It is a Court Order such as Probated Will, Letter of Administration or Succession Certificate, empowering certain person/s to collect the amounts due to the deceased.

4.2.2 **Probated Will:** It is a copy of the will certified under the seal of the Court of competent jurisdiction confirming that the will has been duly executed and has the force to be acted upon. It is the legal process/court order administering the estate of a deceased person by resolving all claims and distributing the deceased person's property under a valid Will. Bank to act as per the probate/court order.

4.2.3 **Letter of Administration :** Where there is no will or when a person dies leaving a Will without appointing an Executor or if an executor appointed by a Will is legally incapable or refused to act or who has died before the testator or before he has proved the Will, an administrator can be appointed by a Competent Court as distinguished from an executor who can be appointed by a person by his Will or codicil.

**4.2.4 Succession Certificate:** It is a Certificate/order issued by a Court of competent jurisdiction declaring the names of legal heirs of a deceased person and percentage of their share in the property of the deceased. A succession certificate is a document which gives authority to a person named in the document to collect “debts and securities” (i.e. credit balances & transferable securities) due to deceased person.

4.2.4.1. When a Legal Representation/court order is produced, Bank is bound to make payment to the persons mentioned therein as per terms of legal representation. Bank gets valid discharge by making such payments.

4.2.4.2. As per RBI's directives, for claims of deposit balance or any credit balance or any other asset of the deceased irrespective of amount, banks should not insist on Legal Representation.

4.2.4.3. Where all the legal heirs are not joining together for claim or if there is a dispute, then only, Bank should ask for a valid court order.

### **4.3 Payment to Legal Heirs in the absence of Legal Representation**

4.3.1. It involves making payment to the legal heirs when:

- a. The depositor dies intestate (not leaving behind any will)
- b. There is no nomination
- c. There is no Legal Representation/Court order

4.3.2. The branch should settle the claim without insisting on the production of Legal Representation which results into the undue hardship to the claimant provided all legal heirs have joined in the claim (Appendix-B).

4.3.3. The branch manager may consider the claim, where he is fully satisfied, after independent inquiries that all legal heirs/legal representatives have joined the claim and that there are no other claimants to the estate/assets to the deceased.

## **5. Procedure for payment**

### **5.1. Payment to Nominee:**

5.1.1. Documents required/verification of documents to be taken are as below:

- a. Application form (Annexure - I)
- b. Original death Certificate issued by appropriate authority
- c. Verify whether any loan is outstanding in the name of the depositor
- d. Confirm that name appearing in death certificate tallies with AOF
- e. Verify the name of the nominee in nomination form and in the account
- f. Proof of identification of nominee(s) wherever is applicable such as Election ID Card, PAN Card, Aadhaar Card(UID), Passport etc. or any other satisfactory proof of identification acceptable to the Branch.
- g. Procedure prescribed for closing accounts such as surrender of unused cheque leaves, production of original deposit receipts duly discharged by nominee etc. to be followed.

- h. No sanction of higher authorities need to be sought.
  - i. No indemnity Bond or Surety is required.
- 5.1.2. The branch is expected to exercise due care and caution in ascertaining the Identity of nominee(s) and the fact of death of the account holder, through Documentary evidence.
- 5.1.3. If it is required, branch officials may visit the place of the depositors to enquire about the genuineness of claims.
- 5.1.4. Payment is to be made by the Branch Manager to the nominee(s) subject to the foregoing conditions irrespective of the amount standing to the credit of the deceased account holder.
- 5.1.5. Payment should be made to the nominee(s) through “Account Payee only” Pay Order/ Demand Draft after getting a receipt/acknowledgement.

**5.2. Payment to Legal Heirs on production of Legal Representation**

Following procedures are to be adopted while making payment to Legal Heirs:

Verify the original of the legal representation/court order

- a. Satisfy that it is issued by the Court of competent jurisdiction.
- b. Confirm that the Bank Deposit/other properties for which claim is made, are mentioned in the order or in the Schedule
- c. Certified photo-copy of the legal representation should be taken on record along with the application form.
- d. Identify the persons mentioned in the legal representation.
- e. Payment should be made through “Account Payee only” Pay Order/Demand Draft as per the terms of the court order.
- f. No sanction of higher authorities be sought. Only if there is any doubt that need to be got clarified.
- g. No Indemnity Bond or surety is required

**5.3. Payment to Legal Heirs in the absence of Legal Representation**

**5.3.1. Procedure for claim up to and inclusive of Rs.5000/-**

- a. When Branch Manager is fully satisfied about the identity, integrity and bonafides of the claimants after due enquiry, he can settle the claim up to Rs.5000/- without insisting for legal heir certificate, affidavit and Indemnity Bond.
- b. A Declaration to be obtained in **Annexure-X** (To be stamped as an agreement)
- c. Death Certificate issued by appropriate authority (Gram Panchayat/ Municipality/ Corporation as per State Acts)

**5.3.2. For claims above Rs.5000/- and upto & inclusive of Rs. 50,000/-**

- a. Application form (Estate Claim form) (annexed as Annexure-II).
- b. Original death Certificate issued by appropriate authority.
- c. Legal Heir Certificate (not mandatory)

- d. Affidavit stating that the deceased died intestate and there are no other legal heirs other than the one mentioned therein (to be stamped as per local Law). Affidavit to be executed before a Notary/Magistrate/other Officer authorized by State Government (as per **Annexure-VII**).
- e. **If the claim is less than Rs.25000**, then Letter of Indemnity to be obtained executed by all the legal heirs along with two sureties (**Annexure-VI**) instead of Indemnity Bond (Annexure-VIII).
- f. **If the claim is above Rs.25000**, Indemnity Bond to be obtained signed by all legal heirs and two sureties acceptable to the bank. The means of each of the sureties should not be less than the claim amount (credit information to be obtained & credit report to be compiled). Indemnity Bond to be stamped as per the local laws (as per **Annexure-VIII**).

Wherever the claimants are finding it difficult/not able to obtain legal heir certificate from the revenue authorities, the claim can be settled by obtaining the following additional document:

- g. A declaration to be obtained from the respectable person/s well known to the deceased's family and the Bank preferably an existing depositor of the bank, to the effect that the claimants are the only legal heirs of the deceased.(Annexure-IX)(To be stamped as an agreement- Need not be signed before Notary or Magistrate).

### **5.3.3. Claim above Rs.50,000/-**

- a. Application form (Estate Claim form) (annexed as Annexure-II).
- b. Original death Certificate issued by appropriate authority.
- c. Legal Heir Certificate
- d. Affidavit stating that the deceased died intestate and there are no other legal heirs other than the one mentioned therein (to be stamped as per local Law). Affidavit to be executed before a Notary/Magistrate/other Officer authorized by State Government (as per **Annexure-VII**).
- e. Indemnity Bond to be obtained signed by all legal heirs and two sureties acceptable to the Bank. The means of each of the sureties should not be less than the claim amount (credit information to be obtained & credit report to be compiled). Indemnity Bond to be stamped as per the local laws (as per **Annexure-VIII**). (To be executed before a Notary/Magistrate on Non-Judicial Stamp paper).

Wherever the claimants are finding it difficult/not able to obtain legal heir certificate from the revenue authorities, the claim can be settled by obtaining the following additional document:

- f. A declaration to be obtained from the respectable person/s well known to the deceased's family and the Bank preferably an existing depositor of the bank, to the effect that the claimants are the only legal heirs of the deceased.(Annexure-IX)(To be stamped as an agreement- Need not be signed before Notary or Magistrate).

6. Delegated authority is given here below for expeditious settlement of death claim in case of:-

- a) Settlement of Death Claim
- b) Release of Title Deeds of the mortgaged property, Articles kept in Safe Deposit, Securities against the loan.
- c) Claim pertaining to Missing Persons

(Rs.in lakh)

1. Claim on Deposits 2. Claims w.r.t. Securities, articles in safe deposit, lockers. 3. Release of Title Deeds of Property 4. Claim w.r.t Missing Persons	Branch Heads			At Regional Office		At FGM - ZLCC	At Central Office - CAC-III	At Central Office - CAC-I & II
	Br. Mgr. Scale- I, &II	Br.Mgr. Scale- III, &IV,	Br. Mgr. Scale-V & VI	RLCC-I (AGM Headed ROs) [No power to RLCC- II]	RLCC-I (DGM Headed ROs) [No power to RLCC- II]			
<b>Deposits</b>								
On nomination	FP	FP	FP	-	-	-	-	-
On Succession Certificate/ Probate	2.00	FP	FP	FP	FP	-	-	-
On indemnity of claimants and two sureties whose worth is equal to the claim amount	2.00	III- 5.00 IV-10.00	V- 25.00 VI-50.00	100.00	200.00	500.00	FP	FP
<b>Gold Jewelry Or Goods Pledged With The Bank</b>								
On Succession Certificate/ Probate	FP	FP	FP	-	-	-	-	-
On indemnity of claimants and two sureties whose worth is equal to the claim amount	2.00	III-10.00 IV-25.00	V- 50.00 VI-100.00	200.00	500.00	1000.00	FP	FP
<b>For Release of Title Deeds</b>								
On indemnity of claimants and two sureties whose worth is equal to the claim amount/succession certificate	NP	NP	NP	FP	FP	-	-	-
<b>For Access To Lockers</b>								
On nomination	FP	FP	FP	FP	FP	FP	FP	FP
On indemnity of claimants and two sureties whose worth is equal to the claim amount	NP	NP	NP	FP	FP	-	-	-

FP = Full Power; NP = No Power

**NB :**

1. In case of ROs headed by DGM, all death claim proposals will be approved by RLCC-I (Headed by DGM). No power will be with RLCC-II (Headed by AGM).
2. Likewise ROs headed by AGM, all death claim proposals will be approved by RLCC-I (Headed by AGM). No power will be with RLCC-II (Headed by CM).
3. Any deviation in terms & conditions except financial limit to be placed before the next higher authority/ committee with proper justification for consideration & approval.

**7. Release of Assets of Deceased Customer to Legal Heirs/Claimants:-**

7.1 As per directives issued by RBI to apply the same principle of settlement of death claim in respect of release of property documents and other assets of deceased customers like Articles kept in safe custody, securities held against advances after adjustment thereof, etc., Bank has issued guidelines vide I.C. No.6364 dated 08.01.2002 and IC No.8957 dated 13.05.2011 for settlement of such claims.

7.2 In respect of release of mortgaged property documents and other assets of deceased customers like Articles kept in safe custody, securities held against advances after adjustment thereof, etc. Bank has to follow the directives of RBI. Accordingly, in line with RBI directions, Bank has issued guidelines from time to time, to ease-out the process to settle claims expeditiously. Once again while reiterating the need of expeditious settlement of death claims, we give below the Check List of documents to be obtained.

7.1.1 For Release of mortgaged Property Documents to legal heirs	7.1.2 For Handing Over of Articles in Safe Deposit, Securities held against advances to legal heirs **
a) Application for deceased Claim in case of nominee/ Joint account with mandate E or S (Annexure -I )	a) Application form for Deceased Claim
b) Estate Claim Form Annexure-II	b) Estate Claim Form Annexure-II
c) Death Certificate	c) Death Certificate
d) Legal Heir Certificate *	d) Legal Heir Certificate *
e) Title Verification Report from empaneled advocate of the property to be released	e) Valuation of the Article from empanelled valuer (if required).
f) Affidavit/Indemnity & Declaration/ Undertaking Annexure-VII, VIII, & IX	f) Affidavit/Indemnity & Declaration/Undertaking Annexure- VII, VIII, & IX g) .0Agreement to break-open the locker (Annexure -VI.e), Letter of Indemnity (Annexure-VI)
g) Verification of KYC Documents	h) Verification of KYC Documents

h) Compiling Due Diligence Report of claimants/legal heirs (capturing contact details)	i) Compilation of Due Diligence Report (capturing contact details)
i) Obtaining evidence for proof of death in case of death of person in close relation among legal heirs. (Father, mother, spouse, brother, sister etc.)	j) Preparation of Joint Inventory after taking written request from legal heirs after payment of all arrears of Rent ( Annexure-VI.a, VI.b, VI.c &VI.d)
j) Proper Acknowledgement on EM Register towards Release of Document of the legal heirs Or releasing charge with the Registrar as the case may be	k) Drilling open the locker if the locker key is missing
	l) Proper Acknowledgement of hand-over of Articles from Legal Heir of the Deceased

\* Court Order/Probate/succession certificate/letter of administration etc. as the case may be.

\*\* Documents to be collected from the claimant based on nature of claim. However, Field functionaries can seek opinion on the documents obtained, from law officer/empanelled advocate of the Bank.

**7.2 Nomination:** Wherever, nomination is available claim to be settled as per the guidelines in vogue. This will expedite settlement of estate claim like - Deposits, Articles and Securities to the legal heirs in line with the guideline issued by RBI/Department of Financial Services & consequent guidelines of the Bank.

### **7.3 Payment to Nominee:**

7.3.1 Where there is valid nomination, Bank is fully discharged by making payment to the nominee. Claims and counter claims by legal heirs and others need not be taken into cognizance unless a Court Order is produced. Payment to nominee can be stopped by producing a valid Court order. Nomination is introduced solely for the purpose of simplifying the procedure for settlement of claims of deceased depositors and nomination facility does not take away the rights of legal heirs on the estate of deceased. The nominee receives the payment as a trustee of the legal heirs and the latter have the right to claim the amount from him. Bank has issued instruction circular No.02279/2020 dated 26.10.2020.

7.3.2 Bank can avoid any future legal hassle arising out of dispute amongst the legal, successors. Nominee, being a trustee of the deceased depositor's fund is accountable to the legal heirs, thereby absolving bank of any future accountability.

- 7.3.3 Benefits to the customers, in case of nomination, bank can expedite death claim settlement without asking for succession certificate or other legal documents. This minimizes the hardship caused to the family members upon the death of depositor.
- 7.3.4 In the absence of suitable nomination being registered, banks insist upon a Succession Certificate, Letter of Administration or Court Order, etc. for payment of money to the legal heirs. This generally drags the legal heirs into long drawn proceeding in the Courts for claiming the amount which lawfully belongs to them and a major reason for customer inconvenience.

## **8. Settlement of claims in respect of Missing Persons**

- 8.1 In case of persons reported missing, section 108 of the Indian Evidence Act, 1872 provides that presumption of his death can be raised only after a period of **seven years** from the date of his/her being reported missing before the competent Court. If the Court presumes that he/she is dead/missing, and then the claim in respect of a missing person can be settled as is done in case of deceased accounts.
- 8.2 Obtaining Court order regarding presumption of death is time consuming & costly for a customer. As per RBI directives, Banks are required to set the simplified procedure for settlement of claims received from nominee/legal heirs of missing person so as to avoid inconvenience and undue hardship to the customer.
- 8.3. **Where the claim amount involved is not exceeding Rs. 50,000/-, Branches are advised to follow the following procedure:**
- i. Claimant should lodge an FIR in respect of missing person
  - ii. Copy of FIR from the concerned police authorities
  - iii. On completion of 7 years from the date of filing of FIR, obtain a non-traceability certificate from the concerned police authorities where FIR was filed and submit the same along with the claim form.
  - iv. To obtain a copy of Newspaper publication made in respect of the missing person in the local daily, if any
  - v. Affidavit and declaration as per the provisions of settlement of death claim
- 8.4 For amount exceeding Rs. 50,000/-, such claim is to be referred to respective delegated authority covering the above details along with antecedent of missing person for its disposal on case to case basis.
- 8.5 As per guidelines issued by our bank vide I.C.No.8473 dated 29.10.2009 for settlement of death claims received from nominee/legal heirs of missing person, Banks should accept the documents mentioned in the above circular in order to mitigate the hardship faced, by the distressed family members to claim the estate of missing person.

## **9. Settlement of Claims in respect of Safe Deposit Locker**

- 9.1. When the legal heirs of a deceased licensee of a Safe Deposit Locker approach the branch for surrendering the locker, the procedure for settlement of death claim is same as for deposit accounts subject to the following conditions:

- 9.1.1. In addition, if the legal heirs desire their claim to be settled against Letter o Indemnity, branch has to obtain the same in Annexure-VI.
- 9.1.2. Upon receipt of written request from legal heirs and only after payment of all arrears of rent, locker to be opened and joint inventory of the contents to be taken detailing the brief particulars of items and estimated commercial value.
- 9.1.3. Joint inventory in four copies to be signed by two branch officials and all the legal Heir/s present at the time of taking inventory.
- 9.1.4. A copy of the joint inventory may be given to the claimant, after taking letter from them to the effect that all articles are kept back and that the locker is locked by them. (Annexure - VI.a or VI.c as the case may be)
- 9.1.4 The value of the articles may be estimated by the persons who take the joint Inventory provided all legal heirs or their authorized representatives are present and there is no dispute.
- 9.1.5 If there is dispute in value or value of the article is substantial, the assistance of a Goldsmith or approved valuer may be sought provided his fees are deposited in Advance by the legal heirs.
- 9.2 **If locker key is lost/not available** : If the key of the locker is not available with the legal heirs and if they request the branch to drill/break open the locker for preparing the inventory, in addition to collecting all arrears of rent, the cost of drilling/breaking open the locker and repairing the locker should also be deposited by the claimants in advance. An indemnity bond has to be obtained as per “**Annexure-VI.e**”, before drilling/break open. After taking joint inventory, articles along with a copy of inventory to be sealed and kept in safe custody till formalities of delivery of article is completed. The locker after repair can be let out to other customers.
- 9.3 The charges for safe should be recovered from the legal heirs till the time formalities of delivery of article are completed.
- 9.4 The delegated authority for settlement of claim to be decided based on value of the articles.

## 10. **Safe Custody of Article**

- 10.1. The procedure for settlement of claim for the Safe Custody of Articles is same as Safe Deposit Locker.
- 10.2. Joint inventory in four copies to be signed by two branch officials and all the legal heir/s present at the time of taking inventory and two independent witness as per **Annexure - VI.b** in case nomination is there and **Annexure- VI.d** in case nomination is not there.
- 10.3. However in those cases where property documents form part of the estate of deceased customer/account holder i.e. other deposits and security items of the deceased available with the Bank then the settlement of claim shall be made by following the procedure of death claim and the matter shall be placed before the delegated authority.

## **11. Settlement of Claim through legal representation**

In cases where the claimant approaches the Bank for settlement of death claim through legal representation viz. production of succession certificate/probate/ letter of administration, Branches/RO/ZO (as per delegation) will settle the claim at their end after verifying the genuineness of documents produced.

Following procedures are to be adopted while making payment to Legal Heirs:

- a. Verify the original of the legal representation/court order
- b. Satisfy that it is issued by the Court of competent jurisdiction
- c. Confirm that the Bank Deposit is mentioned in the order or in the schedule
- d. Certified photo-copy of the legal representation should be taken on record along with the application form.
- e. Identify the persons mentioned in the legal representation.
- f. Payment should be made through “Account Payee only” Pay Order/Demand Draft as per the terms of the court order.
- g. No sanction of higher authorities or indemnity Bond or surety is required. Permission of higher authorities be sought only if there is any doubt to be got clarified.
- h. No Indemnity Bond or surety is required

## **12. Partnership Accounts**

- 12.1. **When the partnership is dissolved upon death of a partner:** The account operations to be stopped and balance to be paid to the surviving partners along with the legal heirs of the deceased partner. (A letter should be obtained as per Annexure-III).
- 12.2. **When the partnership is not dissolved upon death of the partner:** Surviving partners can continue to operate the account.
- 12.3. If there is any dispute among the surviving partners and the legal heirs of the deceased partner, they should be advised to get a court order.
- 12.4. Generally, it is advisable to stop operations in partnership account when fact of death of a partner is known till documents/proof are produced and legal position is clear. Remaining partners can open a new account and operate this new account.
- 12.5. It is suggested to take opinion of the local Advocate on the matter.

## **13. Time Norms for settlement of claims**

- 13.1. If all the papers submitted are in order and if the claim amount is within the delegated powers of the Branch Manager, the claim should be disposed off within two days at the most.
- 13.2. In case the claim is beyond the powers of the Branch, the proposal to be sent to Regional Office, Through Regional Office, to Field General Manager’s Office and/or through RO

to FGMO to Central Office on the same day and it should be ensured that the approval is received within 15 days.

- 13.3. It should be ensured that no death claim is pending beyond TAT period of 15 days from the date of submission of all the documents. Field functionaries should ensure to provide the list of all necessary documents and formats thereof at one go, so that, the claimant/s is not put to inconvenience by frequently visiting the branch/office for the same work.

#### **14. Interest Payable on Term Deposit in Deceased Depositor's Account:**

- 14.1. In the event of the death of the depositor before the date of maturity of the deposit and amount of the deposit is claimed after the date of maturity, the Bank shall pay interest at the contracted rate till the date of maturity. After date of maturity, interest will be paid at the rate of interest applicable to savings deposit as on the date of payment for the period for which the deposit remained with the Bank beyond the date of maturity.
- 14.2. If the amount of deposit is claimed before the date of maturity, interest at the rate applicable to the period for which the deposit has remained with the bank will be paid without any penalty.
- 14.3. However, in the case of death of the depositor after the date of maturity of the overdue deposit, the bank shall pay interest as per policy on bank deposits.

#### **15. Legal Heirs:**

- 15.1. In the absence of a Common Civil Code, who is legal heir of a deceased person depends upon his/her personal law. A summary of legal heirs/rules of succession in case of Hindus, Muslims, Christians and Parsi's is given in Appendix-A.

#### **16. Pipeline Flows:**

- 16.1 There may be remittances received in the deposit account, after the death of the depositor, known as pipeline flows. In such cases branches are advised to suggest the survivors/nominees of the deceased account holder to give authorization letter in favor of the branch, for adopting any one of the following options:
- a. Authorizing bank to open an account styled as "Estate of Shri ....., the deceased" where all the pipeline flows in the name of the deceased account holder could be allowed to be credited subject to the condition that no withdrawal should be allowed(Annexure-V.a)
  - OR
  - b. Authorizing bank to return the pipeline flows to the remitter, with the remark "Account holder deceased" and to intimate the survivors or nominee accordingly, as per format (Annexure-V)

#### **17. Customer service related Issues:**

- 17.1. The procedure regarding settlement of death claims is simplified. To mitigate the instance of customer complaints through quick settlement of death claims, the following guidelines may be kept in mind:

- 17.1.1. The first and foremost requirement is to be positive and helpful while attending any legal heirs who approach the branch for death case settlement. This is the time, when we can create an embarking positive image of the bank as well as of us that in the time of great difficulty, bank officials are standing with the family members of the deceased.
- 17.1.2 Before attending any queries regarding death case, we should first arrive the amount/value of settlement in all accounts of the deceased.
- 17.1.3. Depending upon the amount, as per our extant guidelines the documents required and delegated authority for the claim to be informed to the legal heirs at their first visit/interaction.
- 17.1.4. All the procedure to be explained properly and format of required documents be handed over in one go.
- 17.1.5. After submission of claim form with relevant documents with due acknowledgement, it should be processed on priority basis. If the claim amount is beyond the delegation of Branch Head, proposals to be submitted to higher office urgently and proper follow up is also required. Further the beneficiary must be informed about the status of claim in case of any procedural delay to avoid the anxiety.
- 17.1.6. Proper record keeping of all the documents is of utmost importance so as to avoid delay in case of change of officials.
- 17.1.7. Operational Mandate and situation (as per Appedix-C), List of Referrals (As per Appendix-D).

## **18. Report:**

- 18.1 Branches are required to submit the statement of death claim at quarterly intervals in March/June/September/December to their Regional Offices within 10 days of the quarterly closing in the format given in Annexure. The Regional Office should submit the consolidated statement in the same format to Central Office by 15<sup>th</sup> of the month following the end of the relevant quarter. **(Annexure-XVI)**

## **19. Branches to take following Precautions:**

- 19.1 Branch should maintain a Claim Register in which serial number, date of receipt of death claim, amount, date of settlement and transaction number should be recorded.
- 19.2. After settlement of the death claim, all claim forms/documents such as heir ship certificate, Indemnity Bond, Affidavit, Declaration, Death Certificate and other Documents along with Account Opening Form to be properly preserved.
- 19.3. When legal heirs approach for any information for approaching court or for claiming against indemnity bond, such information may be given on production of death certificate and letter requesting for such information and after satisfying about bonafides of legal heirs.

## 20. Introduction of New Menu (DCFE) in Finacle

- 20.1. Branches may refer Instruction Circular No. 1765:2019 dated 14.11.2019, wherein Steps to be followed and screen shots of finacle is attached for the ease of operation to the field.
- 20.2. As part of the Government of India’s EASE agenda to provide banking services for the customer convenience, the data on deceased claim settled at branches/Offices is to be captured in system and reported on quarterly basis. In order to facilitate the field functionaries to report data on deceased claim settled for effective monitoring of TAT, a menu “DCFE” has been developed in finacle for the uses of Branches/Offices.

## 21. Introduction of Web Based Portal for expeditious settlement of Death Claims: (Instruction Circular No.2807-2021 dated 28.09.2021) :

A Web Based portal for Death Claim settlement has been developed as per instructions of IBA and Ministry of Finance, initially to cater to Savings/ Current/ Term Deposit accounts of individuals which is a first of its kind in the industry. After successful completion of upload of required documents, the claimant will receive an Application Reference number via email/ SMS. The branch/ RO/ FGMO will also receive email/ SMS simultaneously in respect of the claims lodged in their respective branch for appropriate action at their end and to RO/ FGMO/ CCU for monitoring the progress.

## 22. Review of the Policy:

The policy shall be reviewed annually in tune with the regulatory guidelines / internal requirements or as and when considered necessary. Policy to be modified in tune with regulatory requirements issued from time to time. The Policy on Settlement of Death Claim 2023-24 policy shall be valid up to 31st March, 2024.

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