

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

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| **Settlement of Death Claim –Procedure, Guidelines and List of Documents** |

1. **Background**: 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. As service oriented bankers, it becomes our duty to properly guide the registered nominees/legal heirs.
2. **Coverage** The Death Claim guidelines shall cover the claim settlement function of all the **Domestic Branches/Offices** of the Amalgamated Entity.

1. **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:
   1. **Payment to Nominee:**

* 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.**
  1. **Payment to Legal Heirs on production of Legal Representation:**
* **Legal representation:** It is a Court Order empowering certain person/s to collect the amounts due to the deceased such as Probated Will, Letter of Administration or Succession Certificate.
* **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.
* **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
* **Succession Certificate:** It is a Certificate/order issued by a Court of competent 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.
* 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.
* 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.
* Where all the legal heirs are not joining together for claim or if there is a dispute, then only, Bank should ask for a court order.
  1. **Payment to Legal Heirs in the absence of Legal Representation**
* 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

* 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.
* **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.**

1. **Procedure for payment**
   1. **Payment to Nominee:**
2. Documents required to be taken are as below:
3. Application form
4. Original death Certificate issued by appropriate authority
5. 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.
6. Proof of Address such as Aadhaar Card (UID), Passport, Election ID etc.
   1. **Payment to Legal Heirs on production of Legal Representation**
7. Documents required to be taken are as below:
8. Estate Claim Form
9. Original death Certificate issued by appropriate authority
10. 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.
11. Proof of Address such as Aadhaar Card (UID), Passport, Election ID etc.
12. Certified copy of the legal representation.
    1. **Payment to Legal Heirs in the absence of Legal Representation**
       1. **Procedure for claim up to and inclusive of Rs.5000/‑**
13. Documents required to be taken are as below:
14. Estate Claim Form
15. Original death Certificate issued by appropriate authority
16. 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.
17. Proof of Address such as Aadhaar Card (UID), Passport, Election ID etc.
18. 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.
19. Only a Declaration to be obtained in **Annexure-X** (To be stamped as an agreement)
    * 1. **For claims above Rs.5000/- and upto & inclusive of Rs. 50,000/‑**
20. Documents required to be taken are as below:
21. Estate Claim form
22. Original death Certificate issued by appropriate authority.
23. 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.
24. Proof of Address such as Aadhaar Card (UID), Passport, Election ID etc.
25. Legal Heir Certificate (not mandatory)
26. 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).**
27. Indemnity Bond signed by all legal heirs and two sureties. The means of the sureties should not be less than double 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).**
    * 1. **For Claims above Rs. 50,000/‑**
28. Documents required to be taken are as below:

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 documents:

1. Estate Claim form
2. Original death Certificate issued by appropriate authority.
3. 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.
4. Proof of Address such as Aadhaar Card (UID), Passport, Election ID etc.
5. Affidavit to be executed by all the legal heirs **(Annexure-VII).** (To be executed before a Notary/Magistrate on Non-Judicial Stamp paper).
6. Indemnity Bond to be executed by all the legal heirs along with two sureties having means of not less than double the claim amount **(Annexure-VIII**). (To be executed before a Notary/Magistrate on Non-Judicial Stamp paper).
7. A declaration to be obtained from the respectable person/s well known to the deceased 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).
8. **Action by Branch after submission of documents:**

* If required, Branch officials may visit the place of the depositors to enquire about the genuineness of claims.
* Branch Official would verify the authenticity and genuineness of all the documents.
* Branch Official may ask for additional information/documents that they may deem fit for settlement of the claim
* In case of Nomination, payment would 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.
* Payment would be made to the nominee(s) through “Account Payee only” Pay Order/Demand Draft after getting a receipt.

1. **Settlement of Death Claims (Covid Related): In case of COVID related death claim settlement two additional documents as under are to be provided:**
2. Application Form for COVID
3. COVID Annexure II
4. **Time Norms for settlement of claims:** TAT for settlement of Death Claim is 15 days from the date of submission of all documents.
5. **Legal Heirs:** 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 Parsis is given in Appendix-A**.**

**## To view and download the formats of various type of documents please visit the “Documents List” Tab.**