

# **The Royal Bank of Scotland**

## **Settlement of claims of deceased depositors**

The adoption of the simplified policy on “settlement of claims of deceased depositors” is a reflection of our on-going efforts to provide significant improvement in the quality of customer service provided to survivor(s)/nominee/legal heir(s) of deceased depositors. The policy is based on the recommendations from Reserve Bank of India.

The policy details the process followed by the bank on payment of clear balance to the nominee / claimant / survivor on receiving information on the death of account holder(s).

### **DEPOSIT ACCOUNTS**

#### **1. INDIVIDUAL ACCOUNTS (single ownership accounts)**

##### **1.1 Accounts with Nomination**

Balance outstanding in the account of the deceased will be made to the nominee on submission of his/her identity and proof of death of depositor.

##### **1.2 Accounts without Nomination**

The balance outstanding will be paid to the legal heirs (or any one of them as mandated by all of the legal heirs) on verification of the authority of the legal heirs and proof of death of depositor.

#### **2. EITHER OR SURVIVOR ACCOUNT**

##### **2.1 Accounts with Nomination**

a) In the event of death of one (or more but not all) of the depositors, the balance outstanding will be paid to survivor (s) on verification of proof of death of the depositor.

The account can either be converted to Single Account, Survivor being the sole holder

b) In the event of death of both/all the joint depositors, the balance outstanding will be paid to the nominee on verification of his/her identity and proof of death of depositors.

##### **2.2 Accounts without Nomination**

a) In the event of death of one (or more but not all) of the depositors, the balance outstanding will be paid to survivor on verification of proof of death of the depositor.

b) In the event of death of both/all the joint depositors, the balance outstanding will be paid jointly to the legal heirs (or any one of them as mandated by all the legal heirs) on verification of authority of legal heirs and proof of death of depositors.

#### **3. JOINT ACCOUNT (HELD IN BOTH NAMES)**

##### **3.1 Accounts with Nomination**

a) In the event of death of one (or more but not all) of the joint account holders, the balance outstanding will be paid jointly to survivor(s) and the legal heirs of the deceased joint account holder (or any of them as mandated by all the legal heirs) against their joint claim on verification of the authority of the legal heirs and proof of the death of the depositors.

b) In the event of death of both / all joint account holders, the balance outstanding at the time of death of the depositors will be paid to the nominee on verification of his identity and proof of death of depositors

### 3.2 Accounts without Nomination

a) In the event of death of one (or more but not all) of the joint account holders, the amount outstanding will be paid jointly to survivor(s) and the legal heirs of the deceased account holder (or any one of them as mandated by all the legal heirs) against their joint claim on verification of the authority of legal heirs and proof of death of depositor.

b) In the event of death of both/ all joint account holders, the balance outstanding will be paid jointly to the legal heir(s) of all the deceased depositors (or any of them as mandated by all the legal heirs) on verification of authority of the legal heirs and proof of death of the depositors.

## 4. Settlement of Claims & Operational Instructions – Deposit Accounts

### 4.1 Accounts with Nomination

Account Name	Operational Instructions	Nominee	Situation	What is to be done
A	Self	X	X dies	A can change the nominee
A	Self	X	A dies	X will receive the outstanding
A,B	Either or Survivor	X	A dies	Balance outstanding will be payable to B
A,B	Either or Survivor	X	B dies	Balance outstanding will be payable to A
A,B	Either or Survivor	X	A&B dies	X will receive the outstanding
A,B	Jointly	X	A dies	Payable to B & legal heirs of A jointly
A,B	Jointly	X	B dies	Payable to A & legal heirs of B jointly
A,B	Jointly	X	A&B dies	Payable to X

### 4.2 Accounts without Nomination

Account Name	Operational Instructions	Situation	What is to be done
A	Self	A dies	Outstanding will be payable to the legal heirs or any one of them mandated by all the legal heirs
A,B	Either or Survivor	A dies	Balance outstanding will be payable to B
A,B	Either or Survivor	B dies	Balance outstanding will be payable to A
A,B	Either or Survivor	A&B dies	Jointly payable to legal heirs of A&B (or any of them mandated by all legal heirs)
A,B	Jointly	A dies	Jointly payable to B & to legal heirs of A (or any of them mandated by all legal heirs)
A,B	Jointly	B dies	Jointly payable to A & to legal heirs of B (or any of them mandated by all legal heirs)
A,B	Jointly	A&B dies	Jointly payable to legal heirs of A&B (or any of them mandated by all legal heirs)

**Annexure – 1**

**Application for Deceased Claim**

**(To be used when account has nomination or is a joint account with survivor clause)**

From

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To,  
The Branch Manager,  
..... Bank  
\_\_\_\_\_ Branch

Dear Sir,

**Re: Deceased Account**

**Late Shri/Smt** .....

**Account No (s)** .....

I/We advise, the demise of Shri/Smt. \_\_\_\_\_ on  
\_\_\_\_\_. He/She holds the above account(s) at your branch. The account is in  
the name(s) of :

**A. In case of Nomination**

I, ..... son/daughter of Shri .....  
..... residing at.....  
..... am

(i) the registered nominee in the above account (s)

(ii) the person authorized to receive payment on behalf of Master/ Miss

..... who  
is the nominee in the above account(s) and is a minor as on the date of the  
claim.

Please settle the balance in the account in the name of the nominee. I/We receive the  
payment as trustee(s) of the legal heirs of the deceased.

**B. In the case of joint account**

I/We request you to delete the name of deceased person and continue the account in  
my/our name(s) with same mode of operations.

I/We submit photocopy of the following document(s) together with originals. Please return  
the original to us after verification.

Death Certificate issued by \_\_\_\_\_

Identity proof (required in nomination cases) \_\_\_\_\_

Place:

Date :

Yours faithfully,

{Claimant(s)}

**Annexure – 2**

**Application for deceased claim**

**(To be used for cases other than nomination/joint account with survivor clause)**

From,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To,

The Branch Manager

\_\_\_\_\_ Bank

\_\_\_\_\_ Branch

Dear Sir,

Re: Deceased Account

Late Shri/Smt. ....

Account No (s).....

I/We advise, the demise of Shri/Smt. \_\_\_\_\_ on

\_\_\_\_\_. He/She holds the above account(s) at your branch. The account is in the name(s) of :

I/We lodge my/our claim for the balances with accrued interest lying to the credit of the above named deceased who died in testate. I/We am/are the legal heirs of the above named deceased and lodge my/our claim for payment as per the bank's rules and discretion. The relevant information about the deceased and the legal heirs are as under:

1. Names in full of the parents of the deceased:

Father \_\_\_\_\_

Mother \_\_\_\_\_

2. Religion of the deceased: \_\_\_\_\_

3. Details of living (i) Husband (ii) Wife (iii) Children (iv) Father (v) Mother (vi) Brothers (vii) Sisters (viii) Grand children. If Hindu Joint Family, the name and address of the Kart and Co-parceners with their respective ages.

Full Name/Address Occupation Relationship with Age

Deceased

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

5. \_\_\_\_\_

6. \_\_\_\_\_

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4. Name or names of the Guardian/s

Of the minor, Children of the depositors \_\_\_\_\_

(a) Whether Natural Guardian

(b) Whether Guardian appointed by

Court of Law in India. If so, attach a

Certified copy or duly attested copy

Of such order \_\_\_\_\_

(c) In whose custody the

Minor/Minors is/are?

5. Claimant/s name/s and address in full

(i) \_\_\_\_\_

(ii) \_\_\_\_\_

(iii) \_\_\_\_\_

I/We submit the following documents. Please return the original death certificate to us after verification.

1. Death Certificate (Original + 1 photocopy) issued by
2. Letter of indemnity

We request you to pay the balance amount lying to the credit of the above named deceased to ..... On my/our behalf.

I/We hereby solemnly affirm that the above statements are true and correct to the best of my/our knowledge and belief.

Place :  
Date :

Yours faithfully,  
Signature of Claimant (s)

### Annexure - 3

#### Affidavit cum Indemnity Letter

In respect of payment of balance in deposit accounts / contents of safe deposit locker/ safe custody articles of deceased person;

(To be stamped with the duty payable for affidavit & Indemnity bond)

I/We Mr/Ms/Miss

(name/names of the claimants),

(s/o, w/o, d/o), aged,

address,

do hereby solemnly affirm and state as follows.

1. I/We am/are the legal heirs of Mr/Ms/Miss

(name of deceased account holder) and the deceased is my/our

(father/mother/wife/husband/son/daughter etc.)

2. I/We further state that I/We the following legal heirs are the only legal heirs

entitled to claim the balance deposit/amount /jewels/ ornaments and other

valuables the contents held in the locker/safe custody:-

No.	Name	Age	Relationship to the deceased
1.			
2.			
3.			
4.			
5.			

3. I/We further state that the deceased was holding an account (hereinafter referred to as "the account") (specify the account details) \_\_\_\_\_ in \_\_\_\_\_ branch of \_\_\_\_\_ bank (herein after referred to as "the Bank"). At the time of the death of the deceased the account was having a credit of Rs \_\_\_\_\_ (balance amount in the account) which includes interest upto \_\_\_\_\_ (date of payment) amount to Rs. \_\_\_\_\_ (amount being now paid).

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4. I/We affirm that I/We am/are the sole legal heirs of the deceased who are entitled to receive the amount standing in the credit of the account belonging to the deceased.

5. I/We have requested the bank to make the payment of the amount standing in the credit of the account belonging to the deceased together with interest thereon as applicable to shri/smt \_\_\_\_\_ being one of the legal heirs for and on behalf of all the legal heirs.

OR

I/We have requested the bank to hand-over contents of the safe deposit locker/items held in safe custody to Shri/Smt. \_\_\_\_\_ being one of the legal heirs for and on behalf of all the legal heirs.

6. I/We are aware that the Bank has agreed to settle our claims relying on this affidavit and I/We agree to indemnify the bank in respect of such payment or delivery of the contents of items in safe deposit locker or held in safe custody against any claim made by any person for the amount standing to the credit of the account of the deceased.

7. I/We for ourselves and my/our respective heirs, executors and administrators jointly and severally agree, affirm and undertake that the bank, its successors and assigns and its managers, agents, officers and servants and their respective estates and effects are and shall from time to time and at all times hereafter be kept safe and saved harmless and indemnified for and in respect of such payment and against all actions, losses, cost, charges, expenses and demands whatsoever

in respect of the said payment or delivery of the contents of items in safe deposit locker or held in safe custody.

All the averments made herein before are true and correct and I/We put my/our signature/mark on this \_\_\_\_\_ Day of \_\_\_\_\_ 200\_\_ at \_\_\_\_\_ in the presence of \_\_\_\_\_.

**Signatures(s) of deponents. (claimants)**

**Signature of Witness**

**Affidavit to be attested by Notary Public.**

**Annexure – 4**

**RECEIPT**

Received with thanks from XXX Bank, \_\_\_\_\_ branch,  
a sum of Rs. \_\_\_\_\_  
(Rupees \_\_\_\_\_ only) by Banker's Cheque No.  
\_\_\_\_\_ dated \_\_\_\_\_ in favour of  
\_\_\_\_\_ in  
full and final settlement of my/our claim as successor on the balance in  
\_\_\_\_\_ Account(s) No(s) \_\_\_\_\_ standing in the  
name of the deceased Shri/Smt/Kum.

\_\_\_\_\_ I/We do not  
have any other claim from the Bank henceforth.

Place :

Date :

(Signature of all the legal heirs over a revenue stamp)

**Declaration in case funds are settled in favour of a Minor**

I, \_\_\_\_\_ father and natural guardian of  
\_\_\_\_\_ hereby certify that the proceeds of your Banker's Cheque  
No. \_\_\_\_\_ dated \_\_\_\_\_ favouring  
\_\_\_\_\_ issued by you in settlement of the balance in account  
number \_\_\_\_\_ of Late \_\_\_\_\_ will be utilized  
for the benefit of the minor only.

## Annexure 5

### Provisions of Law regarding Legal heirs

#### Hindu

- If the deceased is a **male Hindu**, dying in testate, it must be ascertained whether there are one or more Class-I legal heirs.

- The following are called Class-I legal heirs: mother, widow, son, daughter, son of a predeceased son, son/daughter of a predeceased daughter, son or daughter or widow of a predeceased son of a predeceased son, widow of a predeceased son, son / daughter of predeceased daughter of predeceased daughter, daughter of predeceased son of a predeceased daughter, daughter of predeceased daughter of predeceased son also. All Class-I legal heirs take simultaneously to the exclusion of any other legal heir and no one takes precedence over the other.

- **The Class-II** legal heirs are classified in different Entries and legal heirs belonging to Entry-I will be preferred to the second entry and so on in succession. But there is no preference among these falling in the same entry and they take their share simultaneously

Entry-I - Father

Entry-II - (a) Son's daughter's son, (b) Son's daughter's daughter (c) Daughter's Daughter's son, (d) Daughter's daughter's daughter (e) brother and sister.

Entry-III- Son/ daughter of daughter's son and son /daughter of daughter's daughter.

Entry -IV - Gives son/daughter of brother or sister as the heirs and many more.

- In case, the deceased is a **married female Hindu**, who died intestate, the following are her legal heirs. (a) Sons & daughters (including the children of any predeceased son) & the husband; (b) Heirs of husband; (c) Mother & Father, (d) Heirs of father; (e) Heirs of Mother.

- If a female Hindu who dies intestate does not have son/daughter, the property inherited from her parents goes to heirs of father whereas if the same is inherited from husband or parents-in-law, heirs of husband will inherit the property.

#### Christian

- Where the deceased is a Christian, Indian Succession Act governs the intestate succession.

- As per the provision of this Act, the widow of the male intestate is entitled to one-third of the property while the remaining two-third goes to lineal descendants (i.e. sons & daughters) in equal shares. If he has none, whole property passes to his widow.

- If the male intestate has left no lineal descendant, one half goes to the widow and other half to the kindred (i.e., father, mother, brother, sister).

- In case a Christian female dies intestate, husband has the same right.

#### Mohammedan

Inheritance in the case of Muslims is governed by the Sunni or shia law depending upon the sect in which they belong to.

According to **Sunni law** the classes of heirs are

**Sharers** --- Heirs by consanguinity

1. Ascendants : Father, True grandfather, Mother, True grandmother

2. Descendants: Daughter, Son's daughter,

3. Collateral : Full/consanguine sister, uterine brother/sister

Heirs by affinity - husband , wife

But these 12 sharers will inherit fixed shares subject to conditions. A sharer may be excluded by many reasons such as nearer in blood will exclude remote one in one class. Sometimes sharer may be converted as residuary or otherwise one sharer may be partly sharer and partly residuary.

#### Residuary category:

After fixed share is allotted to the sharers the residue left is devolving upon the residuary:

Children male or female of deceased, of son of deceased, of father of deceased, male descendants of true grandfather

Son is always a residuary. Daughter with son becomes residuary. Among these, descendants exclude all others. Ascendants exclude all others except descendants and descendants of nearer ascendants exclude those in remote. In each class of residuary nearer blood excludes remote one.

Division among these is according to the rule of double share to the male and if only one sex is there then equally divided.

In the absence of sharers and residuary estate devolves upon his other blood relations i.e., **distant kindred**

According to **Shia law** the heirs are Heirs by consanguinity I (i) Parents

(ii) Children & descendents

II (i) Grand parents (true/false)

(ii) Brother or sister and descendents

III Paternal or maternal uncle of him or his parents and grandparents

Heirs by Marriage : Husband, wife

Heirs by consanguinity and heirs by affinity succeed simultaneously.

Among heirs by consanguinity those in class I exclude those in class II. The heirs in two sections of class I succeeds together. In each section nearer in degree exclude the remote. The son always takes as a residuary.

A certificate from Muslim Jama-I-eth in the letterhead signed by the head of the institution to which the deceased was affiliated should be obtained giving details of legal heirs with their age. In case of male deceased, a categorical certificate to the effect that the deceased had not married any woman other than the one named in the list is to be insisted upon.

### **Minor's Interest and Guardianship**

- Where the legal heir is a minor, his lawful guardian will represent his interest.

- For Hindus and Christians, minor's father is the natural guardian and after him the mother. Regarding the guardianship of a minor (Hindu) it has been decided by the Supreme Court that even mother can be a natural guardian even during the life time of father since the welfare of child is of utmost importance.

- For a minor, who is a Muslim, father, then person appointed by father's will, then father's father and then person appointed by father's father will be guardian in order.

A list of legal heirs under various personal laws is as follows :

#### **i) Hindus**

a) Primary heirs of a Hindu male are:

i. Son(s)

ii. Daughter(s)

iii. Wife

iv. Mother

v. Children of Predeceased children

vi. Widow of predeceased son

vii. Children of predeceased grand children

b) Primary heir(s) of a Hindu female are:

i. Son(s)

ii. Daughter(s)

iii. Husband

iv. Children of predeceased children

#### **ii) Muslims**

a) Primary heirs of a Sunni Muslim are:

i. Son(s)

ii. Daughter(s)

iii. Father

iv. Mother

v. Spouse (Husband/Wife)

b) Primary heirs of a Shia Muslim are:

i. Spouse (Husband/Wife)

ii. Mother

iii. Father

iv. Son(s)

v. Daughter(s)

**iii) Christians**

a) Primary heirs of a Christian are:

i. Spouse (Husband/Wife)

ii. Son(s)

iii. Daughter(s)

**iv) Parsis**

a) Primary heirs of a Parsi male are:

i. Wife (Widow)

ii. Son(s)

iii. Daughter(s)

iv. Mother

v. Father

vi. Children of predeceased children

b) Primary heirs of a Parsi female are:

i. Husband

ii. Son(s)

iii. Daughter(s)

iv. Children of predeceased children

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! RBS is in the process of simplification of banking operations in India. Products and services are being curtailed in a phased manner. To know more on the specific dates for curtailment of services, [click here](#)