

## Content

Title : Mandatory Provisions to be Included in and Prohibitory Provisions of Standard Form Contract for Safe Deposit Box Rental **Ch**

Date : 2005.05.17

Legislative : 1.Promulgated on May 17, 2005

Content : Mandatory Provision to be Included in the Standard Form Contract for Safe Deposit Box Rental

This Contract is entered by and between

Safe Deposit Box Lessee:

Safe Deposit Box Lessor:

Whereas Lessee intends to rent \_\_\_\_ safe deposit boxes in model \_\_\_\_\_ section\_\_\_\_No. \_\_\_\_\_ located at \_\_\_\_\_ (address) from Lessor. The parties hereto agree to abide by the terms and conditions set forth as follows:

1. (Consideration and Payment Method)

Lessee agrees to rent the safe deposit box according to the following conditions:

1.  Rent: NT\$ \_\_\_\_\_, to be paid on  lease start day  lease renewal day (if applicable)  other ( \_\_\_\_\_ ).

2.  Deposit: NT\$ \_\_\_\_\_, to be paid on  lease start day  other ( \_\_\_\_\_ ).

3.  Other ( \_\_\_\_\_ ).

2. (Term of Lease)

The lease of the safe deposit box starts from \_\_\_\_\_ (year) \_\_\_\_\_ (month) (day), for a term of \_\_\_\_\_. The lease may be renewed in the following manner: \_\_\_\_\_.

If Lessor decides not to renew the lease upon expiration, Lessor should notify Lessee in writing \_\_\_\_\_ (time) in advance.

3. (Adjustment, Additional Payment and Refund of Consideration)

The notification of adjustment of consideration at the time of lease renewal, if any, will be carried out in the following manner: If Lessee likes to renew the lease upon expiration and Lessor's rental rate has changed, Lessor should, before the lease expires, notify Lessee in writing of the adjusted rate for the new term and rent due for lease renewal or amount of additional payment or refund for difference in rental deposit, and the deadline for payment or additional payment (at least 30 days).

If Lessor does not deliver a written notice as described in the preceding paragraph, it is deemed that the lease will be renewed under the original terms and conditions. But if the rental rate has been reduced, the new rate will apply.

4. (Scope and Restriction of Box Contents)

Any restriction to the contents of the safe deposit box should be specified: (Items not allowed include: dangerous items, banned or illegal goods, combustible or explosive articles, articles that threaten public

safety or public health, or moist, odorous or easy to rot or decay items, and  others).

Where Lessee breaches the preceding paragraph that results in damage to the safety deposit box or other facilities in the vault, or causes Lessor to become liable for third parties, Lessee shall compensate Lessor for damages incurred thereof.

For the sake of preventing safety hazard or for criminal investigation initiated by judicial or police agencies, Lessor may, without prior notice to Lessee, meet with judicial officials or police to search or seize the contents in Lessee's box according to law. If any of the contents is seized thereof, Lessor should promptly notify Lessee of the situation in writing.

#### 5. (Lessor's Duty of Care)

Lessor shall exercise the duty of care of a good manager with regard to the safety, safeguard and maintenance of safe deposit box and vault as well as box access formalities.

If the safe deposit box and vault provided by Lessor do not meet the basic safety requirements set forth by the competent authority or Lessor's operational formalities for accessing safe deposit box does not follow its established rules and the procedure agreed herein, Lessor shall be deemed to fail in performing the duty of care of a good manager.

#### 6. (Indemnity)

Where Lessee's deposits in the safe deposit box are stolen, lost, destroyed, degenerated, or otherwise damaged as a result of deficiency in the establishment or management of the safe deposit box, the parties agree to handle the situation in the following manner, unless it is otherwise agreed:

(1) If the contents and dollar amount of loss filed by Lessee after damage has occurred do not exceed NT\$ \_\_\_\_\_ (which shall not be less than NT\$50,000), Lessor will compensate Lessee for the amount of loss filed.

(2) If Lessee's claim of loss exceeds the aforementioned amount and Lessor agrees to such an amount, Lessor will compensate Lessee for the amount of loss claimed, up to NT\$ \_\_\_\_\_ (which shall not be less than NT\$500,000).

Lessee is entitled to seek more damages if he/she could prove that the amount of loss he/she has incurred exceeds the amount provided in Subparagraph 2 of the preceding paragraph.

The amounts in Subparagraphs 1 and 2 of Paragraph 1 should be jointly agreed on by Lessee and Lessor, instead of being decided unilaterally by Lessor.

#### 7. (Obligation of Lessee or Heir to Notify)

Where Lessee or his/her heir has any of the following situations, they shall promptly notify Lessor in writing, or via Lessor's automated telephone voice system, hotline or in other agreed manner:

- (1) Loss of key or change of password.
- (2) Change or loss of seal.
- (3) Name change.
- (4) Change of organization name or representative's name in case Lessee is a juristic-person organization.
- (5) Access to safe deposit box to put on hold due to inheritance

proceedings or other material events.

Lessor shall suspend access to safe deposit box after receiving a notice as provided in Subparagraph 1, 2, or 5 of the preceding paragraph and until Lessee or heir has completed the required formalities. Lessor will be held liable for the damages of Lessee or his/her heir resulting from its failure to suspend access to safe deposit box.

Where Lessee or his/her heir fails to notify Lessor in accordance with the provisions in Paragraph 1 hereof, Lessor shall not be held liable for any damages incurred by them thereof.

#### 8. (Non-renewal upon Expiration of Lease)

When the lease expires, Lessee should carry out the formalities of lease renewal or termination at Lessor's business place.

When the lease expires, Lessor may stop Lessee's access to the safe deposit box before Lessee has completed the formalities of lease termination or renewal and paid any rent owed.

If Lessor terminates the lease after the lease has expired, Lessor is subject to rent due from the original expiration date to the date the termination formalities are completed or the date the safe deposit box is forced open.

#### 9. (Procedure for Lease Termination and Refund of Rent)

Lessee may terminate the lease at any time by carrying out the formalities in person or by an authorized agent appointed in writing at Lessor's business place.

When Lessee terminates the lease, the rent will be charged by the month and by days for a partial month, and will be deducted from the rent already paid by Lessee. If there is underpayment of rent, Lessee will pay the shortfall; if there is overpayment, Lessor will refund the excess payment. If Lessee has paid rental deposit at the time the lease is signed, Lessor will refund the rental deposit with no interest accrued when Lessee terminates the lease.

#### 10. (Causes and Method for Forced Opening of Safe Deposit Box)

If Lessee fails to carry out lease renewal in \_\_\_\_ months after the lease has expired and Lessor has sent a notice to the effect, or the lease is terminated but Lessee fails to carry out related formalities during the time period as notified by Lessor, Lessor may request the service of a notary public as provided by law or notify the contact person of Lessee to meet and forcibly open the safe deposit box.

#### 11. (Handling of Contents after Forced Opening of Safe Deposit Box)

After the safe deposit box is forced open, the contents will be handled in the following manner:

1. Lessor will, together with the notary public or contact person mentioned in the preceding article, take inventory of the contents and produce a list, and temporarily pack the contents in a sealed package (with signature or stamp affixed), and immediately notify Lessee to pick up the contents in \_\_\_\_ months (at least six months).

2. Where Lessee fails to pick up the contents within the aforementioned time period and the security deposit or rental deposit paid is insufficient to cover the overdue rent and other damages, Lessor is entitled to sell the contents according to law and use the proceeds to offset the amount owed; if there is any leftover, Lessor will hold it under special deposit for

withdrawal by Lessee, and if there is any shortfall, Lessee is responsible for making it up.

3. Where Lessee fails to pick up his/her contents within the time period provided in Subparagraph 1 hereof and the contents apparently do not have any cash value, Lessee agrees to forfeit his/her ownership of the contents and leave their disposal to the sole discretion of Lessor.

In case the situation in Subparagraph 2 or Subparagraph 3 of the preceding paragraph occurs, Lessor shall notify Lessee of how things have been handled.

12. (Third-Party Compulsory Execution)

Where a third party requests a court order of compulsory execution over Lessee's deposits in the safety deposit box, Lessor should promptly notify Lessor of the situation if it has opened the box under court order.

13. (Service of Documents)

Lessee agrees that the address stated in this lease will be the mailing address for delivery of relevant correspondence. If Lessee or his/her contact person changes address, Lessee should promptly notify Lessor in writing or in another manner as agreed and agree that the changed address shall be the mailing address for delivery of correspondence. If Lessee does not notify Lessor of address change in writing or in another manner as agreed, the address shown in the lease or the address last notified by Lessee will be the address where Lessor sends correspondence. When Lessor sends a notice or document to Lessee, such documents or notices are deemed legally served after normal delivery time.

14. (Counterparts)

This Contract is executed in \_\_\_\_ counterparts. Each party will hold \_\_\_\_ copies for compliance.

Prohibitory Provisions of Standard Form Contract for Safe Deposit Box Rental

1. The contract may not contain any agreement under which Lessee relinquishes the right to a contract review period.
2. The contract may not contain any clause that allows lessor to unilaterally increase the consideration during the term of lease.
3. The contract may not contain any agreement that when the lessor exercises right to offset, the offset would take effect based on the unilateral action of the lessee posting the offset on the account, or any agreement that if the lessee did not pay consideration as agreed, all considerations are deemed due.
4. The contract may not contain any agreement that allows the lessor to charge the lessee damages or penalty that exceeds 10 percent of rent or 10 percent of annual interest on rental deposit.
5. The agreement on the court of jurisdiction for the first instance may not exclude the application of Article 47 of Consumer Protection Law or Article 436-9 of the Code of Civil Procedure on small claim court.
6. The contract may not contain other clauses that violate the mandatory or prohibitory provisions of law, or agreements that are against the principle of good faith or apparently unfair.