

# DORMANT POLICY

Dormant account policy: The policy for a Dormant account has been framed out under the specific guidelines of the Prevention of Money Laundering Act (PMLA) for the safety and security of the investors as well as the financial market.

## 1. Introduction

The Dormant Account Policy lays down the procedure to be followed when instruction for debit/credit or buy/sell is received from an account which is Dormant. This policy gives a full description like the time period and method considered for terming an account Dormant and also various steps required to be adhered to strictly for re-activating such Dormant accounts.

## 2. Definition

An account shall be termed to be Dormant if it is inactive or remains non-operational by its holder at a stretch for a specified period of time. This specific period of time has been defined under the PMLA. Presently, this period is 12 (twelve) calendar months i.e. if an account is inactive for a minimum period of six calendar months, it will be classified as a dormant account.

## 3. Treatment of a Dormant account

All Dormant accounts will be treated in accordance with the policies prescribed under the PMLA. Accordingly, the dormant account will be frozen immediately and the client will not be permitted to undertake any further transaction in such a dormant account. The procedure for a listing of dormant account is run once every month, preferably on the last day of the month.

## 4. Re-activation of a Dormant account

A Dormant account shall be re-activated only after undertaking the proper due-diligence process and fulfilling such conditions as may be deemed fit by the authorized person of the organization. As a practice, on receipt of an instruction from the client of a Dormant account, the authorized person has to appropriately verify the KYC of such clients as well as the authenticity of the instruction. The instruction is to be accepted only on the satisfaction of the above.

The above-stated policy may be modified at any time in accordance with the various rules, regulations, bye-laws, and guidelines that may be prescribed by SEBI, Exchange or any other competent authority or as per the internal policy of the organization from time to time. This policy for the dormant accounts is over and above the transaction monitoring in the dormant accounts as per the Anti-Money laundering policy of the organization.

## INACTIVE ACCOUNT POLICY

Scope: To define procedures to ensure that no unauthorized trades are done in any INACTIVE client account.

Background & Definition: Client Account would be treated as INACTIVE if there is no transaction (trade) in the account for 12 Calendar months from the last trade.

Whenever there is a request for a trade-in INACTIVE account, the client must specifically provide in writing either through his registered Email ID or through a Letter requesting to reactivate the INACTIVE account. The back office executive should also confirm from the Client of any changes in details provided by him in the interim – which should be supported by adequate duly attested documents and the same to be updated in the back office and UCC before the Client is allowed to trade.

Once the account is identified as INACTIVE, any Funds/Securities lying in our account will be returned to the client.