



R.L.P. Securities Private Limited.

Corporate Member – NSE, BSE, MCX, NCDEX.DP - CDSL.
SEBI Regn. NO: INZ000166638.DP : IN-DP-224-2016.



Policy for Inactive Clients

Objective:

The objective of the policy is to prevent the Inactive Client Account being misused by third party and to do proper CDD for reactivation of inactive client.

Client account will be considered as Inactive, wherein no trades have been carried out since last 12 months, across all Exchanges or did not participate in any DP Activity or not updated the KYC during the period of last 12 Months.

The Inactive accounts identified based on the above criteria shall be marked / flagged as “**Inactive**”, in UCC database of all the respective Exchanges And will be deactivated in the CTCL system And Neat terminal, no trading will be permitted for the Client codes marked as “Inactive” in UCC database of the Exchange and any order placed for such Client will be automatically rejected by the Trading system. Such clients would also be marked suspended in the Trading & DP Back office and no DP activities will be allowed.

In case of **Inactive Clients**, even if the client had sent payment or holding stocks in DP Account with POA to Member, the trading system will reject the orders and No claims or damages or Financial Losses or opportunity losses will be entertained, neither RLP nor its employees will be responsible for such claims.

In case the client wishes to recommence the trading activity, the client has to make a request for reactivation of the account. Such reactivation will be done:

- I. After proper Due Diligence (including In Person Verification)
- II. Updating the latest KYC and other details, as required by the Exchanges, SEBI, PMLA and all other statutory bodies from time to time

All such Inactive accounts will be made UCC active and allowed further trading and DP activities, only after fulfilling the CDD and Obtaining Latest KYC details and uploading the correct status of the client code in the UCC data base of the Exchanges.

Return of Clients Assets:

Any pending / Unsettled Funds / Securities / Commodities of Clients will be settled within prescribed timelines as specified by SEBI / Exchanges from time to time. Such time period could be Monthly / Quarterly / on settlement basis, as opted by the client. In case, we are not able to transfer the Funds / Securities / Commodities to the designated accounts of clients, we shall make all efforts to trace the clients based on their Address, Phone Number, email ID, Bank Account details, Demat Account details, POI, POA, and such other details available in client registration / other documents available with KYC. Still if we are not able to trace the Client, we shall Deposit the Funds / Securities / Commodities separately. We shall not be responsible for perishable commodities, Settling / Disposing of any such perishable commodities, will be at the absolute description of RLP.

We shall maintain a trail / verifiable records for efforts made for tracing such client Accounts and making settlement of funds and securities of such clients. In case, in spite of our best efforts we are unable to settle the funds and securities of such inactive / untraceable clients, we shall :



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- (i). Open a separate and single client bank account for keeping funds of such inactive and untraceable clients.
- (ii). Open a separate and single client collateral demat account for keeping securities of such inactive and untraceable clients.
- (iii). Maintain audit trail of UCC wise client funds transferred to such bank account and UCC wise / BO ID wise securities transferred to such demat account (as the case may be).
- (iv). Submit the data / information maintained as stated above to the Exchange, as and when required as per the rules, regulations and circulars issued by the Exchanges and SEBI.
- (v). Continue our efforts to trace such clients and settle funds and securities balances of such clients.

Policy for distributing Inactive clients' funds / securities in case such client claims:

- I. In case if any client claims for such not settled funds / securities lying with us, after satisfying our self about the client credentials. We shall instantly repay such funds and deliver such securities (along with corporate benefits, if any) to the claimant. We shall maintain all such Accounts for Seven Years, easily retrievable.
- II. The members shall update the details of such settlement to the clients in a submission to the Exchange, as and when required.

The ledger debit balance if any will be recovered from the after giving due notice. If no response is received for the notice given, we reserve the right to sell the securities / Commodities for the recovery of such dues if available, or by initiating the legal proceedings or any other action as deem fit and any decision is at the Sole discretion of RLP.

As a policy, all the client Accounts which were opened prior to 22/08/2011, have been updated with the information of RDDs, Dos AndDon'ts and other mandatory documents as specified by SEBI from time to time.

All such reactivated accounts will be closely monitored for genuineness of the transactions.

Review Policy:

This policy may be reviewed as and when there are any changes introduced by any statutory authority or as and when it is found necessary to change the policy due to business needs.

The policy may be reviewed by the **Managing Director / Compliance Officer** and place the changes in policy before the Board at the meeting.

Approval Authority:

This Policy was placed before the board in the Board of Directors meeting held on 27/08/2021 at our Head office and was approved.

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