

**MEMBER: TRADEWELL SECURITIES LIMITED**  
NATIONAL STOCK EXCHANGE  
BOMBAY STOCK EXCHANGE  
MULTI COMMODITY EXCHANGE OF INDIA LIMITED

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**INACTIVE \ DORMANT ACCOUNT POLICY**

**Objective:**

The objective of the policy is to appropriately deal with the Inactive/Dormant Clients, where clients have not traded for more than 11 continuous months.

The policy is also applicable for accounts which have been marked inactive on account of Rules, Bye laws, circulars and guidelines issued by SEBI, Exchanges and Internal Risk Management Policies.

**Policy:**

**Procedure to handle Inactive/dormant accounts:**

In case of trading account, the term Inactive Account refers to such account wherein no trades have been carried out since last 12 (Twelve) months across all Exchanges and the Account will be marked as “INACTIVE/DORMANT”

All the accounts marked as “INACTIVE/DORMANT” needs to be monitored carefully in order to avoid unauthorized transactions in the account.

If the Client wants to make the account “ACTIVE” after 12 Months and to continue further Trading, need to allow only after undertaking sufficient Due Diligence (Including IPV). Client has to provide the required documents supporting the Financial status, required documents in case if there is any change in the information such as Address, Mobile Number, Email ID, Bank Account, Financial disclosure provided in KYC at the time of registration as Client along with the Activation Request Form.

After proper verification of the updated / revised details and approval from the Compliance Officer / or Concerned Department In-Charge of registration of Clients, the account can be made “ACTIVE” and Transaction can take place.

**Required Documents:** 1. PAN Card, 2. Latest Address proof, 3. Bank Account statement, 4. Alternate Address Proof, 5. Email & Mobile Modification form (**If there is any Change**)

**Process for reactivation of Inactive / Dormant account which are inactive on account of Risk Management Policies / Non Compliance as per Rules, Bye laws, Circulars and Guidelines issued by SEBI, Exchanges:**

Client can give the duly signed request in writing at any of the Branch/Main Offices of Trading Member or Office of Authorized Person along with the required documents for trading. The Client may also Courier/ Post the same for activation of account.

On verification of the same the Compliance Officer / Risk Department In-Charge can authorize the activation of such Inactive accounts subject to Rules, Bye laws, circulars and guidelines issued by SEBI, Exchanges and Internal Risk Management Policies.

## **Return of Client Assets of Inactive Account**

On a Client being declared Inactive, the Client's Funds and Demat Account shall be settled. Settlement of Client Account needs to be done as per the Periodicity (Monthly/Quarterly) opted by the Client and his/her assets (Funds, Securities or any other Collateral) be returned to him/her and Statement needs to be sent to Client. Proof of sending the statements of settlement of accounts has to be maintained.

In case unable to Settle the Client Accounts due to Non-availability of Client's Bank Account and Demat Account details and Non-Traceability of Client, we need to make all efforts to trace the Client to Settle their Funds and Securities lying with them and maintain an Audit Trail for such efforts made for tracing such Clients and settling funds and securities of such Clients.

## **In Case if Client is Unable to Trade**

In spite of all efforts taken, if unable to trace Client, we need to take the following steps:

- Open one separate Client Bank/Client collateral Demat account and immediately set aside the funds and securities of these clients in such account.
- Maintain audit trail of UCC wise Client Funds transferred to/from such bank account and UCC wise / BO ID wise securities transferred to/from such Demat account (as the case may be).
- We need Submit UCC wise/BO ID wise and Fund/Securities information of such account to the Exchange.
- In case of receipt of any claims from such Clients, Settle the accounts immediately and ensure that the Payment/Delivery is made to the respective Clients only.

## **Controls after activation of Inactive Accounts:**

1. Trades in such Inactive accounts be confirmed with respective clients by a person from Head Office who has note punched / received such orders.
2. Alert generation & monitoring at Head Office in case of trade in any Inactive account which is made Active.

## **Approval Authority:**

This policy shall be approved by Board of Directors

## **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 on account of business needs and Risk Management policy.

## **Policy communication:**

A copy of this policy shall be made available to all the relevant staff/persons such as: Compliance Officer / Department in-charge of registration of Clients and Sub-Broker /Authorized Persons.

Further, a copy of this policy has to be displayed on our intranet.