HOLANI CONSULTANTS PRIVATE LTD.

"Creating Possibilities, Creating Value."

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 12 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.

Background:

SEBI vide circular no. dated December 3, 2009 and National Stock Exchange vide circular no. NSE/INSP/1306 dated December 3, 2009 directed that a policy be framed by stock brokers to deal with the inactive/dormant accounts.

Procedure to handle Inactive/dormant accounts:

If there is no transaction (buy / sell) entered into by the account holder for more than 12 continuous months, 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 continuous months or after providing the required documents supporting the financial status, the client needs to submit a request to reactivate his/her account. In case there is any change in the information such as; address, mobile number, email id, bank/demat account, financial disclosure provided in KYC at the time of registration as client, the same has to be submitted along with the request. 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.

Process for reactivation of Inactive / dormant account which are inactive for 12 continuous months:

The Client can follow any of the below processes:

1. Client can give the duly signed request in writing at any of the branch/main offices of trading member or office of sub-broker or authorized person along with documents such as Identity Proof – such as PAN Card, Aadhar Card, Passport copy etc. and financial Information required for trading in derivative segment. The Client may also courier/ post the same for activation of account or

2. Client can also send an email from registered mail id for reactivation request.

3. Fresh documentation, due diligence and IPV is required when client seeks reactivation after a period of 1 year of being flagged as inactive i.e. after 2 years from their last trading date.

4. In case a client has undertaken transaction, with respect to IPO/Mutual Fund subscription during this period, the same can be considered and the requirement for fresh documentation, due diligence, and IPV may not be required.

<u>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:</u>

Client can give the duly signed request in writing at any of the branch/main offices of trading member or office of sub-broker or authorized person along with the financial Information required 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.