

## INACTIVE / DORMANT ACCOUNT AND RETURN OF CLIENT ASSETS POLICY

### Background:

Pursuant to SEBI Circular - MIRSD/ SE /Cir-19/2009 titled '**Dealings between a client and a stock broker**' (trading members included) dated **3rd December 2009** and notices issued by BSE from time to time regarding treatment of inactive accounts, every Stock Broker shall have in place, a policy regarding treatment of inactive accounts and return of client assets.

To comply with this requirement, **iFAST Financial India Private Limited ('iFAST')** has formulated this policy which lays down the procedure for treatment of inactive client accounts.

### 1. **Meaning of Inactive Account:**

For the purpose of this policy, the term Inactive account refers to a Trading account wherein **No Trades** have been carried out since **last 12 months** across exchange.

### 2. **Flagging of Inactive Accounts in the systems:**

As per the criteria stated under clause 1. above Inactive account shall be flagged as "Inactive" in UCC database respective all exchanges. For flagging these clients as inactive in Tradeworks, there shall be appropriate 'Cronjobs' in place ensure such UCCs are simultaneously marked as inactive in Tradeworks.

### 3. **Communication of Inactive Status:**

Upon the UCC being marked flagged as 'Inactive' in the Back office and Tradeworks, Client shall not be able to place trades except after complying with Clause 4 - **Re-activation of Trading Account** as stated in this Policy.

The Client shall receive an intimation on his registered email-id regarding his account being deactivated and steps for re-activating his account.

It shall be noted that Disciplinary actions may be initiated by exchange in case any trades are executed in any account flagged as 'Inactive'. Further, correct status of client code needs to be upload in the UCC database of exchanges prior to the executions of the trades.

#### 4. Re-activation of Trading Account:

Any client whose account has been marked 'Inactive' in accordance with this policy shall be allowed further trading only after sufficient due diligence and obtaining updated KYC information of the concerned client.

Thus, the inactive account will be activated only after receipt of request from the client to re-activate his account(s) and upon successful re-KYC COMPLIANCE.

The re-activating of trading account will require the following details/documents:

- i. Proof of identity.
- ii. Latest Proof of Residential Address.
- iii. Latest Proof of Bank account.
- iv. Financial Details
- v. Annexure-1- ACCOUNT RE-ACTIVATION FORM

#### 5. Return of Clients Assets

Pursuant to SEBI Circular - MIRSD/ SE /Cir-19/2009, dated 3<sup>rd</sup> December 2009, every stock broker is required to periodically settle funds and securities of all his clients and also have in place, a policy for settlement of Client Funds.

To comply with above requirement, iFAST has formulated below policy for settlement of client funds:

All clients' accounts need to be settled on monthly or quarterly basis (as per the client preferences) in the manner prescribed from time to time.

In case any client account not settled due to non-availability of client's bank account and demat account details and non-traceability of client, best possible efforts shall be made to trace the clients to settle their funds and securities lying at the end of settlement period. An audit trail for such efforts made for tracing such clients and settling funds and securities of such clients shall be maintained at all times.

Further, in cases where iFAST is unable to trace such clients in spite of all efforts taken following action shall be taken:

- 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).
- Submit UCC wise/BO ID wise and fund/securities information of such account to the Exchange on quarterly basis **in accordance with the mechanism and the format prescribed by the exchange from time to time.**
- In case of receipt of any claims from such clients, Exchange advised to settle the accounts immediately and ensure that the payment/delivery is made to the respective clients only.

This Policy shall be displayed on the website of the Company.

iFAST Financial India Private Limited

SD/-  
Hon Hee Siew  
Managing Director

**Annexure-1**  
**ACCOUNT RE-ACTIVATION FORM**

Date: \_\_\_\_\_

To  
iFAST Financial India Pvt. Ltd.  
1, Raheja Titanium, Western Express Highway,  
Goregaon East, Mumbai – 400063

(To be filed by Client)

Client Code	
Client Name	
Reference Number	

I/We hereby request you to re-activate my /our account and treat this form as intimation for re-opening of the account. I/We hereby confirm that all the information provided to you with initial account opening is the same and I/We agree to abide by the exchange rules and notifications issued till date.

Client's Signature and Date.