



# **TREATMENT OF INACTIVE CLIENT POLICY**

## **FINDOC INVESTMART PRIVATE LIMITED**

**Policy Approved By:**

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Director**

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Director**

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Compliance Officer**

## **1. Treatment of Inactive clients**

Definition of Inactive Trading 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

What happens when a client is declared inactive?

On a client being declared inactive,

- The inactive accounts identified based on no trades have been carried out since last 12 (Twelve) months across all Exchanges shall be flagged as 'Inactive' by the Trading Member in UCC database of all the respective Exchanges
- All the funds & securities of the client are returned to the client.
- Trading in the client account is stopped.
- Appropriate disciplinary actions may be initiated in case of any trades are executed in any account flagged as 'Inactive'.
- in case a client has undertaken transaction through the Member, with respect to IPO/Mutual Fund subscription and DP operations (if the Member is a DP) during this period, the same not be considered as inactive client and the requirement for fresh documentation, due diligence, and IPV may not be required
  - If KYC of the investor is completed using the Aadhaar authentication / verification of UIDAI
  - If the KYC form has been submitted online, documents have been provided through Digi locker or any other source which could be verified online.

Client declared inactive voluntarily

A client may write to the company stating that he wishes to transfer his account into an "inactive" status, based on which the account will be marked as such.

Client declared inactive by law

Any client will be moved to the "inactive" category if required by law.

Member unable to trace such clients

- 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. The mechanism and the format of the same will be shared in due course.
- In case of receipt of any claims from such clients, members are advised to settle the accounts immediately and ensure that the payment/delivery is made to the respective clients only.

**For Findoc Investmart Pvt Ltd**

Sd/-  
Compliance Officer