

## INACTIVE/DORMANT ACCOUNT POLICY

Trustline Securities Limited &  
Trustline Commodities Private Limited

### BACKGROUND:

This policy has been made as per the requirements of SEBI for laying down proper guidelines with respect to the operations of the Inactive (Dormant) Accounts.

### Objective:

SEBI vide circular no. MIRSD/ SE /CIR-19/2009, dated December 3, 2009 and National Stock Exchange vide Circular No. NSE/INSP/13606 dated December 3, 2009, NSE/INSP/14048 dated February 3, 2010 and vide Circular Ref No: NSE/INSP/ 49743, Date: September 27, 2021, issued guidelines that a policy be framed by Stock Brokers for treatment of inactive account(s) and to ensure uniformity across all the members hence, the objective of the policy is to appropriately deal with the Inactive/dormant client(s).

### 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.

### Transaction in Inactive Trading accounts:

The inactive accounts shall be identified based on the above criteria shall be flagged as 'Inactive' by the Trading Member in UCC database of all the respective Exchanges after 12 months of being inactive. Trading by such client should be allowed only after undertaking sufficient due diligence (including IPV-IF REQUIRED) and after obtaining the updated information related to KYC from the concerned Client.

### Treatment of Dormant / Inactive Accounts:

To prevent the client(s) accounts from unauthorized trading and to mitigate the client's complaints, we shall mark the accounts as inactive in UCC database of the Exchange. In case clients have not traded in the last 12 months and upon being flagged as In-active team shall send an update / reminder that their code has become dormant to the identified clients

1. Vide an email and/or SMS intimation to client.
2. Vide an email to respective branches, with a follow-on reminder to get the Inactive Clients updated as per clients behest only.

### The Client can follow any of the below processes:

The below process can be opted by the clients after 12 months and within 24 months of being inactive.

In case client wants to reactivate his account, client would be required to:

- Provide a written request to that effect or
- Forward an Email from the registered email address to that effect or
- Call our Customer Care from Registered Telephone Number.

In case of any change in the KYC information (**such as address, mobile no., email id, bank/Demat account, Aadhar etc.**), provided during the time of registration as client, the same have to be submitted along with the above reactivation request.

Note that Fresh documentation, due diligence and IPV shall be undertaken only when the client seeks reactivation after a period of 1 year of being flagged as inactive i.e. after 2 years from their last trading date..

### Consequences of Inactive Account:

1. 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.
2. Proof of sending the statements of settlement of accounts has to be maintained.
3. Settlement of client's account needs to be done at least once in a calendar quarter. In case of interim request received from the client for release of funds/securities, the funds and/or securities will be transferred to his account after due verification of the client as per the procedure mentioned above.
4. If client has provided running account authorization, the funds/securities shall be transferred to client's bank / demat account as a part of daily settlement.

### Measures in case of sudden activation of Inactive Accounts:

1. Trades in such Inactive accounts shall be confirmed with respective clients by a person from Head Office who has noted / punched / received such order(s).
2. Alerts generation & monitoring at Head Office in case of trade in any Inactive account and reporting to the regulatory (in case required).

**Review Policy:**

This policy may be reviewed by Compliance Officer / Authorized Personnel, in case any changes are introduced by any statutory authority or as and when it is found necessary to change on account of business needs or as per Risk Management Policy.

**Approval Authority:**

This Inactive/Dormant Account Policy is as approved by the Board of Directors at its Board Meeting on 20/06/2023.

**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, authorized persons and shall be displayed on the website of the company under the link <https://www.trustline.in/downloads>

**Applicability:**

This policy shall be applicable to all the client(s) registered with Trustline Commodities Private Ltd. as well as with Trustline Securities Ltd.