



Policy and Procedures For Inactive (Dormant) Accounts

FOR STOCK BROKING AND DEPOSITARY PARTICIPANT OPERATIONS

In the Financial Market, there are two major players, one is Traders and the second one is Investors. Both of these players trade in the market but their frequency of trading is different. Trader's trade frequently, but the investors usually trade with long gaps. As per the latest circulars of the Exchanges this gap can be Up-to Twelve **months** only. So those investors who do not trade for more than Twelve months continuously their account will be treated as Dormant Account or Inactive Account. The following **Inactive Client Policy** is framed keeping the same in mind:

Active/Dormant Account

All clients are opened in the back office system once the KYC Documentation has been completed and marked as 'Active' as soon as Unique Client Code (UCC) allotted to the clients has been approved by the concerned Exchange.

Inactive/Dormant Account

Clients may be marked as 'Inactive' under the following circumstances:

In case of Trading Account, the term Inactive/Dormant account refers to such account wherein no transactions have been carried out since last 12 Calendar months.

In case of Demat Account the term Inactive/Dormant account refers to such account wherein no Transaction has taken place for a continuous period of 12 months.

After activation each client has to transact at least once in 12 months to keep his account active. In case the client fails to transact during the last 24 months, the client shall be deemed to be inactive. Such client may be marked as 'inactive' in the Back office and Exchange UCC Portal.

Treatment of Inactive Account

Where the client's account has been declared as inactive account, **Fair Intermediate Investment Pvt. Ltd.** would place such account under temporary suspension to ensure complete security of accounts. Under this suspension client would not be allowed to login or trade in any way. Similarly the following steps will also be considered:

- a. All the securities of the client are transferred into the last known Demat account of the client.
- b. All the funds of the client are returned to the client after deducting the charges of the company.
- c. Trading in the client account is stopped.

Voluntarily Inactivation of Account

Where any Client opts voluntary for Inactivation of Account, then he has to make a written request stating that he wishes to convert the status of his account into Inactive.

Inactivation as per Guidelines

In case any client who has not traded for a period of 12 months continuously and has also not update his latest financial details for one continuous year will automatically be placed into the "Inactive" category.

Inactivation by law

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

Procedure for Deactivation:

A provisional list of inactive clients shall be prepared from the back office by operation team in the first week of every month. Based upon client’s reactivation request and/or transactions undertaken during the month of communication, the above list of inactive clients would be finalized in first week of next month and accordingly marked as ‘inactive’ in Back office as well as in Exchange system.

Reactivation of client account

Incase client wants to reactivate his account, client would be required to:

On a written request by the client to the company, the company after conducting all the due diligence may allow the reactivation .The documents required for reactivation can be listed below:

- 1. Provide a written request to that effect or Provide Account Reactivation Form*
- 2. Forward an Email from the registered email address to that effect*
- 3. Provide the latest Financial Income Proof*
- 4. Provide the Authorization for Running Account*
- 5. Call our KYC Department 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.*

List of Valid Income Proof: Copy of ITR Acknowledgement (for last Financial Year), Copy of Form 16 in case of salary income (for last financial year), Net Worth Certificate latest one or at the end of last financial year), Bank account statement of last 6 months, Salary slip of one month in current financial year, Bank Account Statement (of last 6 months), copy of Demat account holding (for the current/previous financial year).

List of Valid income proof (in case of company account): Copies of Balance Sheet of last 2 Financial Year (copies of Balance Sheet to be submitted every year- duly attested by CA, Copy of ITR Acknowledgement (for last 2 Financial Year), copy of Annual Report (for last 2 Financial Year- for non individuals- duly attested by CA, Net Worth Certificate latest one or at the end of last financial year-duly attested by CA).

Funds/Stock Transfer request for Inactive account

A client can opt for withdrawal of fund/stock from its account. For the same the client would be required to place request with its service branch. In case of any query the client may go to Customer Care Helpdesk through fair_invest@rediffmail.com (email ID).

THANK YOU

Fair Intermediate Investment Private Limited

