



AFFINITY SECURITIES PVT. LTD.

Shaila Towers, Room # 903, J1/16 EP Block, Salt Lake, Kolkata - 700091
CIN No. U67190WB2010PTC153468

POLICY ON TREATMENT OF INACTIVE ACCOUNT

Policy on Inactive / Dormant Accounts: This policy defines the treatment of Dormant / Inactive accounts of the clients maintained with the Company.

Definition of Dormant / Inactive accounts: The term Dormant / Inactive account refers to such account wherein no trades have been carried out since last 12 (Twelve) months across all Exchanges.

Transaction in Dormant / Inactive accounts: The Dormant / Inactive accounts identified based on the above criteria shall be flagged as "Inactive". Further trading in such account shall be permitted only after undertaking sufficient due diligence (including IPV) and after obtaining updated KYC information from the client and fulfillment of such conditions as may be deemed fit.

Procedure to activate the Dormant / Inactive account:

- 1) A written request letter from the client for reactivating their account and allowance of further trade duly signed by the client.
- 2) Collection of updated KYC detail along with a written request letter from the client. We cross verify with the introducer and check some common details with latest record and take self-attested signature on proof of address and proof of identity documents with updated financial details with supporting document.
- 3) Undertake sufficient due diligence including In-person verification to establish the authenticity of information provided in the updated KYC form.
- 4) After receiving the request a telephonic conversation with the client regarding reactivation of dormant/inactive account is been made and only after successful confirmation account is reactivated.

A comparative study is being done on monthly basis to find out the list of clients not working for last 6 (six) months. The data of such clients are being given to respective BM / Authorized Person to activate those clients by calling them. If any further trade is executed in such accounts than we use to make confirmation with our clients for such trades executed in their account on the same day after the end of trading session.

Treatment of assets of Dormant / Inactive accounts held with us:

- a) All client accounts need to be settled on monthly or quarterly basis (as per client preferences) as per the regulatory guidelines.
- b) In case of non-availability of bank/demat details of Dormant / Inactive accounts, follow up should be done with the account holders for updating the same in order to settle their accounts.
- c) In case of non-traceability of Dormant / Inactive account holders, their assets should be kept in a separate Client Bank account (for funds) and separate Client Collateral Demat account (for securities). Maintain UCC/BO ID wise audit trail for in/out of funds/securities from such accounts and submit the report of the same to the exchanges on quarterly basis.

The above stated policy may vary depending on various rules, regulations and bye laws as may be prescribed by SEBI, exchanges or any other authority or as per internal policy of Affinity Securities Private Limited from time to time.