



## Policy for treatment of Dormant Accounts



## Definition

An account shall be termed to be 'Dormant' if it is inactive or remains non-operational by its holder at a stretch for a specified period of time.

This specific period of time has been defined as per the NSE circular NSE/INSP/64718, BSE Notice no. 20241025 dated October 25, 2024 under Treatment of Inactive Trading account as "In case of trading account, the term inactive account refers to such account wherein trading activities has not been carried out by client since last 24 (Twenty-Four) months"

## Treatment of a Dormant account

Accordingly, the dormant account will be frozen immediately and the client will not be permitted to undertake any further transaction in such dormant account. The procedure for listing dormant accounts is run once every month, preferably on the last day of the month.

Inactive clients' assets if any lying with Upstox will be immediately transfer to respective clients' account. In case of failure to transfer such asset to clients' account, it will be transferred to separate account open for this purpose and an intimation will be sent to client to update account details.

## Re-activation of a Dormant account

A Dormant account shall be re-activated only after undertaking proper due-diligence process and fulfilling of such conditions as may be deemed fit by the authorized person of the organization.

The client who is flagged as inactive seeks re-activation of the trading account, while reactivating the said client, shall:

- *Mandatorily comply with In-Person Verification/Video In-Person Verification (IPV/VIPV) requirement specified in the SEBI Master Circular on KYC dated October 12, 2023.*
- *Provide confirmation if there is any change in clients' basic details such as Address, Mobile number, Email ID, Bank/DP account, income, etc. as registered with the Upstox.*
- *Upstox shall verify client status as per KRA and if the client status as per KRA is not validated (i.e. "On hold"/"Rejected"/"Registered" through other intermediary, etc.). Upstox shall seek basic details like Address, Mobile number, Email ID, Bank/DP account, income, etc. along with the necessary documents as required by KRA and shall upload the same to KRA to ensure validated/registered status as per KRA before permitting client to trade on the Exchanges.*

Once an inactive trading account is re-activated as per the process mentioned above, the computation of next 24 months for the purpose of identifying client as inactive in the subsequent period shall be considered from the date of last reactivation of trading account.

The above stated policy may be modified at any time in accordance with the various rules, regulations, bye-laws and guidelines that may be prescribed by SEBI, Exchange or any other competent authority or as per the internal policy of the organization from time to time. This policy for dormant account is over

and above the transaction monitoring in dormant account as per the Anti-Money laundering policy of the organization.