

Broking account inactive account Policy

Introduction

Inactive accounts is an area from which the customer(s) and Barclays are at risk from potential fraudulent transactions, both internally and externally. It is therefore imperative that the activation of such accounts and the transactions done in these accounts thereon, with Barclays are monitored carefully ensuring that they are genuine and have, where required, been duly authorized by the client.

Definitions

Inactive Broking account:

Accounts to be marked as "Inactive" if no client activity for a **time period 1 year**.

Process for Activation of In-Active Broking Account:

- Accounts frozen on account of a regulatory order/Mobile email id declaration/non-submission of Financials cannot be activated without confirmation from Compliance/Regulator.
- Reactivation of accounts would always be client initiated. The client would submit the activation request to BSIPL, front office team, who would subsequently forward the request to CDD via email and original documents subsequently sent to Barclays Nirlon Office for filling.

Account activation received with in one year of deactivation of broking account

- Please note that any Trading Account wherein no trades have been carried out since last twelve months across all exchanges is required to be considered as an "Inactive Trading Account". The Inactive Trading Accounts are required to be flagged as "Inactive" in the UCC database of all the relevant exchanges.

For all such broking activation cases, the PBE / RM would receive the request on the call from the client for activating the accounts.

- On receipt of the client call, or in cases where FO takes action on their own, PBE to get the KRA download from Ops team and then complete following steps for the activation of account:
- Check the account number to be activated and read out (during the mandatory call back for the account activation) the client's details & validate with KRA download that there is no change.
- On positive confirmation, seek confirmation for activation of the trading account from the client / authorized signatory
- Check the account number to be activated and read out the client's details & validate with KRA download that there is no change.
 - **For Individuals** - these will include reading out to confirm the client's permanent and mailing address, Mobile number, Email ID, Bank/DP account number
 - **For Corporates** - these will include reading out to confirm the registered and mailing addresses, Mobile number, Email ID, Bank/DP account, Board Resolution to operate the aforesaid account. Also confirm that there have been no changes to other related parties in terms of ownership, UBO details, shareholding structure, authorized signatories, directors, contact details, residency status and address, the certificate of Incorporation, Memorandum and Articles of Association. Latest financials have also been submitted as per requirement.
 - **For Trusts** - these will include reading out to confirm the registered and mailing addresses, Mobile number, Email ID, Bank/DP account. Also confirm that there have been no changes to the related parties in terms of ownership, UBO details, authorized signatories, Trustees, contact details, residency status and address, Trust Deed.

- **For Partnerships** - these will include reading out to confirm the registered and mailing addresses, Mobile number, Email ID, Bank/DP account. Also confirm that there have been no changes to the related parties in terms of ownership, UBO details, authorized signatories, Partners, contact details, residency status and address, Partnership Deed

Account activation received after one year of deactivation of broking account

- For broking account Fresh documentation, Due Diligence and IPV* is to 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 the last trading date.

Members are required to ensure that any further trading by such Inactive Clients is allowed **only after** undertaking sufficient due diligence (including IPV) and **re-obtaining** the updated information related to KYC from the concerned client. Exchanges may initiate disciplinary action in case any trades are executed in any of the accounts flagged as "Inactive".

Please note that the new dormancy or inactivity rules apply to trading accounts and not demat accounts and the current process for re-activating dormant demat accounts will continue as is

Updated KYC would mean the following

- Updated KYC would mean the following:
 - For Individuals –
 - Request letter address to BSIPL for account activation
 - KRA download to check whether contact details like address/mobile etc is correctly updated
 - Redo IPV (physically or over WebEx) +
 - Re-collect ID & Address proof of the account holder.
 - For Non Individuals –
 - Request letter address to BSIPL for account activation
 - Redo IPV (physically or over WebEx) +
 - Re-collect ID & address proofs of entity and connected persons (AS/Directors/UBOs) afresh. These are individual level documents and hence each individual has to confirm them separately +

Treatment of Inactive Account:

On a client being declared inactive, the client's funds and securities (kept in BSIPL demat account) shall be settled immediately.

Settlement of client account needs to be done and client's assets (funds, securities or any other collateral) be returned to him/her and statement needs to be sent to client.