

POLICY ON INACTIVE TRADING ACCOUNTS

(The Policy is framed in terms of circulars issued by NSE & BSE on 10th February, 2020 & 1st December 2020)

This document outlines the policy & minimum procedures for classification and re-activation of inactive accounts for non-institutional clients. This does not apply for institutional clients.

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.

If a client does not trade at least once in any one of the segments/exchanges the client has signed up, for since a period of 12 months, such client accounts shall be categorized as inactive accounts. Such accounts will be flagged as ``Inactive ``in the back office as well as in exchange`s UCC database.

Once the account is deactivated, the client will not be able to place any orders in any trade segments.

1. Reactivation of inactive Accounts

A. Category-1-within 12 months after being flagged as Inactive (Activation without IPV)

a. Email submission

Client whose account was inactivated and coming for reactivation within a period of one year after being flagged as inactive then the client need to simply send a reactivation request through his registered email as per form download from our website under download option to stock@gogiacap.com

Illustration: if a client`s account was made inactive on 1st January 2020 and if he is coming for reactivation on 25th October 2020 or any date before 31st December 2020 he has to follow the aforesaid process.

b. Physical submission

The client had to submit a duly signed modification form along with self-attested supporting and submit reactivation form

If desired the client can opt for ekyc –reactivation module without submitting any physical documents.

B. Category-2- More than 12 months after being flagged as inactive (with IPV)

Client whose account was inactivated and coming for reactivation after a period of one year after being flagged as inactive(**more than 24 months in effect**) then the client need to submit:

a. If there is no change in KYC details

1. Fresh documentation (self-attested address proof and self-attested pan card along with reactivation form
2. IPV need to be done by the employee of GCSL

b. If there is a change in KYC details

1. The client had to submit a duly signed modification form along with self-attested supporting and submit reactivation form (Annexure-2B)
2. IPV need to be done by the employee of GCSL

Illustration: Suppose a client's account was made inactive on 1st January 2020 and coming for reactivation on or after 2nd January 2021 then he need to follow the aforesaid process.

Provided in case a client has undertaken transaction through GCSL, with respect to IPO/Mutual Fund subscription and DP operations during this period, the same can be considered and the requirement for fresh documentation, due diligence, and IPV may not be required.

EKYC Activation: The clients instead of submitting the physical documentation can opt for ekyc module for reactivation.

2. Transactions in Inactive Account

Any trades in the inactive account are subject to penalty from the exchanges therefore the concerned client or employee involved in such transactions will be appropriately penalized.

3. Exchange Compliance

The correct status of the client code should be uploaded in the UCC database of the Exchanges prior to the execution of the trades.

4. Return of Clients assets

All the assets of the inactive client should be settled monthly / quarterly basis as per client's preference in the manner prescribed from time to time. The unsettled securities

or fund due to non-traceability of client/s shall be transferred to Client Bank/Client collateral Demat account. Keep audit trail of follow up with clients.

5. Exemption for reporting

The member need not report weekly submission of securities holding and monthly upload of client funds and securities balances for inactive clients.

6. Closure of Inactive accounts

A c c o u n t Closure may be initiated when the Company receives a specific request from the client to close his trading account and undertakes to clears all outstanding dues. Alternatively the company may initiate involuntary closure by giving a notice of 30 days to the client and proceed to recover outstanding dues, if any. from the client towards settlement of any outstanding obligations.