POLICY ON

TREATMENT OR HANDLING

INACTIVE/DORMANT ACCOUNTS:

1. The inactive accounts identified based on the above criteria shall be flagged as 'Inactive' by Lotusdew in UCC database of all the respective Exchanges and Back Office simultaneously.
2. All the accounts marked as "INACTIVE/DORMANT" will be monitored periodically by KYC/ops to avoid unauthorized transactions in the account.
3. Regulators may initiate appropriate disciplinary action in case if any trades are executed in any account flagged as 'Inactive'.
4. Once the code is deactivated with Dormant flag, trading code is removed from Trading terminal i.e client cannot trade, unless client start reactivation process.
5. In case if client initiate rekyc, system check client PAN Aadhar linking status and mandatory 6 attributes and once client confirm the 6 attributes, system will push the data to respective Exchanges to activate UCC. However, In case client is not KRA compliant Exchange does not allow client to trade. In such cases, clients are being communicated with KRA non-compliant status along with KRA validation link to initiate validation.
6. Actual settlement of fund shall be done as per norms/ guidelines provided by the xchanges/ SEBI from time to time.
7. The clients account would be reactivated only after undertaking proper due diligence process and fulfillment of such conditions as may be deemed fit, in the cases where the account has been freeze/deactivated. Fresh documentation, due diligence and IPV is to be carried out where the client is coming for reactivation after a period of 1 year of being flagged as inactive.
8. In case a client seeks re-activation before a period of 1 year of being flagged as inactive, while reactivating the client, LOTUSDEW will collect the basic details of such client like Address, Mobile number, Email ID, Bank/DP account and will check if these are updated in its records as well in the UCC records of the Exchange. In case of any changes, necessary documents shall be called upon.
9. Lotusdew will exercise appropriate due diligence of the client on an ongoing basis in compliance with the provisions of the PMLA guidelines issued from time to time and in accordance with respective KYC policies.
10. Further there won't be any requirement of IPV by Lotusdew, if,

   • Where the KYC of the investor is completed using the Aadhaar authentication / verification of UIDAI.

   • When the KYC form has been submitted online, documents have been provided through Digi locker or any other source which could be verified online.

Activation process

i.   Call the main office from a registered telephone number (recorded line) identifying himself and request for activation of account for placing orders/ transacting in the account.

ii. Request through Letter/Registered email Id/ recorded telephone lines may be impressed upon to reactivate the account or carry out fresh transactions in a dormant/inactive account.

iii. Account inactive for not more than 1 year's can also activate through online by verifying existing KYC or client can update latest documents if required (Account will be activate in T+1 day as per exchange working day after verifying the documents)

iv. Accounts inactive for more than 1 years can be activated through IPV and data confirmation i.e Re-kyc will be done.

v. While reactivating the client, Lotusdew will check and ensure that the basic details of such client like Six mandatory attributes (Name, Pan, Address, E mail, Mobile, Income) and other details like Bank, DP account status, DOB, KRA, PAN-Adhaar Linking status, UCC linkage status & Family Declaration, PAN/Name mismatch cross verification with UCC/BO/DP are updated/rectified in its records as well in the UCC records of the Exchange. In case of any changes, necessary documents shall be collected.

vi. KYC department may undertake additional due diligence if so required.

vii. Once the reactivation is approved the client UCC will be marked as active on UCC portal across the Exchanges, it will be reactivated on back office and trading interfaces.

Treatment of client funds clients who are un traceable

In cases where Lotusdew is unable to trace such clients in spite of all efforts taken, the following steps shall be taken:

i. The funds shall be parked in a separate Client Bank/ account designated for the purpose of safekeeping of funds of the untraceable client.

ii. In case request received from the client for release of funds and/or will be transferred to his account after necessary due diligence.

Review Policy:

This policy may be reviewed as and when there are any changes introduced by any Regulatory authority or as and when it is evident to make necessary change on account of business needs and Risk Management policy.