**POLICY REGARDING TREATMENT OF INACTIVE ACCOUNTS**

VeniMadhav Securities Private Ltd (VMS) as a matter of policy accepts and realizes that the investor community is made of traders as well as investors. Whereas traders trade frequently, the investors trade with long gaps. The inactive client policy is framed keeping the same in mind:

**What happens when a client is declared inactive?**

On a client being declared inactive,

1. All the securities of the client are transferred into the last known demat account of the client.

2. All the funds of the client are returned to the client.

3. In case the demat account/ bank account details are not available and the client is not contactable, the securities/ funds are transferred into a separate account of VMS and held till such time VMS hears from the client or their representatives.

4. Trading in the client account is stopped.

**Client declared inactive voluntarily**

A client may write to VMS stating that he wishes to transfer his account into an “inactive” status, based on which the account will be marked as such.

**Client declared inactive by passage of time**

Any client who has not traded continually for a period of 2 years and has also not renewed his running account authorization for 2 continuous years will automatically be moved to the “inactive” category.

**Client declared inactive by law**

Any client will be moved to the “**inactive**” category if required by law.

**Procedure to activate the client**

To reactivate the account, the client is expected to write to VMS requesting for activation of the account, based on which the account would be activated after due diligence by VMS