



FINANCE MONITOR (INDIA) PRIVATE LIMITED

Policy Framework for voluntary freezing/blocking the online access of trading account for clients (Annexure to Risk Management Policy)

Policy Version FIMPL/VFTA/1.0
Policy date 28th May 2024

1. INTRODUCTION

In order to enhance the ease of doing business and ease of doing investments for investors and to enhance protection of investors from suspicious activities; SEBI, has vide its circular ref. No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/4 dated January 12, 2024 has mandated that a framework shall be laid down by stock exchanges for Trading Members to provide the facility of voluntary freezing/blocking the online access of the trading account to their clients. Accordingly, stock exchanges has issued circulars providing a framework for trading members for the facility of voluntary freezing/blocking the online access of the trading account for clients.

In line with these directives, the following policy has been formulated for the voluntary freezing/blocking of trading accounts.

This policy has also been updated on our website also for easy access to our clients.

2. SCOPE AND APPLICABILITY

A. This policy shall be applicable as and when clients wants to freeze / block online access to their trading account and subsequently desires to unfreeze the same.

B. The policy shall be applicable with effect from July 01, 2024.

3. Mode of receipt of request for freezing/blocking the trading A/c:

Client shall use the following modes for placing request to freeze/block their trading A/c:

- Email with the Subject Line - "*Freeze/Block Trading A/C <UCC CODE>*", mention your UCC along with DOB & PAN on stoptrade@fmipl.in, the said e- mail ID shall be dedicated for receipt of communication for voluntary freezing/ blocking of the online access of the clients' trading account. Please email only from your registered Email ID.
- SMS on +91 8169982308. Please leave an SMS "*<<UCC Code>> <<DOB>> <<PAN>> Freeze Trading Account*" from your registered number on the dedicated number at FMIPL to place request for freezing/blocking their trading A/c.

*Accepting request for freeze through IVR is under process. Once developed, the said dedicated IVR number shall be displayed on **FMIPL** website.

Note: Any of the above options can be used to freeze/block the trading account.

4. Procedure to be followed on receipt of request for freezing/blocking the trading A/c.:

On receipt of request from clients through any of the prescribed modes of communications; for freezing/blocking of the online access of the trading account from the client:

- Company shall validate that the request is received from a registered client and issue an acknowledgement as well as

freeze/block the online access of the client's trading account and simultaneously cancel all the pending orders of the said client.

- (i) To validate that the request for freezing/blocking of the online access of the trading account is received from the respective client; company shall verify, whether request is received from the registered e-mail Id of the client; and wherever request is received from other than registered e-mail Id of the client, company shall authenticate the client with 2 Factor Authentication.

(ii) To validate the request received on tele calling desk; company shall verify the client by authenticating that request is received from registered mobile no. of client and with 2 Factor Authentication.

- The timelines for freezing/ blocking of the online access of the clients' trading account is as under:

Scenario	Timelines for issuing acknowledgement as well as freezing / blocking of the online access of the trading account.
Request received during the trading hours and within 15 minutes before the start of trading.	Within 15 minutes
Request received after the trading hours and 15 minutes before the start of trading.	Before the start of next trading session

- Post freezing/blocking the client's trading account, company shall send a communication on the registered mobile number and registered e-mail ID of the client, stating that the online access to the trading account has been frozen/ blocked and all the pending orders in the client's trading account, if any, have been cancelled along with the process of re-enablement for getting the online access to the trading account.

- Company shall also communicate / provide the details of open positions of client (if any) along- with contract expiry information within one hour from the freezing/blocking of the trading account.

- Company shall maintain the appropriate records/logs including, but not limited to, request received to freeze/block the online access of trading account, confirmation given for freezing/blocking of the online access of the trading account and cancellation of pending orders, if any, sent to the clients.

- In case of failure of in freezing/ blocking the online access within the prescribed timelines, there isa risk that company may be held responsible for any trades executed from the time of receipt of such request till such time the online access is blocked / frozen.

- Once the online access of the trading account is freed / blocked such client may place orders through alternate channels such as call and trade.

5. Re-enabling the client for online access of the trading account: -

Company shall re-enable the online access of trading account after carrying out necessary due diligence including validating the client request and unfreezing / unblocking the online access of the trading account.

6. Clarification for clients:

- A. Freezing/blocking is only for the online access to the client's trading account, and there shall be no restrictions on the Risk Management activities of company.
- B. The request for freezing/ blocking does not constitute request for marking client Unique Client Code (UCC) as inactive in the records of respective Exchanges.

7. Record Management:

- A. Company shall maintain a verifiable record of communication of this policy to all existing clients and obtain a confirmation of providing a copy of this policy from all new on boarded clients with effect from July 1, 2024.
- B. Company shall maintain a verifiable record of all such requests received for freezing/ blocking of online access to trading account received from clients as per record management guidelines prescribed by the exchanges/regulator.

8. Reporting of freezing / blocking of the online access of the clients trading account:

The data relating to freezing / blocking of the online access of the clients trading account shall be reported as per compliance requirement prescribed by SEBI / Exchanges, if any.

9. Policy Review:

The said policy shall be a part of FMIPL's Risk Management Policy and shall be reviewed along with the said policy on a yearly basis.