



INACTIVE ACCOUNT POLICY

I. INTRODUCTION

1. Finverse Platform Private Limited (“**the Company**”) has instituted this Inactive Account Policy (“**Policy**”) in order to lay down a procedure to handle inactive client accounts in accordance with the SEBI Master Circular for Stock Brokers dated June 17, 2025, NSE Circular on Treatment of Inactive Client Accounts dated October 25, 2024 (NSE/INSP/64718) and BSE Circular on Treatment of Inactive Client Accounts dated October 25, 2024 (Notice No. 20241025-25).

2. This Policy is effective from 10th February 2026.

II. PROCEDURE FOR HANDLING INACTIVE ACCOUNTS

3. Inactive Account refers to such trading accounts of clients wherein any of the activities as mentioned below has not been carried out since last **24 (twenty four) months**:

a. Trading or participation in OFS/buy-back/Open Offer across any of the exchanges / segments (Cash/Equity Derivative / Currency Derivative/ Commodities Derivative/EGR /Debt/Online Bond Platform / Execution Only Platform /Any other segment as may be allowed by SEBI / stock exchanges from time to time.) of the exchanges through the same Member, or,

b. Transaction in nature of applying/subscribing IPOs (where the IPO bid is successful & not cancelled) / SGBs / Mutual Funds (lumpsum investment or investments through successful SIP instalment payments) on the Mutual Fund platform of the stock exchanges through the same Member, or,

c. Modification or updation of e-mail Id / Mobile Number / Address in KYC record of client through the same Member and the same has been uploaded to KRA to ensure Validated / Registered status.

4. The Company shall identify accounts meeting the above criteria and flag them as ‘inactive’ in the Unique Client Code (UCC) database of all respective exchanges, as well as its own systems.



5. Once the account is flagged as inactive, the client shall not be allowed to trade using the account unless the reactivation process as set out in this Policy is completed.
6. The Company may send a communication or notification to the clients prior to flagging their account as inactive. However, such communication or notification shall not ask the client to trade in order to prevent their accounts from being flagged as inactive.
7. Notwithstanding the above, the Company shall also ensure adequate due diligence of the client on an ongoing basis (including, but not limited to, doing Re-KYC) in compliance with the provisions of the PMLA guidelines issued from time to time and in accordance with the Company's KYC policies.

III. RETURN OF CLIENT ASSETS

8. All client accounts shall be settled on a monthly or quarterly basis, as per preference of the client, in accordance with the norms provided by SEBI or the Exchanges from time to time.
9. In case the Company is unable to settle a client's account due to non-availability of the client's account details or non-traceability of the client, the Company shall make all reasonable efforts to trace the client and settle the account. The Company shall maintain an audit trail of all such efforts. Upon receipt of such a claim from the client, the Company shall immediately settle the account and ensure that payment or delivery is made only to the respective client. The Company shall also ensure that any such unsettled funds are upstreamed to the Clearing Corporations.
10. Details of the clients having funds or securities balances shall be reported (daily submission of Segregation and Monitoring of Collateral at Client level file reporting to Clearing Corporations in case of funds and daily submission of Holding Statement to the Exchange in case of securities) even if their UCC has been flagged as 'Inactive'.

IV. PROCEDURE FOR REACTIVATION OF ACCOUNTS

11. An Inactive Account will be re-activated only after receiving a request from the client/account holder.



12. In case a client seeks re-activation of an account, the Company shall verify client status as per KYC Registration Agency (“KRA”). If the client status as per KRA is not validated (including if it is “On hold” / “Rejected” / “Registered” through other intermediary, etc.) then the Company shall seek basic details like Address, Mobile number, Email ID, Bank/DP account, income, etc. along with the necessary documents as required by KRA and upload the same to KRA to ensure validated/registered status as per KRA before permitting client to trade on the Exchanges.

a. In case the client’s status as KRA is “Validated” or “Registered” status through the Company, the Company may fetch the details along with the necessary documents from the KRA record and display the said details for confirmation of the client and updation in its record.

b. If there is change, then member shall update the UCC records of Exchanges as well as KRA.

c. If the client has confirmed that there is no change, the Member shall maintain the verifiable logs of the same.

13. Further, the Company shall comply with In-Person Verification / Video In-Person Verification (IPV/VIPV) requirement specified by SEBI, if the same would be applicable.

14. The Company shall seek confirmation from the client if there is any change in clients’ basic details such as Address, Mobile number, Email ID, Bank/DP account, income, etc. as registered with the Member. In case of changes in any of the said details, the Member shall seek the updated details along with the necessary documents and update in its records as well in the UCC records of the respective Exchanges.

15. The Company may also undertake any other due diligence procedures as deemed necessary.

V. DISCLOSURES

16. This policy shall be placed on the website of the Company.

VI. AMENDMENTS AND REVIEW



17. In case of any amendment(s), clarification(s), etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, such amendment(s), clarification(s), etc. shall prevail upon the relevant provisions of the Policy and this Policy shall be deemed to be amended accordingly from the effective date of such amendment(s), clarification(s), circular(s) etc.

18. This Policy shall be subject to review by the Board of Directors of the Company, once in a year, or as may be deemed necessary. Further, in the event of any deemed amendment as stated in this Policy, this Policy shall be placed before the Board of Directors for their review in the first meeting of the Board of Directors that is held after the event of the deemed amendment.