

POLICY FRAMEWORK FOR VOLUNTARY FREEZING/BLOCKING THE ONLINE ACCESS OF TRADING ACCOUNT FOR CLIENTS

1. INTRODUCTION

In order to enhance ease of doing business, ease of investment for investors, and to protect investors from suspicious activities, SEBI, through its circular SEBI/HO/MIRSD/POD1/P/CIR/2024/4 dated January 12, 2024, has mandated a framework to be established by stock exchanges. This framework provides **Trading Members** with the facility to offer voluntary freezing/blocking of online trading account access to their clients.

In line with this mandate, **Focus Stock Brokers Limited** has adopted the prescribed framework and developed this policy. The policy is part of the company's Risk Management Policy and is displayed on the company's website. It includes the process and modes through which clients can request the freezing/blocking and unfreezing/unblocking of their trading account, along with the timelines followed by the company.

2. SCOPE AND APPLICABILITY

This policy applies to **Focus Stock Brokers Limited**, providing internet-based trading, mobile trading, or other online access to trading. Clients may request the freezing/blocking of their online trading accounts if any suspicious activity is observed. The company provides at least two modes of communication for clients to submit such requests, including but not limited to:

- **Email** from the registered email ID
- **SMS** from the registered mobile number
- **Tele calling**
- **Focus Stock Brokers Limited Website**
- **Any other legally verifiable mechanism**

3. EFFECTIVE DATE

This policy shall be effective from **July 01, 2024** and will be included in the account opening kit for all new clients from this date onward. The policy will also be communicated to all existing clients through email or other suitable mechanisms, ensuring that communication is preserved and recorded.

4. MODE OF REQUEST FOR FREEZING/BLOCKING THE TRADING ACCOUNT

- **Email ID for Requests:** Clients may send requests for freezing/blocking their trading accounts to **focusstock2009@gmail.com**. This email ID is dedicated to handling such requests.
- **Tele-calling:** Clients may call on the dedicated number **++91 9873941740/9654406688/7451938508**, where the company's team will facilitate requests for freezing/blocking trading accounts.

5. PROCEDURE TO HANDLE FREEZING/BLOCKING REQUESTS

Upon receiving a request through any of the provided communication modes, the following procedures will be followed:

1. **Validation:**

The company will verify that the request has been made by the registered client. Upon successful validation, an acknowledgement will be issued, and the online access to the client's trading account will be frozen/blocked. All pending orders for that account will be canceled simultaneously.

2. **Authentication:**

- For email requests, the request will be validated based on whether it is received from the registered email ID. If the request is received from another email ID, the company will authenticate the client using two-factor authentication (2FA).
- For tele-calling requests, the company will authenticate the request by confirming it is from the registered mobile number and using 2FA.

3. **Timelines for Freezing/Blocking:**

- **During Trading Hours:** If the request is received during trading hours or 15 minutes before the start of trading, the access will be frozen/blocked within 15 minutes.
- **After Trading Hours:** If the request is received outside of trading hours, it will be frozen/blocked before the start of the next trading session.

4. **Post Freezing/Blocking Notification:**

After freezing/blocking the client's trading account, the company will notify the client via registered email and SMS. This communication will confirm that the online access has been frozen/blocked, and all pending orders have been canceled. It will also provide information about how to request re-enablement of the trading account.

5. **Open Positions Communication:**

Within one hour of freezing/blocking, the company will inform the client of any open positions in their account, including relevant contract expiry details.

6. **Record Keeping:**

The company will maintain logs of all requests for freezing/blocking, acknowledgments issued, and actions taken to block the online access of the trading account. These records will be kept in accordance with the guidelines prescribed by exchanges and SEBI.

6. RE-ENABLING ONLINE ACCESS

Focus Stock Brokers Limited will re-enable a client's online trading account after conducting due diligence, which includes verifying the client's request and unfreezing/unblocking the account.

7. CLIENT CLARIFICATIONS

• **Freezing/blocking only applies to online access:**

Freezing/blocking the online access to the client's trading account will not restrict the company's risk management activities.

- **UCC remains active:**
A request to freeze/block online access does not mean the client's Unique Client Code (UCC) will be marked inactive in the records of the exchanges.

8. RECORD MANAGEMENT

1. **Communication Record:**
The company will maintain verifiable records of this policy being communicated to all existing clients and confirmation that new clients have received this policy starting from **July 1, 2024**.
2. **Request Record:**
The company will keep a verifiable record of all requests received for freezing/blocking online trading account access in accordance with the record management guidelines of exchanges and SEBI.

9. REPORTING OF FREEZING/BLOCKING

The data related to freezing/blocking the online access of client trading accounts will be reported in compliance with SEBI or Exchange regulations, if required.

For and on behalf of:
Focus Stock Brokers Limited

Sd/-
Siddhant Mantry
Director