

**Policy for Voluntary Freezing of Online Access of Client's Trading Account
Version 1 dated July 01, 2024**

1. Background:

SEBI vide its circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/4 dated January 12, 2024 and Exchanges vide their circulars dated April 08, 2024 mandated trading members to provide the facility of voluntary freezing/blocking the online access of the trading account to their clients on account of suspicious activities.

The said circular also requires the trading members to frame a policy in line with the framework specified by the Exchanges, which shall be the part of the trading member's Risk Management Policy. The trading members shall disclose the said policy on their website. The said policy shall also form a part of the account opening kit for all new clients onboarded with effect from July 01, 2024.

2. Scope:

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

3. Framework for voluntary freezing of online access of client's trading account -

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

i. Client may request for voluntary freezing / blocking the online access to their trading account through any one of the following modes -

- Through Email on hsecurities@gmail.com from the registered email ID of the client
- Through Letter in person application

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

- i. Company shall validate that the request is received from a registered client and issue an acknowledgement for the same.
- ii. Company shall freeze/block the online access of the client's trading account and simultaneously cancel all the pending orders of the said client.
- iii. 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

- iv. Details of open positions (if any) should also be communicated to the client alongwith contract expiry information within one hour from the freezing/blocking of the trading account. This will eliminate the risk of unwanted delivery settlement.

c. Request for Un-freezing:

- i. Client may request for unfreezing / unblocking the online access to their trading account through any one of the following modes:
 - Through Email on hsesecurities@gmail.com from the registered email ID of the client
 - Through Letter in person application
- ii. On receipt of such request, the online access of the client's trading account shall be unfreezed/unblocked after carrying out necessary due diligence

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- iii. An email acknowledgement shall also be sent to the client informing him / her of the unfreeze request and the date by which online access shall be activated.
- vii. On successful reactivation client shall be able to login into his online trading account as usual.

d. Policy Note:

- i. All records of freeze and unfreeze request and communications therewith shall be maintained for audit trail.
- ii. 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 HSEL.
- iii. The request for freezing/ blocking does not constitute request for marking client Unique Client Code (UCC) as inactive in the Exchange records.
- iv. This policy shall be informed to all clients and shall also be a part of the account opening kit for all accounts opened with effect from July 01, 2024.