

Policy Framework for Ajmera Associates Limited on Voluntary Freezing/Blocking of Online Access

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 require to freeze / block online access to their trading account and subsequently desires to unfreeze the same.

3. Modes of Communication AAL provide clients with various modes to request freezing/blocking:

- Email to stoptrade@ajmera.co.in from registered E-mail ID
- SMS to 8591201758 from registered Mobile Number
- Call to 8591201758 from registered Mobile Number

4. Request Handling and Timelines Upon receiving a request through any authorized mode, AAL shall:

- Verify the authenticity of the request, ensuring it originates from the registered client.
- Acknowledge the request promptly and freeze/block online access within the specified timelines:
 - During trading hours or within 15 minutes before trading starts: Within 15 minutes
 - After trading hours and 15 minutes before the next session: Before the start of the next trading session

Post freezing/blocking:

- Notify the client via registered mobile number and email.
- Cancel all pending orders and communicate details of open positions (if any) within one hour.

5. Client Authentication AAL must implement mechanisms to validate requests, such as:

- Verification from registered phone number/email ID.
- Two-factor authentication if the request comes from an unregistered source.
- Compliance with any additional authentication processes prescribed by the Exchanges/SEBI.

6. Record Maintenance AAL shall maintain detailed records/logs of:

- Requests for freezing/blocking online access.
- Confirmations of freezing/blocking.
- Cancellations of pending orders.

7. Responsibility and Liability In case of failure to freeze/block within prescribed timelines; AAL is liable for any trades executed until access is blocked.

8. Re-enabling Online Access AAL may re-enable access post due diligence and validation of client request.

9. Clarifications

- Freezing/blocking applies only to online access, not Risk Management activities.
- It does not affect the status of Unique Client Code (UCC) in Exchange records.

10. Policy Implementation and Disclosure AAL must:

- Incorporate this framework into their Risk Management Policy.
- Publish the policy on their website, detailing procedures and timelines.
- Communicate the policy to new clients from July 01, 2024, and existing clients by the same date via email or alternative channels if necessary.

This framework ensures compliance with SEBI guidelines while enhancing security measures for clients' trading accounts against suspicious activities. AAL commits to periodically reviewing and updating these procedures to align with regulatory changes and industry best practices.