



ELIDI Securities Ltd
Spyrou Kyprianou 20, Office 102,
1075, Nicosia, Cyprus
Tel: +357 22 257 670
Website: www.elidi.capital
Email: info@elidi.capital

DORMANT ACCOUNT POLICY

June 2024

Version Tracking:

SN	Author	Description	Date
1	Sandugash Aimanova	Creation of Dormant Account Policy	03.06.2024
2	Sandugash Aimanova	Amendment of Dormant Account Policy	10.07.2024
3			
4			
5			
6			

Recipients:

- Executive Directors
- Senior Management
- Reception, Transmission & Execution Department
- Back Office
- Risk Management
- Investment Advice Department
- Accounting Department
- Internal Auditor
- AML officer
- Compliance Officer

Relevant Legislation:

- Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on Markets in Financial Instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (“MiFID II”);
- Cyprus Investment Services and Activities and Regulated Markets Law of 2017 (The Law 87(I)/2017) regarding the provision of investment services, the exercise of investment activities and the operation of regulated markets (the “Investment Services and Activities and Regulated Markets Law 2017”);
- Circular C398 issued on 7 July 2020 regarding Thematic review on the inactivity fees charged by Cyprus Investment Firms

Table of Contents

1. Introduction	5
2. General Principles	6
3. Procedure for dormant account classification	6
4. Charges and fees	7
5. Reactivation of a Dormant Account	7
6. Closure of a Dormant account	7

Definitions

CySEC or “the Commission”	Means the Cyprus Securities and Exchange Commission
Investment Services Law	Means the Investment Services and Activities and Regulated Markets Law of 2017
Dormant account	An account that had no trading or funding activity for a period of one (1) year
Trading activity	Buying/ selling securities and/or holding them on position

1. Introduction

ELIDI Securities Ltd (the “Company”) is currently authorized by CySEC under license number 352/17 to offer the following Investment and Ancillary services:

Investment Services and Activities:

1. Reception & Transmission of orders in relation to one or more financial instruments;
2. Execution of orders on behalf of clients; and
3. Provision of Investment Advice.

Ancillary Services:

1. Safekeeping and administration of financial instruments for the account of clients, including custodianship and related services; and
2. Foreign exchange services where these are connected to the provision of investment services.

Financial Instruments:

1. Transferable Securities;
2. Money market instruments;
3. Units in Collective investment undertakings;
4. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash;
5. Options, futures, swaps, forwards and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event;
6. Options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled provided that they are traded on a regulated market, a MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled;
7. Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in point 6 of this Section and not being for commercial purposes, which have the characteristics of other derivative financial instruments;
8. Derivative instruments for the transfer of credit risk;
9. Financial contracts for differences (“CFDs”); and
10. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event, as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Section, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market, OTF, or an MTF.

Following the requirements of the laws and regulations specified in Relevant Legislation, the Company has developed and implemented the Dormant Account Policy (further the “Policy”).

The purpose of this Policy is to provide guidance on the arrangements and procedures that have been adopted by the Company to recognize dormant accounts, reclassify them, reactivate, and/or terminate such type of accounts.

The Compliance Officer (the “CO”) shall be responsible for the implementation of the Company’s Policy. Additionally, the CO shall monitor and assess the adequacy and effectiveness of the procedures put in place to detect dormant accounts and suggest any corrective measures, if needed.

The present Policy shall be reviewed annually, or whenever a material change occurs, that affects the Company’s procedures.

2. General Principles

The account is considered dormant if:

- it has been opened more than one (1) year ago; and
- it has zero credit balance;

or

- the account has not been funded and no trading activity has been carried out in relation to the account during the last twelve (12) months.

The Company will not consider an account as dormant in the following cases:

- If the client maintains communication with the Company for a specific reason (e.g. complaints),
- If under the requirements of the legislation, any deposits, withdrawals, or trading activity are prevented by the Company because of the ongoing Compliance or AML investigation;
- If the client or client’s UBO has another active account (s) with the Company.

3. Procedure for dormant account classification

On ongoing basis, the Company will review and identify the accounts with zero credit balance and no trading and/or funding activity during the period of last twelve (12) months.

A relevant notification is distributed to clients that their accounts can be classified and treated by the Company as dormant if the accounts fall under the definition of a dormant account. The information will be communicated to all non-active Clients by way of email via authorised e-mail address.

Clients have thirty (30) calendar days after the relevant notification to respond with the instructions regarding their account. The client’s reply must be sent from their authorized email address to onboarding@elidi.capital. The client can ask to deem his account active or close it.

If the client asks the Company to close his account, the Compliance and AML Compliance Departments must confirm that all information regarding that client account is in line with the due diligence requirements. The client's assets must be transferred back to the client's bank account stated in the account opening questionnaire and verified by the Company as client's.

In case of account closure, the Company reserves the right to deduct all applicable fees as per Appendix 2 of the Terms and Conditions.

If within specified time period the client fails to respond to the notification, the Company reserves the right and may, at its sole discretion, classify and treat such account as dormant.

4. Charges and fees

The Company does not impose any charges or fees on the account that is classified as dormant.

All charges and fees applicable to Dormant Account are calculated and withheld at the moment of account termination.

5. Reactivation of a Dormant Account

To reactivate a Dormant Account, the client shall contact and inform the Company about their intention to reactivate their brokerage account.

The reactivation of the account will be subject to the provision of all required KYC documentation by the client, as specified in the Company's Customer acceptance policy.

Once KYC documentation is collected and the Compliance's approval is granted, the client shall proceed with trading or funding activity. If the client does not complete the procedure, then the Company reserves the right to classify the account as dormant.

6. Closure of a Dormant account

In the absence of the client's response thirty (30) calendar days after the notification is sent, the Company reserves the right to close a client's Dormant Account. Assets in the account shall remain owing to the client, and the Company shall retain records and return such assets upon request by the Client at any time thereafter.