



GWG (CYPRUS) LIMITED

INACTIVE/DORMANT ACCOUNT POLICY

INACTIVE/DORMANT ACCOUNT POLICY	
APPROVER(S):	Board of Directors
OWNER:	GWG (Cyprus) Ltd
CONTACT PERSON:	Head of Compliance
REVIEW DATE:	November 2023
VERSION:	3



Contents

1	Scope & legal framework.....	3
2	Definition of inactive/dormant account.....	3
3	Account maintenance fee.....	4
4	Application.....	4
5	Review and approval	5



1 Scope & legal framework

The Inactive/Dormant Account Policy lays down the procedure to be followed regarding the Inactive/Dormant Client accounts and the procedure to be followed when receiving an instruction for an account which is classified by the Company as Inactive/Dormant. This policy outlines the period and method considered for classifying an account Inactive/Dormant and the various steps required to be adhered to for treating, re-activating and terminating such inactive/dormant accounts.

The inactive/dormant Accounts Policy applies to all clients equally whether they are former, present or future clients of the Company.

This Policy has been prepared pursuant to, and in compliance with the provisions of:

- The Law 87(I)/2017 (hereinafter referred to as the “Law”), paragraphs 1, (3)(a) and 4(a) of Article 25 of the Law
- CySEC’s Circular CI144-2012-18 regarding the submission of data in relation to dormant accounts
- CySEC’s Circular C398 regarding CySEC’s thematic review on the inactivity fees charged by Cyprus Investment Firms

2 Definition of inactive/dormant account

An account shall be considered as dormant, in the absence of any activity (e.g., no logins to the trading account) for a period of at least three (3) calendar months.

If an account continues to be inactive/dormant for another 9 months (12 in total), then the company will consider this account to be **closed** on the first day after 12 calendar months of no activity and will take all necessary measures by contacting the client to close the account and returning any balance remaining in the client’s account (minus all bank charges/fees). The Company will notify the client of the ‘Closed Account’ status. If any client contacts the company to re-activate his account, the company will perform an updated KYC / AML review before the account is re-activated.

The Company will not consider a client’s account as inactive/dormant in the following cases:

- If the holder of the account maintains communication with the company for whatever reason (Training, Open Complaint, etc.).
- If under the terms and agreements of the account, any Deposits, Withdrawals, Trading are prevented by the Company in relation to a Compliance or AML investigation.



3 Account maintenance fee

The Company reserves the right to charge a fixed administration fee of €25 (Twenty Five Euros) when the customer's trading account remains inactive/dormant for three (3) months in order to maintain the account, on the condition that the account of the client has the available funds. The maintenance fee shall be deducted from the account of the client on the last day of the period of which the account becomes inactive/dormant. Following that date, the Company reserves the right to charge an inactive/dormant fee of €50 for every month of inactivity for every customer's account.

The Company strives to ensure and keep correspondence with each respective Client and will inform the Client by email prior to their account being treated as inactive/dormant Account and a fee is charged to maintain the account.

If the account of the client does not have the necessary funds for the maintenance fee charge and has remained inactive for a following 3 months period, the Company reserves the right to charge a lower amount to cover maintenance expenses and close the account unilaterally.

Where the account of the client does not have any funds on the account for the maintenance fee and has remained inactive for a following 1 month the Company reserves the right to close the account unilaterally.

The Company shall maintain adequate records of the maintenance fees deducted from the Client's trading account. A statement of the deducted fees shall be made available to the Client on request.

4 Application

The Back office department reviews and identifies all the inactive accounts monthly.

All clients, whose accounts appear inactive for a period of **2 months**, will be contacted via any of their authorized contact details stored by the Company. This communication shall serve as a reminder/notification to the clients informing them about the provisions of this policy and that their account will be classified as a "Inactive/Dormant account". The clients will be granted with 30 calendar days to respond and provide the Company further instructions (I.e., close the account, re-activate their account, etc.).

Clients who fail to respond within 30 calendar days, will be notified via email that their account is now categorized as inactive/dormant. In addition, clients will be reminded of their option to either request closure or re-activation of their account.

Inactive/Dormant Accounts can be re-activated upon request of the client by email at support@gwtrade.eu, and under review of the available and/or newly provided updated documents, ensuring that all due diligence and KYC requirements of the Company have been met. No penalties shall be imposed to the Client for the re-activation of his/her account. The account will be re-activated free of charge.



Inactive/Dormant Accounts can be closed upon request of the client or when the customer review takes place, ensuring that all due diligence and KYC requirements of the Company have been met. In case the Company does not manage to establish a communication with the client for nine (9) calendar months, after the client's account was categorized as inactive/dormant, then the provisions of section 2 are set in force.

5 Review and approval

The provisions of this Policy shall be reviewed on, at least, on an annual basis by the Compliance Function. This Policy may also be amended any time, in accordance with the applicable regulations or as per the internal policy of the Company from time to time.

Where applicable the Compliance Function shall provide recommendations and/or proposed amendments to the Board of Directors for approval.

In the event of any updates to this Policy, the Company's clients shall be notified in advance via e-mail.