

# **FAST CAPITAL MARKETS LIMITED**

## **POLICY ON PRE FUNDED INSTRUMENTS/ ELECTRONIC FUND TRANSFER**

Recently it has been observed by the Regulator that brokers are accepting Pay order, DD. Banker's cheques from clients but are unable to maintain audit trail of the same. This is resulting in flow of third party funds/ unidentified money, which is not in accordance with SEBI provisions and is affecting the integrity of the securities market. The regulator has advised all market intermediaries to be cautious while accepting such instruments and maintain proper audit trail of the same, and to lay down strong policy to stop in flow of third party funds/ unidentified money from entering the system. We at FAST Capital Markets Ltd are committed to stop in flow of third party funds/ unidentified money from entering our system and have laid the following policy to stop such practice.

### **Electronic Fund Transfer:**

EFT has become the most convenient mode of transferring funds from one account to other. But it is often seen that full details of the client transferring the amount is not reflected in the details received from banks. We have taken up the issue with our banker and are working out a solution for the same. Our banker is in process to provide us with an additional file which will have all the required details in respect to the name and account no of the person who has transferred the funds. Our accounts division will credit the account of clients only after verification of client data from the files. In case details are not found in the file the amount is transferred to the suspense account and is credited to the client's account only after due evidence is provided by the client. The data received from the bank and the clients are stored in safe custody for the period as specified under SEBI provisions. Verification of the data is done by the compliance division and the internal auditors on random basis at regular intervals.

### **Pay order, DD. Banker's cheques:**

Receiving of payments by means of Pay order, DD. Banker's cheques is a very tricky thing and should be taken care off tactfully. We have taken up the matter with our management and we have decided not to receive any payment from any client in form of Pay order, DD. Banker's cheques if the amount is  $\leq 50,000/-$ . In case in extreme situation we have to receive any payment amounting to  $\leq 50,000/-$  SEBI circular CIR/MIRSD/03/2011 Dated 09.06.2011 will be strictly followed. Any payment of  $> 50,000/-$  received should be accompanied by a letter from the client indicating the reason for payment of the due amount through Pay order, DD. Banker's cheque and confirming the source of funds in respect to the said Pay order, DD. Banker's cheque. Copy of the Pay order, DD. Banker's cheque should also be accompanied with the letter. Such data are stored in safe custody for the period as specified under SEBI provisions. Verification of the data is done by the compliance division and the internal auditors on random basis regularly.

The above is just a guide line all the officers of FAST Capital Markets Ltd are advised to use their due diligence while accepting Pay order, DD. Banker's cheque from clients. And keep a check on the clients who are regularly paying their dues through Pay order, DD. Banker's cheque and report the same to the compliance division and management. This will enable a full scale enquiry on the client and intention of the client behind payment of due through Pay order, DD. Banker's cheque.