

Ready Reckoner for MFDs

| Sr. No. | Subject | SEBI/ NISM/ AMFI Guidelines |
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| 1 | Renewal of NISM certificate | <p>Individual distributors and employees of distributors are required to renew their NISM certificate BEFORE the expiry of validity of their NISM certificate either by –</p> <ul style="list-style-type: none"> (i) passing 'NISM - Series V-A : Mutual Fund Distribution Examination' OR (ii) attending a one-day CPE program conducted by NISM or its accredited CPE service providers. <p>NISM certificate can be renewed up to 12 months prior to expiry of its validity.</p> |
| 2 | Renewal of ARN/ EUIN | <ul style="list-style-type: none"> a) After renewing their NISM certificate as mentioned at point no. 1 above, individual distributors and employees of distributors need to renew their ARN/ EUIN by logging into AMFI Website at https://www.amfiindia.com/distributor-corner --> Online registration & renewal of ARN & EUIN. b) Renewal of ARN and/or EUIN has to be mandatorily done online through AMFI Website. c) Non-individual distributors can simply renew their ARN online as mentioned above. However, they must ensure that there should be at least one valid EUIN under their ARN. d) ARN/ EUIN should be renewed prior to expiry of its validity to ensure continuity in validity period of ARN/ EUIN**. e) ARN/ EUIN can be renewed up to 6 months prior to expiry of validity. <p>**If ARN/ EUIN is renewed after expiry of its validity, the same will be renewed from the date of renewing the same, which will result in discontinuity in validity period of ARN/ EUIN. ARN holders will not be eligible to receive any commission on the business canvassed during the period ARN is invalid.</p> |
| 3 | Mandatory empanelment with the concerned AMC before doing any business for the mutual fund | <p>Before doing any business for any mutual fund, the MFD needs to be duly empaneled with the concerned AMC. Getting registered with AMFI and obtaining ARN does not automatically confer any right to the MFD to start selling mutual fund schemes of any mutual fund, unless and until the MFD is duly empaneled with the concerned AMC. Transactions received, if any, from / under the ARN of a non-empaneled MFD shall be processed under Direct Plan, in terms of AMFI circular no. 135/BP/ 107 /2023-24 dated May 04, 2023 available at https://www.amfiindia.com/Themes/Theme1/downloads/circulars/AMFI_BP_Circular-107-dt.04-May-23.pdf</p> |

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| 4 | Submission of annual Declaration of Self Certification (DSC) | <p>All MFDs are required to submit annual DSC within 3 months after the end of financial year i.e. by 30th June, failing which payment of all accrued commission shall be withheld by AMCs from July 01 till the time the DSC is submitted. However, if the annual DSC is not submitted by Sep 30, the commission withheld due to non-submission of DSC shall be forfeited.</p> <p>DSC can be submitted online through AMFI Website at https://www.amfiindia.com/distributor-corner/annual_selfcertification</p> |
| 4 | Death of a MFD- Requirement of cancellation of ARN of the deceased MFD by the nominee/ legal heir of the MFD | <p>Upon the death of a mutual fund distributor, his/her nominee or legal heir has the following two options :</p> <p>1) To receive payment of commission till AUM under the ARN of the deceased MFD becomes Nil, provided ARN of the deceased agent / distributor was valid on the date of death of MFD and the commission payment/ ARN should not have been suspended by AMFI at the time of demise of the MFD, for any reason whatsoever.</p> <p>The nominee / legal heir need not be an ARN holder to claim and receive the trail commission on the business done by the deceased MFD prior to his/her death.</p> <p>The nominee/ legal heir of the deceased MFD needs to notify AMFI / CAMS about the demise of the MFD along with a true copy of death certificate (DC) duly attested by Gazetted Officer or Notary and also surrender the ARN card of the deceased MFD. On receipt of the above intimation along with copy of DC, CAMS-AMFI Unit will inform all AMCs about the demise of the MFD.</p> <p>For more details in this regard, please refer AMFI circular dated 28-Mar-2013 on AMFI website at – https://www.amfiindia.com/Themes/Theme1/downloads/circulars/CIRARN151213.pdf</p> <p>2) Transfer of AUM of a deceased MF distributor to the ARN of the nominee/ legal heir of the deceased. For being eligible for transfer of AUM of the of the deceased mutual fund distributor –</p> <p>(a) ARN of the deceased agent / distributor should have been valid on the date of demise of the distributor and his/her commission payment/ ARN should not have been suspended at the time of his/her demise for any reason whatsoever.</p> <p>(b) the Nominee/ legal heir should have a valid ARN as on the date of request for transfer of AUM and should be KYD compliant and should have submitted his/her annual declaration(s) of self-certification due as on the date of request for transfer of AUM. Also, his/ her ARN should not have been suspended by AMFI for any reason whatsoever.</p> <p>(c) For transfer of AUM, the nominee/legal heir of the deceased distributor needs to submit an application for cancellation of ARN of the deceased distributor to CAMS - AMFI Unit no later than six months from the date of demise of the deceased</p> |

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| | | <p>distributor, along with a copy of death certificate of the deceased distributor duly attested by a Notary or by a gazetted officer and the ARN card of the deceased distributor.</p> <p>For more details, please refer AMFI circular dated 21-Mar-2023 available at https://www.amfiindia.com/Themes/Theme1/downloads/circulars/AMFIBestPracticesGuidelinesCircularNo.106_21.03.2023.pdf</p> <p>For Procedure for Transfer of AUM from ARN of deceased MFD to ARN of nominee/legal heir please refer to AMFI circular dated March 28, 2024 available at https://www.amfiindia.com/Themes/Theme1/downloads/circulars/ARNCircular25-CentralisedProcessforAUMTransfer.pdf</p> |
| 5 | Transfer of AUM from one MFD/ARN to another MFD/ARN | <p>AMFI has issued detailed guidelines for transfer of AUM from ARN of one distributor to another ARN of another MFD which are available on AMFI website at https://www.amfiindia.com/Themes/Theme1/downloads/circulars/AMFIBestPracticesGuidelinesCircularNo.106_21.03.2023.pdf</p> <p>For the procedure for Transfer of AUM from ARN of one MFD to ARN of another MFD, please refer to AMFI circular dated March 28, 2024 available at https://www.amfiindia.com/Themes/Theme1/downloads/circulars/ARNCircular25-CentralisedProcessforAUMTransfer.pdf</p> <p>In case of any exceptions to the aforesaid guidelines, members and MFDs are required to write to AMFI for guidance.</p> |
| 6 | Code of Conduct for Mutual Fund Distributors | <p>Mutual Fund distributors are required to abide by Code of Conduct for Mutual Fund Distributors. The same is available on AMFI Website at https://www.amfiindia.com/Themes/Theme1/downloads/RevisedCodeofConductforMutualFundDistributors-April2022.pdf</p> |
| 7 | Other Important AMFI circulars related to mutual fund distributors | <p>For other important AMFI circulars related to mutual fund distributors, please visit – https://www.amfiindia.com/distributor-corner/circulars-and-announcements</p> |