



Association of Mutual Funds in India

ARN Registration process for New Cadre of Distributors as defined in SEBI Circular dated 13-Sep-2012 and as notified by AMFI

Background

In terms of SEBI Circular dated September 13, 2012

- i) A new cadre of distributors, such as postal agents, retired government and semi-government officials (class III and above or equivalent), retired teachers and retired bank officers with a service of at least 10 years, and other similar persons (such as Bank correspondents) as may be notified by AMFI/ AMC from time to time, shall be allowed to sell units of simple and performing mutual fund schemes.
- ii) Simple and performing mutual fund schemes shall comprise of diversified equity schemes, fixed maturity plans (FMPs) and index schemes and should have returns equal to or better than their scheme benchmark returns during each of the last three years.
- iii) These new cadre of distributors would require a simplified form of NISM certification and AMFI Registration.

Simplified AMFI Registration Process :

Who can apply for registration under this category

- Postal agents
- Retired government and semi-government officials (class III and above or equivalent) with a service of at least 10 years.
- Retired teachers with a service of at least 10 years
- Retired bank officers with a service of at least 10 years
- Intermediaries / Agents engaged in distribution of financial products e.g. insurance agent, FD agent, National Savings Scheme products, PPF, etc. registered with any other Financial Services Regulator
- Business correspondents appointed by Banks

Only Individuals satisfying one of the above mentioned criteria or Proprietary concerns, where the Sole Proprietor is satisfying one of the above mentioned criteria, can apply for obtaining ARN under this category.

What are the requirements for Registration with AMFI

- Though new cadre of distributors are not required to comply with KYD/ bio-metrics requirements, they are required to submit self attested copies of identity proof (photo PAN card of individual applicants/ in case of Proprietary concern, PAN card of the Proprietary Concern (if available) or Photo PAN card of the Proprietor) and address proof, as mentioned in KYD application.
- Self attested copy of certificate issued by NISM in respect of Series V-B : Mutual Fund Foundation Certification Examination or Mutual Fund Foundation CPE Program, specially designed by NISM for new cadre of distributors.

- **If the applicant is Retired Government/ Semi-Government/ Bank officials/ Teachers** : Experience certificate issued by the employer and the relieving letter issued by employer.
- **If the applicant is Postal Agent/ Bank Correspondents/ Agents engaged in distribution of financial products e.g. insurance agent, FD agent, National Savings Scheme products, PPF, etc. registered with any other Financial Services Regulator** : Appointment letter issued by the respective Authorities.

Fees

For applications received under Individual category :

Rs. 1500/- for ARN Registration

Rs. 750/- for ARN Renewal

For applications received for Proprietary Concern :

Rs. 1500/- for registration of Proprietary concern

Rs. 1500/- for registration of the Sole Proprietor under Proprietary concern and allotment of EUIN to the Sole Proprietor

Rs. 750/- for renewal of Proprietary concern

Rs. 750/- for renewal of EUIN of the Sole Proprietor

Allotment of ARN

The documents shall be scrutinized and if found in order and if the prescribed fees have been realized, a photo identity card containing unique ARN starting with "SD" and indicating validity period, which will correspond to the validity period mentioned on CPE certificate would be issued to the applicants.

After obtaining ARN, they should approach the AMCs for empanelment. After empanelling with the AMC, they can sell units of simple and performing mutual fund schemes as defined in SEBI Circular dated September 13, 2012, of the AMC with which they are empanelled.

Renewal of ARN

The ARN holders are required to renew ARN on or six months prior to expiry of validity period of ARN.

The renewal of ARN is subject to passing V-B : Mutual Fund Foundation Certification Examination or attending Mutual Fund Foundation CPE Program, specially designed by NISM for new cadre of distributors by NISM.

Minimum Empanelment Criteria

Clause no. 3.2 of AMFI Circular no. CIR/ARN-09/08-09 dated July 18, 2008 on "Common Minimum Criteria for Empanelment – minimum number of investors required to be serviced" will not be applicable for new cadre of distributors.

Annual Self Certification

"Central Distributor Services" has become operational with effect from January 15, 2013. The distributors are therefore required to submit Annual "Declaration of Self Certification" to CAMS, AMFI Unit in the following format.

Format for Declaration of Self Certification for New cadre of Distributors

Date: _____

AMFI Registration Number (ARN-SD): _____

From: _____

* Landline:

* Mobile:

* Email:

To,
CAMS,
AMFI unit,
Chennai

Sub: Declaration of Self-Certification (DSC): Period / Financial Year _____

"This is to certify that, in the course of my business in the distribution of mutual fund products during the period / financial year ended March 31, _____, I have adhered to the Code of Conduct contained in SEBI circular no. SEBI/IMD/CIR No. 8/174648/2009 dated August 27, 2009, Code of Conduct for Mutual Fund Distributors prescribed by AMFI and to the requirements as prescribed in SEBI's circular no. MFD/CIR/20/23230/2002 dated November 28, 2002 and the AMFI circular no. CIR/ARN-09/08-09 dated July 18, 2008, except for clause no. 3.2 of Common Minimum Criteria for Empanelment. "

In compliance with SEBI Circular no. SEBI/ IMD/CIR/No.4/168230/09 dated June 30, 2009, I have disclosed to investors all the commissions (in the form of trail commission or any other mode) payable to me for the different competing schemes of various mutual funds from amongst which the scheme was recommended to our investors.

I further confirm that I have only sold units of simple and performing mutual fund schemes as per SEBI circular CIR/IMD/DF/21/2012 dated September 13, 2012

I further certify that I have adhered to the SEBI and AMFI Guidelines issued from time to time.

Kindly update this DSC on your records and with all the Fund Houses where I am empanelled.

Signature

** Information is desirable for all important communication to be disseminated efficiently*