

Distributor's Drive

As you are aware, fees are prescribed for registration of Distributors under various categories. In case of Individual (including Sr. Citizen) Distributor, the fees presently payable are Rs.3,000/- for three years.

In terms of SEBI Circular no. CIR/IMD/DF/21/2012 dated September 13, 2012, 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, has been allowed to sell units of simple and performing mutual fund schemes. This has been done with a view to expand Distributor base for distribution of Mutual Fund products. AMFI Board has prescribed Registration fee of Rs.1,500/- for three years for this new cadre of Distributors.

With a view taking this initiative forward, AMFI Board, at its meeting held on January 11, 2013, has decided as under:

A. Include the following persons in this special cadre of distributors:

- i) 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, with at least 5 years of experience.
- ii) Business correspondents appointed by banks having at least 5 years of experience.

(This has been advised vide AMFI letter No. 35P/MEM-COR/34/12-13 dated January 14, 2013)

B. To waive registration fees for all the distributors registering first time in the categories of **Individuals (including Sr. Citizen) and new cadre of Distributors** during the period from **1st February, 2013 to 30th June, 2013** subject to fulfilling the following conditions:

- i. Senior Citizens are Individuals who qualify under the criteria stipulated by SEBI i.e. a person who has attained age of 50 years as on May 31, 2010 **OR** has at least 10 years experience in the securities market **OR/ AND** in distribution in Mutual Fund products as on May 31, 2010.
- ii. New cadre of Distributors should be compliant with the criteria mentioned in the SEBI Circular dated September 13, 2012.
- iii. Individuals, Sr. Citizens and new cadre of Distributors should have valid Certificate for passing NISM Examination/ attending CPE Programme.

- iv. ARN Card issued shall be valid upto 3 years from the date of passing the date of NISM Examination / attending CPE Programme. However, renewal of ARN after 3 years shall be subject to payment of prescribed fees, as applicable at the time of renewal.
- v. The application made for registration under this scheme should be accompanied with all other stipulated documents specified in the Registration Form.