

Dear Sir/Madam,

Sub: 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 our 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.

While, AMFI will issue a Press Release in this regard and also put it out on AMFI Website, AMCs are requested to give more publicity by-

- hosting this information on their website; and
- encourage registration of Distributors in these categories by propagating this during their marketing campaign.

We trust this window of free ARN registration will help Mutual Fund Industry to enlarge the distributors base.

With Regards,

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