



ASSOCIATION OF MUTUAL FUNDS IN INDIA

135/BP/53A/2014-15

March 30, 2015

To All AMFI Members

AMFI Best Practices Guidelines Circular No. 53A /2014-15

Clarification in respect of AMFI Best Practices Guidelines circular No. 53 dated February 11, 2015 read with AMFI Best Practices Guidelines 20 dated February 9, 2011 regarding Transmission of Units

We draw your attention to AMFI Best Practices Guidelines circular No. 53 dated February 11, 2015 proposing revision in respect of certain guidelines contained in our Circular No.20/2010-11 dated February 09, 2011 with respect to Transmission of Units.

In this context we have received queries as whether an Indemnity Bond would be required from legal heir/s even where the claimant produces a Probated Will or Succession Certificate or Letter of Administration (in case of Intestate Succession) etc. for transmission of units in case of death of sole unitholder or all unit holders under a folio, **where there is no nomination registered** and the value of units to be transmitted is ₹Two lacs or more.

In this regard, it is hereby clarified that in case the claimant produces any one of the documents mentioned under sub-clause no. (a) to (c) of Clause no. 6.3.8 of the circular dated February 09, 2011, the Indemnity Bond, as mentioned under clause 6.3.5 would not be required.

The revised clause No. 6.3 of AMFI Circular No.20/2010-11 dated February 09, 2011 is reproduced herein below for clarity and ready reference:

6.3. Transmission to claimant/s, in case of death of sole unitholder or all unit holders under the folio, wherein no nomination has been registered:

- 6.3.1. Letter from claimant/s to the Fund / AMC / RTA requesting for transmission of units;
- 6.3.2. Death Certificate/s in original or photocopy duly notarized or attested by gazette officer or a bank manager;
- 6.3.3. Bank Account Details of the new first unit holder as per Annexure 1 along with attestation by a bank branch manager or cancelled cheque bearing the account details and account holders name;
- 6.3.4. KYC compliance of the claimant/s;
- 6.3.5. Indemnity Bond from legal heir/s - Annexure II (attached to the BP circular No. 53);
- 6.3.6. Individual affidavits from legal heir/s - Annexure III (attached to the BP circular No. 53).

6.3.7. If the transmission amount is below ₹2 Lac, any appropriate document evidencing relationship of the claimant/s with the deceased unitholder/s.

6.3.8. If the transmission amount is ₹2 Lac or more, any one of the documents mentioned below:

- a. Notarised copy of Probated Will, or
- b. Legal Heir Certificate or Succession Certificate or Claimant's Certificate issued by a competent court, or
- c. Letter of Administration, in case of intestate succession.

*** Please note that in case the claimant submits any document mentioned under sub-clause (a) to (c) of Clause 6.3.8, then the Indemnity Bond as mentioned under clause 6.3.5 would not be required.**

The Transmission Document Matrix – Ready Reckoner duly amended pursuant to the above, is also attached herewith.

You are requested to take note the above.

With regards,


Balkrishna Kini
Executive Vice President





Transmission Documents Matrix – Ready Reckoner

Sr. No	Documents Required for Transmission	Transmission to Surviving Joint Holders	Demise of Sole/All unit holders & Nominee/s registered.	Demise of Sole/All unit holders & Nominee/s NOT registered.	Demise of Karta of an HUF.
Basic Documents:					
1	Letter from the Nominee/s or the Claimant/s or new Karta addressed to the AMC/Fund/Registrar.	✓	✓	✓	✓
2	Death Certificate of deceased Unit Holder/s / Karta in original or Photocopy duly notarized or attested by gazetted officer/bank manager.	✓	✓	✓	✓
3	KYC of Nominee/s or Claimant/s or Surviving Unit holders or HUF & New Karta, <u>Or</u> KYC of the Guardian (in case of nominee /claimant being a minor / of unsound mind).	✓	✓	✓	✓
4	New Bank Mandate details - duly attested by Bank Manager - (Annexure I) or Cheque copy with account number and holders' name printed on the cheque.	✓	✓	✓	✓
Additional Legal Documents:					
<i>(Indemnity Bonds/Individual Affidavit to be on minimum Rs 20/- stamp paper or more and duly notarized. KYC address should match with the address mentioned in the Indemnity Bond.)</i>					
1 A *	Indemnity bond signed by all legal heir/s confirming the claimant/s (Annexure II)			✓	
1 B	Individual Affidavit by the Legal Heir/s (Annexure III)			✓	
2	Transmission value less than ₹2,00,000: <i>Document evidencing relationship of the claimant/s with the deceased unitholder/s.</i>				
	Transmission value ₹2,00,000/- or more : (i) Notarised copy of the Probated Will OR (ii) Legal Heir / Succession / Claimant certificate by a competent court OR (iii) Letter of Administration, in case of Inestate Succession.			✓	
3 A	Indemnity Bond signed by all the co-parceners appointing the new Karta (Annexure IV)				✓
3 B	Notarized copy of Settlement Deed OR Deed of Partition OR				
	Decree of the relevant competent Court: (In case of no surviving co-parceners and the transmission value is more than ₹ 2,00,000/- , OR where there is an objection from any surviving members of the HUF)				✓

* In case the claimant produces any one of the documents mentioned at point no. 2 above (under Additional Legal Documents), where transmission value is ₹2 lacs or more, then indemnity bond as mentioned at point no. 1A would not be required.