

Code of Conduct for Mutual Fund Distributors

As specified in AMFI circular

To demonstrate the core values of being a fiduciary by establishing professional standards in the dealing with investors, AMCs, and other distributors so as to exemplify the values of transparency, competency, fairness, integrity, and thereby seek to inspire and maintain trustworthiness in the profession of distribution of Mutual Fund schemes.

To consider investors' interest as paramount and exercise due diligence, take proper care and exercise independent professional judgement in the best interest of the investors.

To adhere to SEBI (Mutual Funds) regulations 1996, and guidelines/circulars issued by SEBI and AMFI, time to time. Be fully conversant with the provisions of the Scheme Information Document (SID), Statement of Additional Information (SAI), and Key Information Memorandum (KIM), and explain to the investors the key features of the schemes and the risk associated therein.

To comply with the Know Your Distributor (KYD) norms prescribed by AMFI. Shall maintain due diligence in attesting / certifying investor documents and performing In-Person Verification (IPV) of investors in the KYC process in accordance with AMFI / Key Registration Guidelines (KRA) guidelines issued time to time.

To ensure proper assessment of the investor's financial status, needs, investment experience, and accordingly suggest schemes, without indulging into any unfair practices for personal gains – be it earnings of commission or incentives of any kind.

To avoid any conflict of interest as far as possible, and when it cannot be avoided, shall disclose all material facts regarding conflict of interest arising from distribution of such Mutual fund Scheme.

Refrain from all malpractices like over transacting or churning of investments, selling unsuitable products to clients, selling of schemes of any mutual fund, directly or indirectly, by making false or misleading statements or concealing material facts of the scheme or the associated risk factors of the scheme.

Abstain from any unfair passing back of commission / incentives to investors. In-stead all effort should be focused in providing proper advice to the investors in their best interest and ensure correct selling.

Abstain from indicating any assured returns for any scheme unless otherwise explicitly mentioned in the Scheme Information Document.

Maintain proper infrastructure to provide time bound service to investors as stipulated by AMCs, and ensure critical operations such as forwarding /submission of forms, cheques, etc. to AMCs/RTAs are appropriately supported.

Ensure proper internal control to prevent any mis-selling, fraud, professional mis-conduct, or error of omissions.

Ensure proper security measures to maintain data confidentiality for all clients and AMCs, and not having any chances of slippage.

Shall endeavor to resolve investor grievances / complaints arising out of marketing, sale and distribution activities and shall provide complete assistance to the AMCs for redressal of grievances and complaints.

Shall obtain necessary NISM certification and register with AMFI and obtain ARN and EUIN (Employee Unique Identification Number) from AMFI.

The certificates and the registration shall be renewed on a timely basis.

All employees engaged in sales and marketing of mutual fund schemes should obtain NISM certification. Employees in other functions should also be encouraged to obtain the same.

Ensure that employees undergo regular training on proper conduct for the sales, marketing and distribution activities, and focus on (i) awareness and understanding of their fiduciary obligations towards investors, (ii) adequate procedures while performing functions so as to prevent and detect any frauds and errors, and (iii) responsible usage of social media platform with respect to content standards, authenticity and approval for the information, frequency of usage and other ethical practices.