FREQUENTLY ASKED QUESTIONS (FAQ's) UNDER KYC & MIN

Guidelines issued by Securities and Exchange Board of India under The Prevention of Money Laundering Act, 2002 ("PMLA") requires Mutual Funds to follow enhanced know your customer (KYC) norms. This FAQ is only meant to clarify certain questions relating to enhanced KYC procedures. AMFI strongly recommends you to contact your distributor / mutual fund for further clarifications.

1. **What is KYC?**
   KYC is an acronym for "Know your Customer", a term commonly used for Customer Identification Process. SEBI has prescribed certain requirements relating to KYC norms for Financial Institutions and Financial Intermediaries including Mutual Funds to 'know' their customers. This could be in the form of verification of identity and address, financial status, occupation and such other personal information.

2. **What are the KYC requirements for a Mutual Fund Investor?**
   An Individual investor will have to produce his proof-of-identity and proof-of-address. Non-Individual Investors will have to produce certain documents pertaining to its constitution / registration to fulfil the KYC process. A list of documents can be found on the reverse of the MIN application form.

3. **Does the investor have to approach every Mutual Fund separately to fulfil these requirements?**
   Keeping in mind investor convenience, Mutual Funds have come together to provide a common platform for facilitating the KYC process. An Investor will have to obtain a Mutual Fund Identification Number ("MIN") through this platform after completion of the verification process relating to proof of identity and proof of address. This MIN can be quoted while transacting with any Mutual Fund.

4. **Where and how do I obtain a MIN?**
   The Mutual Fund Industry has made arrangements with CDSL Ventures Limited ("CVL"), a wholly owned subsidiary of Central Depository Services (India) Limited, to issue a MIN. For this purpose, CVL has appointed some reputed entities to act as Points of Service (POS). POSs are official offices to accept MAF, verify documents and generate a MIN.

   A list of the POS is available on the website of AMFI. Additionally, designated Investor Service Centres (ISCs) of some Mutual Funds would also be issuing MINs. Please log on to the website of the Mutual Funds with whom you are looking to invest.

5. **From what date is MIN mandatory?**
   The effective date for quoting a MIN with your investment transaction of Rs. 50,000 and above is 1st January 2007.

6. **To whom is a MIN applicable? Is there any exemption?**
   Currently, all investors (individuals or Non Individuals) who wish to make an investment transaction of Rs. 50,000 or above will be required to obtain a MIN. This would also apply to Systematic Investment Plan (SIP) transactions, even if the SIP was registered prior to 1st January 2007.

   Investors who invest less than Rs. 50,000 are currently not required to quote a MIN while transacting with a Mutual Fund.

   Any switches made from existing investments or dividends re-invested do not require a MIN.

   All joint holders will be required to quote their MIN.

7. **In case of existing investors when and how will the KYC norms be introduced?**
   While an existing investor who continues to hold investments without further purchases of Rs 50,000 or more will not require a MIN, it is in the interest of all investors to obtain a MIN and submit it to the Mutual Fund to avoid any inconvenience in future.

8. **Once an account is opened with a Mutual Fund by 1st, 2nd & 3rd holder by completing the necessary formalities and the investors return to make a fresh investment, do they need to furnish the necessary documents again?**
Once a MIN is obtained by multiple applicants in a folio, they can continue investing with any combination of holders by quoting their correct MIN. Investors need not submit the documents again if they quote the MIN details in the transaction form.

9. **What is a MIN Application Form (MAF)?**
MAF is a MIN Application form. Separate MAFs have been designed for Individual and Non-Individual Investors. These can be downloaded from the AMFI website or from the website of the Mutual Fund with whom you invest. You may also approach your distributor for a form. It is important to read the instructions printed on the MAF while filling-up the form.

10. **How long does it take to get a MIN?**
The MIN will normally be communicated across the counter at the designated Points of Service after preliminary verification of documents. However, based on final verification of the documents, the MIN may be cancelled/rejected in case of deficiency of documents or incomplete information observed in the final verification. A separate communication intimating about the cancellation / rejection of MIN will be sent by CVL.

11. **What are the consequences of MIN cancellation/rejection?**
In cases where MIN is cancelled and applicant has been allotted units, the allotted units will be redeemed at applicable NAV, subject to payment of exit load, wherever applicable. (In case of an ELSS Scheme or a New Fund Offer, the original amount invested will be refunded). Such refunds will be dispatched within a maximum period of 21 days from date of allotment of units. In respect of New Fund Offer the refunds will be dispatched within a maximum period of 6 weeks from the closure of New Fund Offer.

The investor will then need to obtain a fresh MIN giving the appropriate documentation and submit a fresh transaction form. The earlier transaction will not be restored on submission of the newly obtained MIN.

12. **Does the MIN have an expiry date?**
No. A MIN once obtained and transacted within a period of three years, will exist in perpetuity, unless cancelled by CVL.

13. **Is it necessary to quote the MIN for every transaction?**
No. Once the MIN is informed to a Mutual Fund, it will be registered against the folio and quoted in all future account statements.

14. **What happens if I have multiple folios/accounts with a Mutual Fund?**
You can inform the Mutual Fund to update the MIN against all the folios/accounts you have with it. However, each of the holders in these folios should have a MIN of their own.

15. **Do I have to visit a POS personally to obtain a MIN?**
No. If you are not in a position to visit a POS personally, you may send the MAF along with the necessary documents through your distributor or representative, who can arrange to obtain the MIN for you from POS.

16. **Is there a charge I need to pay to obtain a MIN?**
Currently, MIN is issued free of cost.

17. **I am an NRI residing outside India. How do I get a MIN?**
At present, there are no POS available outside India. You may obtain the MAF from the AMFI / Mutual Fund website. MAF duly completed along with the necessary documents can be mailed to your representative or Distributor who can obtain the MIN for you.

18. **Are there any special requirements for a NRI?**
Yes. In addition to the certified true copy of the passport, certified true copy of the proof of overseas address and permanent address will also be required. If any of the documents (including attestations / certifications) towards proof of identity or address is in a foreign

language, they have to translate into English for submission. The documents can be attested by the Consulate office or overseas branches of scheduled commercials banks registered in India.

19. **Is there any special requirement for a PIO (Person of Indian Origin)?**
The requirements applicable to an NRI will also apply to a PIO. However, additionally, he will need to submit a certified true copy of the PIO Card.

20. **If all members in my family invest, can I get a single MIN?**
No. Each individual investor will need a separate MIN.

21. **I invest in my minor child's name? Do I need to get a MIN for my minor child as well?**
Minors cannot apply for a MIN. In case of a Minor, the Guardian of the minor has to obtain and quote his / her MIN in the Mutual Fund form while investing.

22. **What about a Minor becoming a Major?**
Upon a minor attaining the age of majority on completing 18 years of age, he/she must apply for and obtain a separate MIN in his/her own name. The MIN should be informed to the mutual funds where he/she holds investments, along with other details such as the Bank Details, Signature, etc as per the present requirements of such Mutual Fund.

23. **Are there any additional requirements for investments managed by a Power of Attorney (POA) holder?**
The POA holder is also required to obtain a separate MIN in his/her own name and quote it along with the investors' MIN while investing on behalf of the investor.

24. **Whom do I inform about change of Name/Address/Status/Signature etc?**
You should intimate your **change of Name / Address / Status / Signature etc.** in the specified form to any convenient POS. You need to quote your MIN, and provide the necessary address proof (in case of new address). You should provide for at least 7 days for the change of address to take effect with all the Mutual Funds with whom you are invested. Please note that you should not write to the Mutual Fund or its Registrar for the change of address (unless as a designated POS). The specified form can be obtained form the AMFI / Mutual Fund website.

25. **For transmission (in case of death of the unit holder) cases what are the extra documents required to be obtained?**
If the deceased is the sole applicant, the claimant should quote his/her MIN in the request along with the other relevant documents to effect the transmission in his/her favour.

26. **What if the address in an investors existing folio is different from what he/she has registered at the time of KYC?**
When investors quote a MIN for an existing folio, all address details of the holder will be replaced by the address details available in the MIN record.