REVISED CODE OF CONDUCT FOR INTERMEDIARIES OF MUTUAL FUNDS

Association of Mutual Funds in India

CODE OF CONDUCT FOR INTERMEDIARIES OF MUTUAL FUNDS(REVISED)

1. Consider investor's interest as paramount and take necessary steps to ensure that the investor's interest is protected in all circumstances.

2. Adhere to SEBI Mutual Fund Regulations and guidelines issued from time to time related to distributors, selling, distribution and advertising practices. Be fully conversant with the key provisions of the Scheme Information Document (SID), Statement of Additional Information (SAI) and Key Information Memorandum (KIM) as well as the operational requirements of various schemes.

3. Comply with SEBI guidelines / requirements issued from time to time in preparation of sales, promotional or any other literature about any schemes. Performance disclosures should also comply with the requirements specified by SEBI. Provide full and latest information of schemes to investors in the form of SAI, SID, addenda, performance reports, fact sheets, portfolio disclosures and brochures; and recommend schemes appropriate for the investor's risk profile and needs.

4. Highlight risk factors of each scheme, desist from misrepresentation and exaggeration and urge investors to go through SAI / SID/ KIM before deciding to make investments.

5. Disclose to the investors all material information including all the commissions (in the form of trail or any other mode) received for the different competing schemes of various Mutual Funds from amongst which the scheme is being recommended to the investors.

6. Abstain from indicating or assuring returns in any type of scheme, unless the SID is explicit in this regard.

7. Maintain necessary infrastructure to support the AMCs in maintaining high service standards to investors, and ensure that critical operations such as forwarding forms and cheques to AMCs/registrars and despatch of statement of account and redemption cheques to investors are done within the time frame prescribed in the SID/SAI and SEBI Mutual Fund Regulations.

8. Do not collude with investors in faulty business practices such as bouncing of cheques, wrong claiming of dividend/redemption cheques, splitting of applications in the schemes to circumvent regulations for any benefit, etc.

9. Do not undertake commission driven malpractices such as:
   a. recommending inappropriate products solely because the intermediary is getting higher commissions therefrom.
   b. encouraging over transacting and churning of Mutual Fund investments to earn higher commissions.
   c. Splitting of applications to earn higher transaction charges / commissions.

10. Abstain from making negative statements about any AMC or scheme and ensure that comparisons, if any, are made with similar and comparable products along with complete facts.

11. Intermediaries shall keep themselves abreast with the developments relating to the Mutual Fund Industry as also changes in the scheme information and information on mutual fund / AMC like changes in fundamental attributes, changes in controlling interest, loads, liquidity provisions, and other material aspects and deal with the investors appropriately having regard to the up to date information.

12. Maintain confidentiality of all investor details, deals and transactions.

13. Intermediaries shall keep investor's interest and suitability to their financial needs as paramount and that extra commission or incentive should never form the basis for recommending a scheme to the investor.

14. Intermediaries shall not rebate commission back to investors and abstain from attracting investors through temptation of rebate/gifts etc.

15. To protect the investors from potential fraudulent activities, intermediary should take reasonable steps to ensure that the investor's address and contact details filled in the mutual fund application form are investor's own details, and not of any third party. Where the required information is not available in the application form, intermediary should make reasonable efforts to obtain accurate and updated information from the investor. Intermediaries should abstain from filling wrong / incorrect information or information of their own or of their employees, officials or agents as the investor's address and contact details in the application form, even if requested by the investor to do so. Intermediary should abstain from tampering in any way with the application form submitted by the investor, including inserting, deleting or modifying any information in the application form provided by the investor.

16. Intermediaries including the sales personnel of intermediaries engaged in sales / marketing shall obtain NISM certification and register themselves with AMFI and obtain a Employee Unique Identification Number (EUIN) from AMFI apart from AMFI Registration Number (ARN). The Intermediaries

shall ensure that the employees quote the EUIN in the Application Form for investments. The NISM certification and AMFI registration shall be renewed on timely basis. Employees in other functional areas should also be encouraged to obtain the same certification.

17. Intermediaries shall comply with the Know Your Distributor (KYD) norms issued by AMFI.

18. Co-operate with and provide support to AMCs, AMFI, competent regulatory authorities, Due Diligence Agencies (as applicable) in relation to the activities of the intermediary or any regulatory requirement and matters connected thereto.

19. Provide all documents of its investors in terms of the Anti Money Laundering / Combating Financing of Terrorism requirements, including KYC documents / Power of Attorney / investor's agreement(s), etc. with Intermediaries as may be required by AMCs from time to time.

20. Be diligent in attesting / certifying investor documents and performing In Person Verification (IPV) of investor's for the KYC process in accordance with the guidelines prescribed by AMFI / KYC Registration Agency (KRA) from time to time.

21. Adhere to AMFI guidelines and Code of Conduct issued from time to time related to distributors, selling, distribution and advertising practices.

22. Intimate the AMC and AMFI any changes in the intermediary's status, constitution, address, contact details or any other information provided at the time of obtaining AMFI Registration.

23. Observe high standards of ethics, integrity and fairness in all its dealings with all parties – investors, Mutual Funds/ AMCs, Registrars & Transfer Agents and other intermediaries. Render at all times high standards of service, exercise due diligence, and ensure proper care.

24. Intermediaries satisfying the criteria specified by SEBI for due diligence exercise, shall maintain the requisite documentation in respect of the "Advisory" or " Execution Only" services provided by them to the investors.

25. Intermediaries shall refund to AMCs, either by set off against future commissions or payment, all incentives of any nature, including commissions received, that are subject to claw-back as per SEBI regulations or the terms and conditions issued by respective AMC.

26. In respect of purchases (including switch-in's) into any fund w.e.f. January 1, 2013, in the event of any switches from Regular Plan (Broker Plan) to Direct Plan, all upfront commissions paid to distributors shall be liable to complete and / or proportionate claw-back.

27. Do not indulge in fraudulent or unfair trade practices of any kind while selling units of Schemes of any mutual fund. Selling of units of schemes of any mutual fund by any intermediary directly or indirectly by making false or misleading statement, concealing or omitting material facts of the scheme, concealing the associated risk factors of the schemes or not taking reasonable care to ensure suitability of the scheme to the investor will be construed as fraudulent / unfair trade practice.

Note: SID should be read in conjunction with SAI, and not in isolation.

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