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**ARTICLE No. 13**

**PROCESS FOR TRANSMISSION OF MUTUAL FUND UNITS**

Mutual fund units can be held either in a single name with a nominee or jointly by up to three holders, and the mode of operation could be “either or survivor” or on a joint basis. The process of transmission of units in a mutual fund depends on the pattern of holding. For Instance, if there are two or three holders, then in the event of the death of the first unit holder, the units held in a scheme can be transmitted to the second and third unit holders who subsequently will become the first and second holders. However, in case of a single holder, the units can be transmitted to the nominee. The second holder of nominee will have to submit a letter to the fund house informing it of the death of the unit holder. Along with this one has to attach the original death certificate/notarized death certificate. One must also mention the second unit holder or nominee’s bank account details. If the nominee is not KYC Compliant, She/he will have to complete the same. The nominee can continue to hold on to the units or sell them after transmission

**WHAT HAPPENS IF THER IS NO NOMINEE OR THERE IS MORE THAN ONE?**

If there are no joint holders or nominees, the investments will be transferred to the legal heirs of the deceased when the fund house receives an application for transmission supported by prescribed legal documents. In case of multiple nominees, each nominee will be assigned the portioned number of fund units according to the intent of the deceased investor. If the units are valued above Rs.2 Lakh, it needs to be attested by a notary.

**HOW DO YOU TRANSMIT MUTUAL FUND UNIT IN DEMAT FORM?**

Many investors now buy mutual fund units in demat form. In the event of death of one of the joint holders, the mutual fund units will be transmitted to the surviving holder. One needs a death certificate and an account closing form. However, the new account where the mutual fund units need to be transmitted must be in the same sequence of the surviving holder. If such an account is not available, the surviving unit holder will need to open a new demat account.

**HOW MUCH TIME DOES TRANSMISSION TAKE?**

On receipt of the necessary documents, the fund house could take 5-15 days to get the transmission done.