

## ***IX. TRANSMISSION OF DEMATERIALIZED SECURITIES***

### **1. What is transmission of securities?**

Transmission of securities means transferring ownership of securities to the nominee / successors / Legal heirs in the event of death of the sole / all joint holders or to surviving joint holders in the event of death of one/more joint holders.

### **2. What is transmission of dematerialized securities?**

Transmission is the process by which securities of a deceased account holder are transferred to the account of his legal heirs / nominee. Process of transmission in case of dematerialized holdings is more convenient as the transmission formalities for all securities held in a demat account can be completed by submitting necessary documents to the DP.

### **3. In the event of death of the sole holder, how should the successors claim the securities lying in the demat account?**

The claimant should submit to the concerned DP an application with Transmission Request Form (TRF) along with the following supporting documents:

- Original or Death certificate downloaded from the online portal of Government carrying digital/facsimile signature of the issuing authority or a copy of the Death Certificate duly notarized or attested by a Gazetted Officer. , in case of death of the sole holder where the sole holder has appointed a nominee.
- In case of death of the sole holder, where the sole holder has not appointed a nominee
  - i. Original or Death certificate downloaded from the online portal of Government carrying digital/facsimile signature of the issuing authority or a copy of the Death Certificate duly notarized or attested by a Gazetted Officer. , in case of death of the sole holder where the sole holder has appointed a nominee.
  - ii. Succession certificate / Probate of the will /Letter of administration

The DP, after ensuring that the application is genuine, will transfer securities to the account of the claimant.

### **4. If a successor is not able to provide either the succession certificate / Probate of the will / Letter of administration, then what is the way to get the securities transmitted?**

If value of the securities in the deceased BOs account is less than Rs. Five lacs as on the date of application for transmission, then by providing following documents, transmission can still be carried out.

- Transmission Request Form

- Original or Death certificate downloaded from the online portal of Government carrying digital/facsimile signature of the issuing authority or a copy of the same Death Certificate(duly notarized or attested by a Gazetted Officer
  - Any one or more of the following documents:
    - Letter of Indemnity executed by the applicant(s) on non-judicial stamp paper of appropriate value, duly notarized.
    - An Affidavit from the applicant executed on non-judicial stamp paper of appropriate value and notarized.
    - No objection certificate [NOC] from all legal heir(s) who are not applicants conveying no objection to the transmission of the relevant securities in favor of the applicant(s).
    - As an alternate to NOC, copy of Family Settlement Deed duly notarized or attested by a Gazetted Officer and executed by all the legal heirs of the deceased BO, provided that:
  - The Family Settlement Deed clearly vests the securities in favor of the person seeking transmission in his/her name. Vesting of securities in favor of the person seeking transmission in his/her name is not contingent upon any other onerous conditions in such Family Settlement Deed.
- Note:** If the division of shares as per the Family Settlement Deed is amongst more than one person, then the Family Settlement Deed can be considered as an NOC for transmission of shares to each legal heir applying for transmission.

## **5. What is procedure of transmission in the event of death of one or more account holders in a joint demat account?**

In such case the surviving holders of the account have to submit following documents to the DP

- Transmission request form
- Original or Death certificate downloaded from the online portal of Government carrying digital/facsimile signature of the issuing authority or a copy of the same Death Certificate (duly notarized or attested by a Gazetted Officer.
- Client master report of the demat account in the name of the surviving holder(s)

The DP, after verifying the documents submitted, can setup a transmission request and transfer the securities to the account held in the name of surviving holder(s).

## **6. What exemptions are given from obtaining the documents for opening a new account in favour of surviving joint holders with the same DP?**

Following exemptions are given from obtaining the documents in case a new account is opened in favour of surviving joint holders with the same DP:

- The surviving joint holders if the new account is opened with the same DP have to submit the duly signed "Rights and Obligations of Beneficial Owner and Depository Participant" to the Depository Participant

- The address proofs obtained at the time of opening an old account for permanent address and correspondence address can be considered while opening a new account if the 1<sup>st</sup> holder of the new account is same as the old account.
- The SMART registration form submitted during opening an old account can be continued provided the 1<sup>st</sup> holder of the account is same.

#### **7. Can surviving holder(s) transmit securities to an account opened in their names?**

Yes, e.g. 1: If the account is held in the name of A, B and C, upon the death of B, the surviving holders: A and C can transmit the securities only to an account opened in the order of A and C.

e.g. 2 : If the account is in the name of A and B, on the death of B, the surviving holder: A can transmit the securities only to an account in the name of A without joint holders.

Further, surviving holders also has the facility continue the existing account by deleting the name of the deceased holder.