

# Direct Mutual Fund New Business Submission Guide

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## Overview

Use this reference guide to review the paperwork requirements and submission process to open a mutual fund, retirement, ABLE, or 529 account to be held directly at a mutual fund company.

**NOTE!** In order to open a direct mutual fund account, it must fall under one of the exemptions listed in [MMLIS Bulletin 2022-11](#).

This guide describes features and requirements for all direct mutual fund account registration types, which can be divided into two categories:

- Registration types that **are** eligible for creation with the Account Opening tool in Client360° ("MSA Eligible")
- Registration types that **are not** eligible for creation with the Account Opening tool in Client360° ("MSA In-Eligible")

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# Mutual Fund New Business Submission

## MSA-Eligible Registration Requirements

New accounts that are **Master Services Agreement** (MSA) eligible can be created within the Account Opening tool, which is accessible via Client360°. The MSA allows the client to pre-authorize their agreement to open a new account. It contains the client information.

To determine which product lines and registration types are MSA eligible, refer to the [MSA Eligible Product Lines and Registration Types Reference Guide](#).

To learn more about how to access and use the Account Opening tool in Client360°, refer to the [Open New Accounts Using the Account Opening Tool Reference Guide](#).

## Mutual Fund Account Requirements

The following are required to open a direct mutual fund account via the Account Opening tool:

- Fund company application
- The **Master Services Agreement (MF1059)** (If not already on file)
- The **Transaction Detail Form (MI1349)**

Each of these documents needs a client signature.

The checklist below may be used to determine whether all necessary forms have been included when opening an MSA eligible account to be held directly at a mutual fund company.

- RightBRIDGE should be kept in client file and not submitted to home office.
- The table below represents registration types which could be supported through the Account Opening tool and is not a representation that the registration is approved for use directly with a mutual fund company. [This article](#) clarifies any carveouts to the prohibition on new direct mutual fund accounts.

# Mutual Fund New Business Submission

## MSA ELIGIBLE MUTUAL FUND FORM CHECKLIST

	All Funds, Plans, and Accounts	A-Share Purchases	C-Share Mutual Funds	529 Plans	ABLE** Accounts	POA on the Account	All Retail Client Cases	RightBRIDGE yellow rationale
Fund company application	✓	✓	✓	✓	✓	✓	✓	✓
Master Services Agreement (if MSA eligible)	✓	✓	✓	✓	✓	✓	✓	✓
Transactional Detail Form (TDF) (MI1349)	✓	✓	✓	✓	✓	✓	✓	✓
Break Point Worksheet (MF1260)		✓						
Share Class Disclosure Form (MF1261)			✓					
FINRA Expense Analyzer			✓					
Addendum for 529 Plans and ABLE Accounts (MF1301)				✓	✓			
Copy of POA legal document						✓		
RightBRIDGE Product Profiler							✓*	

\* Required to be run, and kept in the client file

\*\* There is no option in the Account Opening tool for the ABLE registration. To register for an ABLE account, select the **529** registration type.

# Mutual Fund New Business Submission

## MSA Ineligible Registration Requirements

Certain registration types are not supported by the Master Services Agreement (MSA) and therefore cannot be opened via the Account Opening tool via Client360°. In order to open an account for one of these registration types, please complete and submit the required documents listed below to the MMLIS home office.

To determine which product lines and registration types are MSA eligible, refer to the [MSA Eligible Product Lines and Registration Types Reference Guide](#).

## Mutual Fund Account Requirements

The following are required to open an MSA ineligible mutual fund account:

- Fund company application
- **Transactional Detail Form (TDF) (MI1349)**
- **Investor Account Form (IAF)(F6017)**
  - For new accounts owned by an entity and under an entity's tax ID number, in lieu of the **Investor Account Form (F6017)**, use the **Investor Account Form for Entities (MF1325)**.

**Note:** IAF and TDF are included in the **Direct Business New Account Kit (MI1223)**.

Each of these documents needs a client signature.

# Mutual Fund New Business Submission

The checklist below may be used to determine whether all necessary forms have been included when opening an MSA ineligible account to be held directly at a mutual fund company:

## MSA INELIGIBLE MUTUAL FUND FORM CHECKLIST

	All Funds, Plans, and Accounts	A-Share Purchases	C-Share Mutual Funds	529 Plans	ABLE Accounts	POA on the Account	All Retail Client Cases	RightBRIDGE sheet is yellow
Fund company application	✓	✓	✓	✓	✓	✓	✓	✓
<b>Investor Account Form (IAF) (F6017) or IAF Form for Entities (MF1325)</b>	✓	✓	✓	✓	✓	✓	✓	✓
<b>Transactional Detail Form (TDF) (MI1349)</b>	✓	✓	✓	✓	✓	✓	✓	✓
<b>Break Point Worksheet (MF1260)</b>		✓						
<b>Share Class Disclosure Form (MF1261)</b>			✓					
<b>Addendum for 529 Plans and ABLE Accounts (MF1301)</b>				✓	✓			
Copy of the POA legal document						✓		
<b>RightBRIDGE Product Profiler</b>							✓*	

\* Required to be run and kept in the client file

# Mutual Fund New Business Submission

## Additional Forms Required by Registration Type

Additional forms and documents may be required to open an MSA-eligible or MSA-ineligible direct mutual fund account, based on registration type:

### ADDITIONAL FORMS REQUIRED BY REGISTRATION TYPE

Form	Additional Requirements
<p><b>Break Point Worksheet (MF1260)</b></p>	<p>The <b>Break Point Worksheet</b> is required for all A-share purchases if there are any holdings, letters of intent, or breakpoint discounts disclosed.</p> <p>A separate <b>Break Point Worksheet</b> must be maintained for each fund family in which the client purchases Class A shares. The form must be signed by the representative and client, and then reviewed by a supervisor.</p>
<p><b>Share Class Disclosure Form (MF1261)</b></p>	<p>The <b>Share Class Disclosure Form</b> is required if the client purchases C-share mutual funds with an intermediate (6-10 years) or long-term (more than 10 years) investment time horizon.</p> <p>Note that C-share purchases are not allowed if ANY of the four following statements is true:</p> <ul style="list-style-type: none"> <li>• The account is an employer-sponsored retirement plan.</li> <li>• The mutual fund does not auto-convert the fund to either A or F shares in at least 10 years. A listing of the current mutual fund companies that auto convert is located on FieldNet, under Fund Families Approved for C-Share Purchases in Non-ERISA.</li> <li>• The trade would cause the client's household to meet or exceed \$500,000 in total C-share holdings.</li> <li>• The trade could have been placed in A shares at the \$500,000 breakpoint discount or better.</li> </ul> <p>Note that purchases of B-share mutual funds are not allowed in any direct mutual fund account.</p> <p>The <b>FINRA Expense Analyzer</b> must be submitted with the <b>Share Class Disclosure Form</b>.</p> <ul style="list-style-type: none"> <li>• If C shares are being selected over A shares, the FINRA Expense Analyzer should be submitted in order to document that the C share is less expensive</li> </ul>
<p><b>Addendum for 529 Plans and ABLE Accounts (MF1301)</b></p>	<p>The <b>Addendum for 529 Plans and ABLE Accounts</b> is required for 529 plan accounts and ABLE accounts.</p>

# Mutual Fund New Business Submission

Form	Additional Requirements
Copy of the POA legal document	<p>The POA legal document is required only if a Power of Attorney (POA) will be on the account.</p> <p><b>Note:</b> For 529 Plans, certified letters of guardianship/conservatorship may replace POA.</p>
<b>RightBRIDGE Product Profiler</b> (Retail Clients)	The <b>RightBRIDGE Product Profiler</b> (for retail cases) - Required to be run and kept in the client file.
<b>RightBRIDGE yellow rationale</b>	<p><b>If the proposed product and/or plan is Yellow</b>, you must document a comprehensive rationale for the recommendation in the Rationale section of the Transactional Detail Form or the CRIA Asset Transition Form.</p> <p>The Rationale should answer the following questions. The level of detail in the answers should be commensurate with the complexity of the recommendation and/or the client's financial situation:</p> <ul style="list-style-type: none"> <li>• Why is the recommendation in the client's best interest?</li> <li>• Why was this product or solution recommended over any GREEN or higher listed product categories, and what is the advantage the customer will gain by moving into this product?</li> <li>• How does this/these recommended product(s) fit into the client's overall long-term financial strategy?</li> <li>• Were any alternative products or solutions reviewed or recommended with the client?</li> <li>• List any less complex or less costly products that were considered.</li> <li>• Why were these alternative solutions not selected by the client?</li> <li>• What other products, if any, are you recommending as part of the overall solution?</li> <li>• If the client currently holds a same or similar product to what you are recommending, why is purchasing a new product a better option than contributing to their existing product or account?</li> <li>• What due diligence was performed to determine that this product type was a better option, based on client needs?</li> </ul>
<b>Certificate of Corporate Resolution (MF1166)</b>	C or S Corporation registrations
<b>Resolution of the Governing Body (MF1320)</b>	Endowment/Foundation registrations
Letters of testamentary or copy of legal documents from the court, appointing an executor of the estate	Estate registration

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Form	Additional Requirements
Legal documents from a court appointing a guardian or conservator that are dated within 60 days	Guardian/Conservator registrations
<b>Entity Certification Form (MF1255)</b>	Limited Liability Company (LLC), Municipality, and Partnership registrations
<b>Resolution of the Governing Body (MF1320)</b> (If the non-profit organization is incorporated, refer to the corporation requirements above)	Non-profit Organization registration
Copy of the durable POA document	Power of Attorney registration
Certification of Trust, for a testamentary trust, a copy of a will that references the establishment of the trust and trustees is also acceptable	Trust – Testamentary or Living registrations
<b>Resolution of the Governing Body (MF1320)</b>	Unincorporated Association registration

# Mutual Fund New Business Submission

## Retirement Plan Form Requirements

All retirement plans are MSA ineligible. The following forms are required to establish a retirement plan:

	Individual 401K	ERISA Retirement Plan	Non-ERISA Retirement Plan	MassMutual Plan Fiduciary Service Program
Fund company application	✓	✓	✓	✓
<b>Investor Account Form (IAF) (F6017)</b>	✓			
<b>Transactional Detail Form (TDF) (MI1349)</b>	✓			
<b>ERISA Retirement Plan Submission Package (MF1029)</b>		✓		
<b>Retirement Plan Submission Package (MF1062)</b>			✓	
<b>MassMutual Plan Fiduciary Program Submission Package (MF1064)</b>				✓

### Individual 401(k)

- Fund company application
- **Transactional Detail Form (TDF) (MI1349)**
- **Investor Account Form (IAF) (F6017)**
  - For new accounts owned by an entity and under an entity's tax ID number, in lieu of the **Investor Account Form (F6017)**, use the **Investor Account Form for Entities (MF1325)**

### ERISA Retirement Plan

- The fund company application
- **ERISA Retirement Plan Submission Package (MF1029)**

# Mutual Fund New Business Submission

## Non-ERISA Retirement Plan

- The fund company application
- **Retirement Plan Submission Package Transmittal (MF1062)**

## MassMutual Plan Fiduciary Service Program

- Fund company application
- **MassMutual Plan Fiduciary Program Submission Package (MF1064)**

## Submission Methods

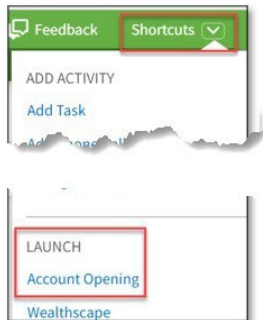
The process used for creating a new account depends on whether or not the registration type is eligible for the Account Opening tool.

### Submission Method for MSA Eligible Registration Types

The Account Opening tool is an Advisor360° tool that assists with the account opening process. For mutual fund, retirement, 529, and ABL accounts, the Account Opening tool will enable the creation of new account profiles. If the registration type is Account-Opening-Tool eligible, the new account should be submitted in the Account Opening tool.

To access the Account Opening tool, go to the **Practice360° > Households** tab. Then, select a specific client **Household Name**. A pop-up window will display next to the client **Household Name**. In the **Portfolio** category, select **Account Profile**. Client360° appears. Expand the dropdown to make an **Account/Group** selection, and select **+ Create Account**.

**NOTE!** The Account Opening tool can also be accessed via the **Client360° Beta** new advisor experience. When in a Household, expand the **Shortcuts** dropdown, and select **Account Opening** (in **Launch** section).



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## NOTE!

- There is no option in the Account Opening tool for the ABLE registration. To register for an ABLE account, select the **529** registration type.
- Upon completion of the Account Opening tool, the required MMLIS forms will be generated, with existing information that is filled in automatically. These forms do not need to be completed if they were completed on the provider's website which can vary by carrier and product company.
- To learn more about how to access and use the Account Opening tool, refer to the [Open New Accounts Using the Account Opening Tool Reference Guide](#).

## Submission Method for MSA Ineligible Registration Types

For registration types that are unavailable in the Account Opening tool, obtain the required paperwork from the Advisor360° Forms Library. Complete the paperwork and submit the paperwork to the MMLIS home office. The Home Office will create a new account with a new account number.

For more detailed information about locating, filling out, and uploading forms, please consult the [Forms Library Overview Reference Sheet](#).

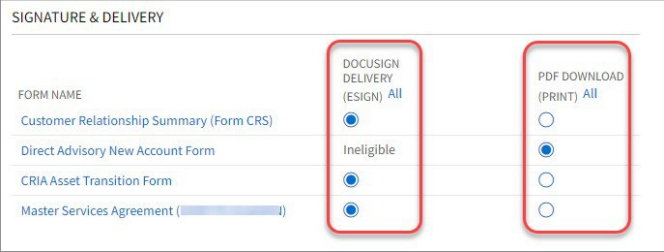
## Completing New Account Paperwork

To complete all required paperwork:

1. Obtain all required forms from the Account Opening tool, or, if unavailable, the Practice360° Forms Library.
  - Verify that you have included the Master Services Agreement
  - RightBRIDGE product profiler report (kept in client file)
    - **If the proposed product and/or plan is Yellow**, you must document a comprehensive rationale for the recommendation in the Rationale section of the Transactional Detail Form or the CRIA Asset Transition Form.
2. Ensure that all required fields on the forms are accurately completed (no missing or incomplete information).
3. If applicable, verify supplemental form requirements are completed (no missing or incomplete information).
4. Ensure that client(s) and financial professional(s) have signed and dated all forms that require signatures.
  - Signatures may be signed electronically via DocuSign or via a "wet signature." Scanned versions of a "wet signature" are acceptable.
  - Signatures must be signed and dated within 60 days of business submission.

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New account paperwork may be submitted to the MML Investors Services (MMLIS) home office in one of the following ways:

<b>Account Opening tool within Client360°</b>	 <p>In the Account Opening tool, go to the <b>Sign &amp; Submit</b> screen. In the <b>Signature &amp; Delivery</b> section, select either <b>DocuSign Delivery (eSign)</b> or <b>PDF Download</b> for delivery of the included forms.</p> <p>For more details, refer to the <a href="#">Open New Accounts Using the Account Opening Tool reference guide.</a></p>
<b>eSignature</b>	For details on submitting via eSignature, refer to the <a href="#">Advisor360° and Electronic Signatures with DocuSign Reference Guide.</a>
<b>Mail</b>	For current contact information for submission, consult the <a href="#">MMLIS Contact List.</a>

For submission information, please refer to the [MMLIS Contact List.](#)

# Mutual Fund New Business Submission

## Viewing the Status

The status of MMLIS new business submissions may be viewed in the **Cases** tab within Practice360°. Upon MMLIS Home Office receipt of the new business paperwork, a case(s) will be created within the Advisor360° Platform. The Cases section includes the home office processing status of the submitted request and notes on any additional information that is needed.

**Tip!** A snapshot showing the last 7 days of case statuses can be viewed in the **Cases** widget available on the Advisor360° Dashboard.

The three case categories include:

Case Category	Description
Work In Progress	All new case submissions that MMLIS Home Office has received and that are in process. Open cases remain in this status until complete.
Follow Up Required	Cases that are NIGO or that cannot be processed until additional information and/or documentation needed to close the case is provided to the MMLIS Home Office. Open cases remain in this category until the information is provided and the case may be closed.
Work Completed	Cases that are fully completed and/or cancelled and closed cases.

To learn more about Cases, refer to the [Practice360° Cases Reference Guide](#).