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DECREE
of Národná banka Slovenska
of 26 July 2011
on details concerning information to be provided to unit-holders
in respect of a merger of common funds

In accordance with Article 21(7) of Act No 203/2011 Coll. on Collective Investment (hereinafter referred to as "the Act"), Národná banka Slovenska stipulates as follows:

Article 1

**Details concerning the information to be provided in accordance with
Article 21(2)(b) of the Act**

(1) The information to be provided in accordance with Article 21(2)(b) of the Act to unit-holders of the merging fund shall also include:

- a) details of any differences in the rights of unit-holders of the merging fund before and after the proposed merger takes effect;
- b) if the key investor information (pursuant to Articles 153 to 156 of the Act) of the merging fund and the receiving fund show synthetic risk¹ and reward indicators in different categories, or identify different material risks in the accompanying narrative, a comparison of those differences;²
- c) a comparison of all charges, fees and expenses for the merging fund and the receiving fund, based on the amounts disclosed in their respective key investor information;
- d) if the merging fund applies a performance-related fee, an explanation of how it will be applied up to the point at which the merger becomes effective;
- e) if the receiving fund applies a performance-related fee, an explanation of how it will be applied, after the merger becomes effective, to ensure fair treatment of those unit-holders who previously held units in the merging fund;
- f) in cases where the law of the home Member State permits costs associated with the preparation and the completion of the merger to be charged to either the merging or the receiving fund or any of their unit-holders, details of how those costs are to be allocated;
- g) an explanation of whether the management company of the merging fund intends to undertake any rebalancing of the fund's asset portfolio before the merger takes effect.

¹ Article 8 of Commission Regulation (EU) No 583/2010 of July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards key investor information and conditions to be met when providing key investor information or the prospectus in a durable medium other than paper or by means of a website (OJ L 176, 10.7.2010)

² Article 8(1)(b) of Commission Regulation (EU) No 583/2010.

(2) Information provided to unit-holders of the receiving fund in accordance with Article 21(2)(b) of the Act shall include an explanation of whether the management company of the receiving fund expects the merger to have any material impact on the asset portfolio of the receiving fund, and whether it intends to undertake any rebalancing of the portfolio either before or after the merger takes effect.

Article 2
Details concerning the information to be provided in accordance with
Article 21(2)(c) of the Act

(1) The information to be provided in accordance with Article 21(2)(c) of the Act to unit-holders of the merging fund and unit-holders of the receiving fund shall also include:

- a) details of how any accrued income in the merging fund or receiving fund is to be treated;
- b) an indication of how the report of the independent auditor or depositary referred to in Article 20(8) of the Act may be obtained.

(2) If the terms of the proposed merger include provisions for a cash payment in accordance with Article 19(1)(a) or (b) of the Act, the information provided under Article 21(2)(c) of the Act to unit-holders of the merging fund shall contain details of that proposed payment, including when and how unit-holders of the merging fund will receive the cash payment.

Article 3
Details concerning the information to be provided in accordance with
Article 21(2)(d) of the Act

(1) The information to be provided in accordance with Article 21(2)(d) of the Act to unit-holders of the merging fund and unit-holders of the receiving fund shall also include:

- a) where the fund rules of the merging fund or receiving fund require that the merger be approved by the unit-holders of the respective fund, the details of the procedure by which unit-holders will be asked to approve the merger proposal, and what arrangements will be made to inform them of the outcome;
- b) the details of any intended suspension of dealing in units to enable the merger to be carried out efficiently;
- c) the date on which the merger will take effect.

(2) The information to be provided in accordance with Article 21(2)(d) of the Act to unit-holders of the merging fund shall also include:

- a) the period during which the unit-holders shall be able to continue making subscriptions and requesting redemptions of units in the merging fund;
- b) the time when those unit-holders not exercising their rights granted pursuant to Article 23 of the Act, within the time limit stated in letter (a), shall be able to exercise their rights as unit-holders of the receiving fund;

c) in cases where the fund rules of the merging fund require that the merger be approved by the unit-holders of the merging fund and the merger proposal is approved by the necessary majority, an explanation that those unit-holders who vote against the proposal or who do not vote at all, and who do not exercise their rights granted pursuant to Article 23 of the Act within the time limit stated in letter (a), shall become unit-holders of the receiving fund.

Common and final provisions

Article 4

In respect of a merger of common funds, if a summary of the key points of the merger proposal is included at the beginning of the information document provided in accordance with Article 21(1) of the Act to the relevant unit-holders, the summary must cross-refer to the parts of the information document where further information is provided, in order to enable unit-holders to make an informed judgement about the merger.

Article 5

This Decree transposes certain provisions of the legally binding act of the European Union specified in the Annex hereto.

Article 6

The Decree shall enter into force on 15 August 2011.

Jozef Makúch
Governor of Národná banka Slovenska

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Annex to Decree No 5/2011 of Národná banka Slovenska

LIST OF TRANSPOSED LEGALLY-BINDING ACTS OF THE EUROPEAN UNION

Commission Directive 2010/44/EU of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards certain provisions concerning fund mergers, master-feeder structures and notification procedure (OJ L 176, 10.7.2010).